IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (1) QUALIFIED INSTITUTIONAL BUYERS (**"QIBs"**) WITHIN THE MEANING OF RULE 144A (**"RULE 144A"**) UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **"U.S. SECURITIES ACT"**), OR (2) NON-U.S. PERSONS OUTSIDE THE UNITED STATES PURCHASING THE SECURITIES IN RELIANCE ON REGULATION S (**"REGULATION S"**) UNDER THE U.S. SECURITIES ACT (AND, IF INVESTORS ARE RESIDENT IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (**"EEA"**) OR THE UNITED KINGDOM, NOT A RETAIL INVESTOR (AS DEFINED BELOW)).

IMPORTANT: *You must read the following before continuing*. The following applies to the offering memorandum (the "**Offering Memorandum**") following this notice, whether received by email or otherwise received as a result of electronic communication. You are therefore advised to read this carefully before reading, accessing or making any other use of the Offering Memorandum. In accessing the Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from the Issuer or any Initial Purchaser (in each case as defined in the Offering Memorandum) as a result of such access.

The Offering Memorandum has been prepared in connection with the offer and sale of the notes (the "**Notes**") described therein (the "**Offering**"). The Offering Memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE FOLLOWING OFFERING MEMORANDUM MAY NOT BE PUBLISHED, FORWARDED, DISTRIBUTED OR OTHERWISE MADE AVAILABLE IN WHOLE OR IN PART TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORIZED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE NOTES DESCRIBED HEREIN.

Confirmation of your representation: In order to be eligible to view the Offering Memorandum or make an investment decision with respect to the securities, investors must be either (1) QIBs or (2) non-U.S. persons purchasing the securities outside the United States in reliance on Regulation S; *provided* that investors resident in a Member State of the EEA or the United Kingdom are not a retail investor (as defined below). The Offering Memorandum is being sent at your request. By accepting the e-mail and accessing the Offering Memorandum, you shall be deemed to have represented to the Issuer and the Initial Purchasers that:

(1) you consent to delivery of such Offering Memorandum by electronic transmission,

(2) you and any customers you represent are either:

   (a) QIBs; or

   (b) non-U.S. persons outside the United States and the e-mail address that you provided and to which the Offering Memorandum has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any State of the United States or the District of Columbia; and

(3) if you are resident in a Member State of the EEA or the United Kingdom, you are not a retail investor (as defined below).

Prospective purchasers that are QIBs are hereby notified that the seller of the securities will be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act pursuant to Rule 144A.

You are reminded that the Offering Memorandum has been delivered to you on the basis that you are a person into whose possession the Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located, and you may not, nor are you authorized to, deliver the Offering Memorandum to any other person.

The materials relating to the Offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where such offers or solicitations are not permitted by law. If a jurisdiction requires that the Offering be made by a licensed broker or dealer and the Initial Purchasers or any affiliate of the Initial Purchasers is a licensed broker or dealer in that jurisdiction, the Offering shall be deemed to be made by the Initial Purchasers or such affiliate on behalf of the Issuer in such jurisdiction.

Under no circumstances shall the Offering Memorandum constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") or the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or the United Kingdom has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or the United Kingdom may be unlawful under the PRIIPs Regulation. This Offering Memorandum has been prepared on the basis that any offer of the Notes in any member state of the EEA or in the United Kingdom will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of notes. This Offering Memorandum is not a prospectus for the purposes of the Prospectus Regulation.

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

The Offering Memorandum is not being distributed, nor has it been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**") by an authorized person under the FSMA. The Offering Memorandum is for distribution only to, and is only directed at, persons who are "qualified investors" (as defined in the Prospectus Regulation) who are (i) persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) outside the United Kingdom, or (iv) persons to whom it would otherwise be lawful to distribute it, all such persons together being referred to as "relevant persons." The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes will be engaged in only with, relevant persons. The Offering Memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by any recipients to any other person in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this Offering Memorandum or its contents. The Notes are not being offered to the public in the United Kingdom.

The Offering Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission, and consequently none of the Initial Purchasers, or any person who controls any of the Initial Purchasers, or any of their directors, officers, employees or agents accepts any liability or responsibility whatsoever in respect of any difference between the Offering Memorandum distributed to you in electronic format and the hard copy version available to you on request from the Initial Purchasers.

Offering Memorandum

Not for general circulation in the United States
Strictly confidential

Q-Park Holding I B.V.

€1,455,000,000 Senior Secured Notes
In combination of:
€425,000,000 1.500% Senior Secured Fixed Rate Notes due 2025
€630,000,000 2.000% Senior Secured Fixed Rate Notes due 2027
€400,000,000 Senior Secured Floating Rate Notes due 2026

Issue price for 2025 Senior Secured Fixed Rate Notes: 100.000% plus accrued interest, if any, from and including the Issue Date
Issue price for 2027 Senior Secured Fixed Rate Notes: 100.000% plus accrued interest, if any, from and including the Issue Date
Issue price for 2026 Senior Secured Floating Rate Notes: 100.000% plus accrued interest, if any, from and including the Issue Date

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Q-Park Holding I B.V. (the "**Issuer**") is offering (the "**Offering**") €425,000,000 aggregate principal amount of its 1.500% Senior Secured Fixed Rate Notes due 2025 (the "**2025 Senior Secured Fixed Rate Notes**"), €630,000,000 aggregate principal amount of its 2.000% Senior Secured Fixed Rate Notes due 2027 (the "**2027 Senior Secured Fixed Rate Notes**") and €400,000,000 aggregate principal amount of its Senior Secured Floating Rate Notes due 2026 (the "**2026 Senior Secured Floating Rate Notes**"). The 2025 Senior Secured Fixed Rate Notes and the 2027 Senior Secured Fixed Rate Notes are herein referred to as the "**Senior Secured Fixed Rate Notes**." The Senior Secured Fixed Rate Notes and the 2026 Senior Secured Floating Rate Notes are herein referred to as the "**Notes**."

The proceeds from the offering of the Notes will be used to (i) repay and cancel our Existing Facilities (as defined herein), (ii) repay a portion of existing shareholder loans, and (iii) pay fees, costs and expenses incurred in connection with the foregoing. See "*Use of Proceeds*."

The Issuer will pay interest on the Senior Secured Fixed Rate Notes semi-annually in arrear on each March 1 and September 1, commencing on September 1, 2020. The Issuer will pay interest on the 2026 Senior Secured Floating Rate Notes at a rate equal to the sum of (i) three-month EURIBOR (with a 0% floor), plus (ii) 2.000% per annum, reset quarterly. The Issuer will pay interest on the 2026 Senior Secured Floating Rate Notes quarterly in arrear on March 1, June 1, September 1 and December 1 of each year, commencing on June 1, 2020. The 2025 Senior Secured Fixed Rate Notes will mature on March 1, 2025. The 2027 Senior Secured Fixed Rate Notes will mature on March 1, 2027. The 2026 Senior Secured Floating Rate Notes will mature on March 1, 2026.

The Issuer may redeem some or all of the 2025 Senior Secured Fixed Rate Notes on or after March 1, 2022, at the applicable redemption prices set out in this offering memorandum (this "**Offering Memorandum**"), plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of redemption. Prior to March 1, 2022, the Issuer may redeem some or all of the 2025 Senior Secured Fixed Rate Notes at a price equal to 100% of the principal amount of the 2025 Senior Secured Fixed Rate Notes redeemed, plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of redemption, plus the applicable "make whole" premium, as described in this Offering Memorandum. In addition, prior to March 1, 2022, the Issuer may redeem up to 40% of the original aggregate principal amount of the 2025 Senior Secured Fixed Rate Notes at the applicable redemption price specified in this Offering Memorandum with the net cash proceeds from certain equity offerings, plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of redemption; *provided* that at least 50% of the original aggregate principal amount of the 2025 Senior Secured Fixed Rate Notes remains outstanding immediately after the redemption.

The Issuer may redeem some or all of the 2027 Senior Secured Fixed Rate Notes on or after March 1, 2023, at the applicable redemption prices set out in this Offering Memorandum, plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of redemption. Prior to March 1, 2023, the Issuer may redeem some or all of the 2027 Senior Secured Fixed Rate Notes at a price equal to 100% of the principal amount of the 2027 Senior Secured Fixed Rate Notes redeemed, plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of redemption, plus the applicable "make whole" premium, as described in this Offering Memorandum. In addition, prior to March 1, 2023, the Issuer may redeem up to 40% of the original aggregate principal amount of the 2027 Senior Secured Fixed Rate Notes at the applicable redemption price specified in this Offering Memorandum with the net cash proceeds from certain equity offerings, plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of redemption; *provided* that at least 50% of the original aggregate principal amount of the 2027 Senior Secured Fixed Rate Notes remains outstanding after the redemption.

In addition, at any time prior to March 1, 2023, the Issuer may, during each twelve month period commencing from the Issue Date (as defined herein), redeem up to 10% of the aggregate principal amount of the 2027 Senior Secured Fixed Rate Notes (calculated after giving effect to the issuance of any additional 2027 Senior Secured Fixed Rate Notes) at a redemption price equal to 103% of the principal amount redeemed, plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of redemption.

The Issuer may redeem some or all of the 2026 Senior Secured Floating Rate Notes on or after March 1, 2021, at the applicable redemption price set out in this Offering Memorandum, plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of redemption. Prior to March 1, 2021, the Issuer may redeem some or all of the 2026 Senior Secured Floating Rate Notes at a price equal to 100% of the principal amount of the 2026 Senior Secured Floating Rate Notes redeemed, plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of redemption, plus the applicable "make whole" premium, as described in this Offering Memorandum.

Further, the Issuer may redeem all, but not part, of the Notes at a price equal to 100% of the principal amount plus accrued and unpaid interest and additional amounts, if any, upon the occurrence of certain changes in applicable tax law. Upon certain events defined as constituting a change of control, the Issuer may be required to offer to redeem the Notes at 101% of the principal amount redeemed, plus accrued and unpaid interest and additional amounts, if any. A change of control, however, will not be deemed to have occurred if a specified consolidated total net leverage ratio is not exceeded in connection with such event. In addition, in connection with certain tender offers for the Notes, if holders of not less than 90% in aggregate principal amount of the applicable outstanding series of Notes validly tender and do not withdraw such Notes in such tender offer and the Issuer, or any third party making such a tender offer in lieu of the Issuer, purchases all of the Notes validly tendered and not withdrawn by such holders, the Issuer or such third party will have the right to redeem the Notes that remain outstanding in whole, but not in part, following such purchase at a price equal to the price offered to each other holder of the Notes. See "*Description of the Notes—Optional Redemption*."

The Notes will be senior secured obligations of the Issuer and will be guaranteed (the "**Guarantees**") on a senior secured basis (i) as of the Issue Date, by Q-Park Holding B.V. (the "**Parent**"), Q Park B.V., Q-Park Real Estate Holding B.V. and Q-Park Operations Holding B.V. (together the "**Initial Guarantors**") and (ii) within 120 days of the Issue Date, by Q-Park France SAS, Q-Park France Holding SAS, Q-Park Real Estate Germany GmbH, Q-Park Operations Germany GmbH & Co. KG, Q-Park Operations Netherlands B.V., Q-Park Real Estate Netherlands B.V., Q-Park Duitsland B.V., Q-Park Limited, Universal Parking Limited, Q-Park UK Limited, Q-Park (Taunton) Limited and Q-Park Securities Limited (collectively, the "**Additional Guarantors**" and together with the Initial Guarantors, the "**Guarantors**"). Subject to the operation of the Agreed Security Principles (as defined herein), certain perfection requirements and any Permitted Collateral Liens (as defined herein), the Notes will be secured (i) within five business days of the Issue Date, by first-ranking security interests over (a) certain bank accounts of the Issuer and the Parent, (b) intercompany receivables owing to the Parent from the Issuer and (c) shares of capital stock of the Issuer and Q Park B.V. (the "**Initial Collateral**") and (ii) within 120 days of the Issue Date, by first-ranking security interests over shares of capital stock (or partnership interests, as applicable) of the other Initial Guarantors (other than the Parent) and the Additional Guarantors, as well as Q-Park Verwaltungs GmbH, the general partner of Q-Park Operations Germany GmbH & Co. KG (the "**Additional Collateral**" and, together with the Initial Collateral, the "**Collateral**"). See "*Description of the Notes—Security*." Under the terms of the Intercreditor Agreement (as defined herein), lenders under the Revolving Credit Facility (as defined herein), any Operating Facilities (as defined herein) and counterparties to certain hedging obligations will receive proceeds from the enforcement of the Collateral in priority to holders of the Notes. See "*Summary—The Offering—Collateral*."

This Offering Memorandum includes information on the terms of the Notes and the Guarantees, including redemption and repurchase prices, security, covenants and transfer restrictions.

There is currently no public market for the Notes. Application will be made to The International Stock Exchange Authority Limited (the "**Authority**") for the listing of the Notes on the Official List of The International Stock Exchange (the "**Exchange**") and admission to trade on the Exchange. There can be no assurances that the Notes will be listed on the Official List of the Exchange, that such permission to deal in the Notes will be granted, or that such listing will be maintained.

See *"Risk Factors"* beginning on page 42 for a discussion of certain risks that you should consider in connection with an investment in the Notes.

The Notes and the Guarantees have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States or any other jurisdiction. Accordingly, the Notes are being offered and sold in the United States only to "qualified institutional buyers" in accordance with Rule 144A under the U.S. Securities Act and outside the United States to non-U.S. persons in accordance with Regulation S under the U.S. Securities Act. Prospective purchasers of the Notes that are qualified institutional buyers are hereby notified that the seller may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A. For further details about eligible offerees and resale restrictions, see *"Notice to Investors—Notice to U.S. Investors"* and *"Transfer Restrictions."*

The Notes will be issued in the form of global notes in registered form. See "*Book-Entry; Delivery and Form*." The Notes will be issued in denominations of €100,000 and in integral multiples of €1,000 in excess thereof. The Notes are expected to be delivered to investors in book-entry form through Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**") on or about February 13, 2020 (the "**Issue Date**").

Joint Global Coordinators and Bookrunners

J.P. Morgan **BofA Securities** **KKR**

Joint Bookrunners

ABN AMRO **ING** **NatWest Markets** **Rabobank**

Co-Manager

ICBC

February 6, 2020

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IMPORTANT INFORMATION

You should rely only on the information contained in this Offering Memorandum. The Issuer and the Guarantors have not, and J.P. Morgan Securities plc, Merrill Lynch International, KKR Capital Markets Limited, ABN AMRO Bank N.V., ING Bank N.V., London Branch, NatWest Markets Plc, Coöperatieve Rabobank U.A. and ICBC Standard Bank Plc (together, the "**Initial Purchasers**") have not, authorized anyone to provide prospective investors with information that is different from the information contained herein, and you should not rely on any such other information. You should not assume that the information contained in this Offering Memorandum is accurate as of any date other than the date on the front of this Offering Memorandum. Our business, financial condition and results of operations may have changed since the relevant date.

None of the Issuer, the Guarantors or the Initial Purchasers are making an offer of the Notes in any jurisdiction where such offer is not permitted.

In making an investment decision regarding the Notes offered by this Offering Memorandum, you must rely on your own examination of our business and the terms of the Offering, including the merits and risks involved. Any decision to purchase Notes in the Offering must be based on the information contained in this Offering Memorandum.

You are not to construe the contents of this Offering Memorandum as investment, legal or tax advice. You should consult your own counsel, accountants and other advisors as to legal, tax, business, financial and related aspects of a purchase of the Notes. None of the Issuer, the Guarantors or the Initial Purchasers is making any representation to you regarding the legality of an investment in the Notes by you under applicable legal investment or similar laws.

No representation or warranty, express or implied, is made by the Initial Purchasers or by any of the Trustee, the Paying Agent, the Calculation Agent, the Transfer Agent and the Registrar (together, the "**Agents**") or their respective directors, affiliates, advisors and agents as to the accuracy or completeness of any of the information set out in this Offering Memorandum, and nothing contained in this Offering Memorandum is, or shall be relied upon as, a promise or representation by the Initial Purchasers, the Agents or their respective directors, affiliates, advisors and agents, whether as to the past or the future. By receiving this Offering Memorandum, you acknowledge that you have not relied on the Initial Purchasers, the Agents or their respective directors, affiliates, advisors and agents in connection with your investigation of the accuracy of this information or your decision whether to invest in the Notes.

The information contained in this Offering Memorandum has been furnished by us and other sources we believe to be reliable. None of the Issuer, the Guarantors, the Initial Purchasers or the Agents represents that the information in this Offering Memorandum is complete. We will make copies of certain actual documents available to you upon request. See "*Available Information.*"

No person is authorized in connection with any offering made by this Offering Memorandum to give any information or to make any representation not contained in this Offering Memorandum and, if given or made, any other information or representation must not be relied upon as having been authorized by the Issuer, the Guarantors or the Initial Purchasers. The information contained in this Offering Memorandum is accurate as of the date hereof. Neither the delivery of this Offering Memorandum at any time nor any subsequent commitment to purchase the Notes shall, under any circumstances, create any implication that there has been no change in the information set forth in this Offering Memorandum or in the business of the Issuer or the Guarantors since the date of this Offering Memorandum.

The Issuer is making this Offering subject to the terms described in this Offering Memorandum and the purchase agreement relating to the Notes (the "**Purchase Agreement**"). The Issuer and the Initial Purchasers each reserve the right to reject any commitment to subscribe for the Notes in whole or in part and to allot to any prospective investor less than the full amount of the Notes sought by such investor. The Initial Purchasers and certain of their related entities may acquire, for their own accounts, a portion of the Notes.

The Issuer is offering the Notes, and the Guarantors are issuing the Guarantees, in reliance on an exemption from registration under the U.S. Securities Act for an offer and sale of securities that does not involve a public offering. If you purchase the Notes, you will be deemed to have made certain acknowledgements, representations and warranties as detailed under "*Notice to Investors—Notice to U.S. Investors.*" You may be required to bear the financial risk of an investment in the Notes for an indefinite period.

The distribution of this Offering Memorandum and the offer and sale of the Notes are restricted by law in some jurisdictions. This Offering Memorandum does not constitute an offer to sell or an invitation to subscribe for or purchase any of the Notes in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. Each prospective offeree or purchaser of the Notes must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells the Notes or possesses or distributes this Offering Memorandum, and must obtain any consent, approval or permission required under any regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and neither the Issuer nor the Initial Purchasers shall have any responsibility to make any such consents, approvals or permissions. See "*Notice to Investors,*" "*Plan of Distribution*" and "*Transfer Restrictions.*"

You agree that you will hold the information contained in this Offering Memorandum and the transactions contemplated hereby in confidence. You may not distribute this Offering Memorandum to any person, other than a person retained to advise you in connection with the purchase of the Notes.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN RECOMMENDED BY ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Application will be made to the Authority for the listing of the Notes on the Exchange, and we intend to submit this Offering Memorandum to the competent authorities in connection with the listing application. There can be no assurances that the Notes will be listed on the Official List of the Exchange. In the course of any review by the competent authority, we may be requested to make changes to the financial and other information included in this Offering Memorandum in producing listing particulars for such listing. Comments by the competent authority may require significant modification or reformulation of information contained in this Offering Memorandum or may require the inclusion of additional information. We may also be required to update the information in this Offering Memorandum to reflect changes in our business, financial condition or results of operations and prospects. We cannot guarantee that our application for admission of the Notes on the Exchange will be approved and settlement of the Notes is not conditioned on obtaining this listing. Any investor or potential investor should not base any investment decision relating to the Notes after publication of the listing particulars on the information contained in this Offering Memorandum and should refer instead to those listing particulars. This Offering Memorandum may be used only for the purposes for which it has been published.

The Issuer and the Guarantors accept responsibility for the information contained in this Offering Memorandum. The Issuer and the Guarantors have made all reasonable inquiries and confirm to the best of their knowledge, information and belief that the information contained in this Offering Memorandum with regard to each of them, their respective subsidiaries and affiliates, and the Notes is true and accurate in all material respects; that the opinions and intentions expressed in this Offering Memorandum are honestly held; and that they are not aware of any other facts the omission of which would make this Offering Memorandum or any statement contained herein misleading in any material respect.

The information contained under "*Exchange Rate and Currency Information*" includes extracts from information and data publicly released by official and other sources. While each of the Issuer and the Guarantors accepts responsibility for accurately summarizing the information concerning exchange rate information, neither the Issuer nor the Guarantors accept any further responsibility in respect of such information. The information set out in those sections of the Offering Memorandum describing clearing and settlement, including the section entitled "*Book-Entry; Delivery and Form,*" is subject to any change or reinterpretation of the rules, regulations and procedures of Euroclear and Clearstream currently in effect. Investors wishing to use these clearing systems are advised to confirm the continued applicability of their rules, regulations and procedures. None of the Issuer nor the Guarantors will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, book-entry interests held through the facilities of any clearing system or for maintaining, supervising or reviewing any records relating to such book-entry interests.

In connection with this new issue of Notes, the Initial Purchasers do not act for or provide services, including providing any advice, in relation to this new issue of Notes to any person other than the Issuer. The Initial Purchasers will not regard any person other than the Issuer, including actual or prospective holders of the Notes, as their client in relation to this new issue of Notes. Accordingly, the Initial Purchasers will not be responsible to anyone other than the Issuer for providing the protections (regulatory or otherwise) afforded to their clients.

NOTICE TO INVESTORS

Notice to U.S. Investors

This Offering is being made in the United States in reliance upon an exemption from registration under the U.S. Securities Act for an offer and sale of the Notes which does not involve a public offering. In making your purchase, you will be deemed to have made certain acknowledgements, representations and agreements. See "*Transfer Restrictions.*"

This Offering Memorandum is being provided (1) to a limited number of U.S. investors that the Issuer reasonably believes to be "qualified institutional buyers" under Rule 144A for informational use solely in connection with their consideration of the purchase of the Notes and (2) to non-U.S. persons outside the U.S. in connection with offshore transactions complying with Rule 903 or Rule 904 of Regulation S. The Notes described in this Offering Memorandum have not been registered with, recommended by or approved by the SEC, any state securities commission in the U.S. or any other securities commission or regulatory authority, nor has the SEC, any state securities commission in the U.S. or any such securities commission or authority passed upon the accuracy or adequacy of this Offering Memorandum. Any representation to the contrary is a criminal offense.

Notice to certain European Investors

European Economic Area

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") or the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or the United Kingdom has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or the United Kingdom may be unlawful under the PRIIPs Regulation. This Offering Memorandum has been prepared on the basis that any offer of the Notes in any member state of the EEA or in the United Kingdom will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of notes. This Offering Memorandum is not a prospectus for the purposes of the Prospectus Regulation.

France

The Notes may only be offered or sold in France and this Offering Memorandum and any offering or marketing materials relating to the Notes may only be made available or distributed in any way in France to qualified investors (*investisseurs qualifiés*) as defined in Article 2(e) of the Prospectus Regulation. Prospective investors are informed that this Offering Memorandum has not been and will not be submitted for clearance to the *Autorité des Marchés Financiers* (AMF) (the French financial market authority).

Federal Republic of Germany

The Offering of the Notes is not a public offering in the Federal Republic of Germany. The Notes may only be offered, sold and acquired in accordance with the provisions of the Prospectus Regulation, German Securities Prospectus Act (*Wertpapierprospektgesetz*), as amended (the "**Securities Prospectus Act**") and any other applicable German law. No application has been made under the Prospectus Regulation to permit a public offer of the Notes in the Federal Republic of Germany. This Offering Memorandum has not been approved for purposes of a public offer of the Notes and accordingly the Notes may not be, and are not being, offered or advertised publicly or by public promotion in the Federal Republic of Germany. Therefore, this Offering Memorandum is strictly for private use and the offer is only being made to recipients to whom the document is personally addressed and does not constitute an offer or advertisement to the public. The Notes will only be available to, and this Offering Memorandum and any other offering material in relation to the Notes is directed only at, persons who are qualified investors (*qualifizierte Anleger*) within the meaning of Article 2(e) of the Prospectus Regulation. Any resale of the Notes in the Federal Republic of Germany may only be made in accordance with the Prospectus Regulation, Securities Prospectus Act and other applicable laws. The Issuer has not, and does not intend to, file a securities prospectus with the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) ("**BaFin**") or obtain a notification to BaFin from another competent authority of a member state of the EEA, with which a securities prospectus may have been filed, pursuant to Article 25(1) of the Prospectus Regulation.

United Kingdom

In the United Kingdom, this Offering Memorandum is being distributed only to, and is directed only at, persons who are "qualified investors" (as defined in the Prospectus Regulation) who are (i) persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) outside the United Kingdom, or (iv) persons to whom it would otherwise be lawful to distribute it, all such persons together being referred to as ("**Relevant Persons**"). The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes will be engaged in only with, Relevant Persons in the United Kingdom. This Offering Memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by any recipients to any other person in the United Kingdom. Any person in the United Kingdom that is not a Relevant Person should not act or rely on this Offering Memorandum or its contents. The Notes are not being offered to the public in the United Kingdom.

Denmark

This Offering Memorandum has not been filed with or approved by the Danish Financial Supervisory Authority or any other regulatory authority in Denmark. The Notes have not been offered or sold and may not be offered, sold or delivered directly or indirectly in Denmark by way of a public offering, unless in compliance with Chapter 6 or Chapter 12 of the Danish Act on Trading in Securities and executive orders issued pursuant thereto as amended from time to time.

Switzerland

This Offering Memorandum, as well as any other material relating to the Notes which are the subject of the offering contemplated by this Offering Memorandum, do not constitute an issue prospectus pursuant to article 652a and/or article 1156 of the Swiss Code of Obligations and may not comply with the Directive for Notes of Foreign Borrowers of the Swiss Bankers Association. Neither the Notes nor the Guarantees will be publicly offered nor listed on the SIX Swiss Exchange Ltd or any other Swiss stock exchange or regulated trading facility and, therefore, the documents relating to the Notes and Guarantees, including, but not limited to, this Offering Memorandum, do not claim to comply with the disclosure standards of the Swiss Code of Obligations and the listing rules of SIX Swiss Exchange Ltd and corresponding prospectus schemes annexed to the listing rules of the SIX Swiss Exchange Ltd or the listing rules of any other Swiss stock exchange or regulated trading facility. The Notes are being offered in Switzerland by way of a private placement (i.e., to a small, limited number of selected investors only), without any public advertisement and only to investors who do not purchase the Notes with the intention to distribute them to the public. The investors will be individually approached directly from time to time. This Offering Memorandum, as well as any other material relating to the Notes, is personal and confidential and does not constitute an offer to any other person. This Offering Memorandum, as well as any other material relating to the Notes, may only be used by those investors to whom it has been handed out in connection with the offering described herein and may neither directly or indirectly be distributed or made available to other persons without the Issuer's express consent. This Offering Memorandum, as well as any other material relating to the Notes, may not be used in connection with any other offer and shall in particular not be copied and/or distributed to the public in (or from) Switzerland.

Notice to certain Canadian investors

The Notes may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as definedin National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal adviser.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Initial Purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this Offering.

THIS OFFERING MEMORANDUM CONTAINS IMPORTANT INFORMATION WHICH YOU SHOULD READ BEFORE YOU MAKE ANY DECISION WITH RESPECT TO AN INVESTMENT IN THE NOTES.

STABILIZATION

IN CONNECTION WITH THE ISSUANCE OF THE NOTES, J.P. MORGAN SECURITIES PLC (THE "**STABILIZING MANAGER**") (OR ANY PERSON ACTING ON BEHALF OF THE STABILIZING MANAGER) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILIZING MANAGER (OR ANY

PERSON ACTING ON BEHALF OF THE STABILIZING MANAGER) WILL UNDERTAKE STABILIZATION ACTION. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES.

FORWARD-LOOKING STATEMENTS

This Offering Memorandum includes forward-looking statements within the meaning of the securities laws of certain applicable jurisdictions. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this Offering Memorandum, including, without limitation, those regarding our intentions, beliefs or current expectations concerning, among other things, our future financial condition and performance, results of operations and liquidity; our strategy, plans, objectives, prospects, growth, goals and targets; future developments in the markets in which we participate or are seeking to participate; and anticipated regulatory changes in the industry in which we operate. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "*aim,*" "*anticipate,*" "*believe,*" "*continue,*" "*could,*" "*estimate,*" "*expect,*" "*forecast,*" "*guidance,*" "*intend,*" "*may,*" "*plan,*" "*project,*" "*should,*" "*will*" or "*would*" or, in each case, their negative, or other variations or comparable terminology.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual financial condition, results of operations and cash flows, and the development of the industry in which we operate, may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements contained in this Offering Memorandum. In addition, even if our financial condition, results of operations and cash flows, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Offering Memorandum, those results or developments may not be indicative of results or developments in subsequent periods. Important risks, uncertainties and other factors that could cause these differences include, but are not limited to, those relating to:

- government expropriation of legally owned and ground lease parking facilities in the public interest;
- potential termination of our long-term parking lease contracts and concessions under public law;
- competition that may constrain our ability to acquire new parking facilities, win and renew long-term parking lease contracts and concessions;
- changes in consumer behavior;
- complaints or litigation from season holders with respect to our long-term parking facilities;
- disruptions and declines in the global economy and financial markets;
- general business and economic conditions that may have a material adverse effect;
- decreases in Total Underlying Revenue or increased operating expenses;
- the tariff rates that we can charge our customers are governed by our long-term contracts or concession agreements and/or certain laws;
- changes in legal and regulatory frameworks;
- financial difficulties of municipalities that grant us long-term contracts;
- certain transfers of facilities are subject to prior approval;
- adverse changes within the micro-markets, where clusters of facilities are concentrated that generate substantial revenues, may have a material adverse effect on our business;
- our ability to maintain our position as a reputable and quality customer;

- risks relating to our acquisition strategy;
- fraud, bribery, corruption and privacy breaches involving our management, employees, business partners or agents;
- the availability and cost of capital and large up-front investments;
- possible failure to carry out construction works of new parking facilities, and we may not recover our investment;
- contractual and other disagreements with awarding entities and counterparties;
- unforeseen maintenance requirements or investments;
- labor disputes and other labor matters;
- failure to stay current with developments in technology necessary for our business;
- failure or interruption of our information technology systems and failure to maintain the integrity of customer data;
- natural disasters, acts of terrorism or other unexpected disruptive events;
- adverse litigation judgments or settlements resulting from legal proceedings in which we may be involved;
- risks relating to taxation and foreign exchange rates;
- coverage and costs related to our insurance policy;
- dependence upon key personnel;
- significant differences between Dutch GAAP and other accounting principles that may be material to investors' assessments of our financial information that is derived from unaudited management accounts;
- certain adjusted and *pro forma* consolidated financial information which is presented for illustrative purposes only, may differ from actual results of operations;
- risks relating to the Notes, our structure and our indebtedness;
- risks relating to security, enforcement and insolvency;
- certain local guarantee and collateral limitations; and
- the other factors discussed in more detail under "*Risk Factors.*"

The foregoing factors and others described under "*Risk Factors*" should not be construed as exhaustive. Due to such uncertainties and risks, you are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. We urge you to read this Offering Memorandum, including the sections entitled "*Risk Factors,*" "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Business*" for a more complete discussion of the factors that could affect our future performance and the industry in which we operate.

Any forward-looking statements are only made as of the date of this Offering Memorandum and, except as required by law or the rules and regulations of any stock exchange on which the Notes are listed, we undertake no obligation, and do not intend, to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Offering Memorandum, including those set forth under "*Risk Factors.*"

MARKET AND INDUSTRY DATA

In this Offering Memorandum, we rely on and refer to information regarding our business and the market in which we operate and compete. The market, economic and industry data and forecasts used in this Offering Memorandum were obtained from governmental and other publicly available sources and independent industry publications and reports, including LMC Automotive, EIU Frost and Sullivan EV report, Parktopedia Global Parking Index and other publicly available information published by parking operators in Europe, among others. We also refer to certain data derived from a third-party market research report commissioned in 2016 (the "**2016 Market Report**"). Industry publications, including the 2016 Market Report, and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. We have not independently verified such data and cannot guarantee its accuracy or completeness.

In some cases, there may be no readily available external information (whether from trade associations, government bodies or other organizations) to validate market-related analyses and estimates, requiring us to rely on our own internally developed estimates regarding the industry in which we operate, our position in the industry, our market share and the market shares of various industry participants based on our experience, our own investigation of market conditions and our review of industry publications, including information made available to the public by our competitors. Neither we nor the Initial Purchasers can assure you of the accuracy and completeness of, and take no responsibility for, such data. Similarly, while we believe our internal estimates to be reasonable, these estimates have not been verified by any independent sources and neither we nor the Initial Purchasers can assure you as to their accuracy or the accuracy of the underlying assumptions used to estimate such data. Our estimates involve risks and uncertainties and are subject to change based on various factors. See "*Forward-Looking Statements*" and "*Risk Factors.*"

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

The financial information and financial statements included in this Offering Memorandum are presented in euro. Rounding adjustments have been made in calculating some of the financial and other information included in this Offering Memorandum. As a result, figures shown as totals in some tables and charts may not be exact arithmetic aggregations of the figures that precede them.

Historical Audited and Unaudited Financial Data

The Issuer was formed as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of The Netherlands on May 12, 2017 in connection with the Acquisition (as defined herein). The Issuer is the direct subsidiary of Q-Park Holding B.V. (formerly known as Byzantium Acquisition MidCo 2 B.V.) (the "**Parent**") and is a holding company with no material assets or liabilities. The Issuer has not engaged in any operations of its own. Consequently, no historical audited consolidated financial information relating to the Issuer is available.

The Parent was formed as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of The Netherlands on May 22, 2017 in connection with the Acquisition and commenced reporting its consolidated financial information as of such date. Q Park B.V. and its subsidiaries, until May 22, 2017, and the Parent and its subsidiaries, from May 22, 2017, are collectively referred to as the "**Group**."

Q Park N.V. was originally formed as a public liability company (*naamloze vennootschap*) under the laws of The Netherlands on October 6, 1994, and in connection with the Acquisition, Q Park N.V. was converted to a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) on October 11, 2017, from which date it became Q Park B.V. The consolidated annual accounts of Q Park B.V. (formerly known as Q-Park N.V.) for the year ended December 31, 2016 were prepared in accordance with the International Financial Reporting Standards, as adopted by the European Union ("**IFRS**").

The consolidated financial statements of the Group are prepared on the basis of a calendar year, ending on December 31 of each year.

This Offering Memorandum contains:

- the audited consolidated annual accounts of Q Park B.V. as of and for the year ended December 31, 2016, prepared in accordance with IFRS and audited by Deloitte, as set forth in their independent auditor's report, included elsewhere herein.
- the audited consolidated annual accounts of the Parent as of and for the period from May 22, 2017 to December 31, 2017, prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code ("**Dutch GAAP**") and audited by Deloitte, as set forth in their independent auditor's report, included elsewhere herein;
- the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018, prepared in accordance with Dutch GAAP and audited by Deloitte, as set forth in their independent auditor's report, included elsewhere herein; and
- the unaudited consolidated condensed interim financial statements of the Parent as of and for the nine months ended September 30, 2019, which have been prepared in accordance with Dutch GAAP.

There are significant differences between Dutch GAAP and IFRS, meaning the financial information for these periods are not fully comparable. For a summary of significant differences between Dutch GAAP and IFRS, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Summary of Significant Differences between Dutch GAAP and IFRS*." Among other things, companies reporting and preparing financial statements in accordance with Dutch GAAP are not required to adopt an accounting standard similar to IFRS 16 *Leases*.

In addition, our Dutch GAAP financial information for the period from May 22, 2017 to December 31, 2017 includes financial information of the Parent only from May 22, 2017, the date on which the Parent was incorporated. The consolidated financial information of the Parent includes the consolidated financial information of Q Park B.V. and its subsidiaries only for the period from October 11, 2017 to December 31, 2017.

Therefore, in order to aid in the understanding of our financial information on a comparable basis, we also discuss selected financial data for the years ended December 31, 2016, 2017 and 2018, and the nine months ended September 30, 2018 and 2019, based on financial data derived from management accounts for such periods. Such "Underlying" financial data is based on our audited and unaudited actual results for the periods presented, as adjusted to better reflect our underlying performance as further described under "*Summary—Summary Historical Consolidated Financial and Other Information—Underlying Financial Data Derived From Management Accounts*." This information is referred to as "**Underlying Data**." This information has not been audited, and while Underlying Data is prepared on a basis that is consistent in all material respects as the basis on which our consolidated financial information is prepared, this Underlying Data is not comparable to the audited results due to adjustments and should not be regarded as a substitute for the audited financial data of the Group or financial data prepared in accordance with Dutch GAAP or IFRS.

Non-IFRS and non-Dutch GAAP Measures

The financial information included in this Offering Memorandum includes certain financial measures which are not accounting measures within the scope of IFRS or Dutch GAAP and that are not required by, or presented in accordance with, IFRS or Dutch GAAP.

Such financial information includes "**Consolidated EBITDA**" which we define as our Net result before Taxes, Financial result and Depreciation and amortization.

In addition, the financial information presented herein as of and for the twelve months ended September 30, 2019 under "*Summary—Summary Historical Consolidated Financial and Other Information*" is derived from the Parent's unaudited consolidated condensed interim financial statements as of and for the nine months ended September 30, 2019 and the Parent's audited consolidated annual accounts as of and for the year ended December 31, 2018 (in each case included elsewhere herein) by adding together the financial information for the year ended December 31, 2018 and the financial information for the nine months ended September 30, 2019 and then subtracting the financial information for the nine months ended September 30, 2018. The Underlying Data presented herein as of and for the twelve months ended September 30, 2019 under "*Summary—Summary Historical Consolidated Financial and Other Information—Underlying Financial Data Derived From Management Accounts*" is derived by adding together the Parent's Underlying Data for the year ended December 31, 2018 and the Parent's Underlying Data for the nine months ended September 30, 2019 and then subtracting the Parent's Underlying Data for the nine months ended September 30, 2018.

We present non-IFRS and non-Dutch GAAP measures because we believe that they and similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. These measures may not be comparable to other similarly titled measures of other companies and have limitations as analytical tools. None of the non-IFRS and non-Dutch GAAP financial measures presented herein are a measurement of our performance or liquidity under IFRS or Dutch GAAP and they should not be considered in isolation or construed as a substitute or alternative for (a) operating profit or profit for the period (as determined in accordance with IFRS or Dutch GAAP or any other generally accepted accounting principles) as a measure of our operating performance, (b) cash flow from operating, investment and financing activities as a measure of our ability to meet our cash needs or (c) any other measures of performance or liquidity. Non-IFRS and non-Dutch GAAP financial measures are not subject to any audit or review by any auditors.

In addition, the following Underlying Data is based on our audited and unaudited actual results for the periods presented as adjusted (as is applicable to such Underlying Data financial measure, as explained with respect to each Underlying Data financial measure) to:

- include the consolidated financial information of Q Park B.V. and its subsidiaries derived from management accounts for the period from January 1, 2017 to October 10, 2017 prior to the Acquisition, prepared in accordance with Dutch GAAP (excluding accounting for financial leases), which does not appear in the audited consolidated annual accounts of the Parent as of and for the period from May 22, 2017 to December 31, 2017 (the "**Underlying 2017 Pre-Acquisition Results Adjustment**") in order to provide comparative financial data for 2017 on an annual basis;
- exclude the results with respect to SeNoFi, to give effect to the SeNoFi Disposal (which was completed on April 30, 2019) as if such disposal were completed on January 1, 2016 (the "**Underlying SeNoFi Adjustment**");
- exclude certain non-operating and non-recurring items (the "**Underlying Non-Operating and Non-Recurring Adjustments**") as further described under "*Summary—Summary Historical Consolidated Financial and Other Information—Underlying Financial Information Derived From Management Accounts*";
- present results using a constant exchange rate with respect to our UK and Danish operations, which report their results in pounds sterling and Danish Kroner, respectively, as further described under "*—Constant Exchange Rate Measures*" (together, the "**Underlying Constant Exchange Rate Adjustments**");
- give effect to the UK Sale and Leaseback, which took place over the course of 2019 as if such transactions were completed on January 1, 2016 (the "**Underlying UK Sale and Leaseback Adjustment**"); and/or
- add back the fixed component of lease expenses in connection with our financial leases (the "**Underlying Financial Lease Adjustment**" and, together with the Underlying 2017 Pre-Acquisition Results Adjustment, the Underlying SeNoFi Adjustment, the Underlying UK Sale and Leaseback Adjustment, the Underlying Non-Operating and Non-Recurring Adjustments and the Underlying Constant Exchange Rate Adjustments, the "**Underlying Adjustments**").

For a description of how individual Underlying Adjustments are applied to Underlying Data financial measures, see "*Summary—Summary Historical Consolidated Financial and Other Information—Underlying Financial Data Derived From Management Accounts*."

The following are the key Underlying Data financial measures that are used in this Offering Memorandum:

- Underlying Total Revenue, which we define as Net revenue adjusted for the Underlying 2017 Pre-Acquisition Results Adjustment, the Underlying SeNoFi Adjustment, the Underlying Non-Operating and Non-Recurring Adjustments and the Underlying Constant Exchange Rate Adjustments;
- Underlying Parking Revenues, Underlying Short-Term Parking Revenues, Underlying Long-Term Parking Revenues, Underlying Rental Income, Underlying Management and Consultancy Fees, Underlying Control Fees and Underlying Other Income, each of which we define as such respective component of Net revenue, as adjusted for the same Underlying Adjustments as Underlying Total Revenue, except for Underlying Non-Operating and Non-Recurring Adjustments, which apply to the applicable revenue stream. See *"Supplemental Underlying Financial Information"*;
- Underlying EBITDA, which we define as Net result, adjusted for Other operating income, Taxes, Financial result, Depreciation and amortization and the Underlying Adjustments, or in the case of the year ended December 31, 2016, Net result, adjusted for Taxes, Financial result, Indirect result before taxes, Result from participating interests, Depreciation and amortization and the Underlying Adjustments;

- Underlying Gross Margin, which we define as Underlying Total Revenue less Underlying Operating Expenses less Underlying Lease Expenses;
- Certain Operating Expenses, which we define as expenses incurred with respect to the operation of our facilities including maintenance expenses, utilities, personnel required to operate our facilities, property taxes, money management fees such as credit card charges, ICT, parking management systems and other costs directly related to operating parking facilities, as derived from management accounts;
- Underlying Operating Expenses, which we define as Certain Operating Expenses, adjusted to reflect the Underlying 2017 Pre-Acquisition Results Adjustment, Underlying SeNoFi Adjustment, Underlying Non-Operating and Non-Recurring Adjustments and Underlying Constant Exchange Rate Adjustments. In addition, we have made adjustments for the periods ended December 31, 2017 and 2018 and the nine months ended September 30, 2018 to reclassify some Certain Capitalized Personnel Expenses and Certain General Expenses as Certain Operating Expenses. This adjustment reflects that, from January 1, 2019, certain expenses which had previously been categorized as Certain Capitalized Personnel Expenses and Certain General Expenses in prior periods are now recorded as Certain Operating Expenses. See "*Supplemental Underlying Financial Information*";
- Certain Lease Expenses, which we define as all lease expenses relating to our financial and operational leases, and including fixed and variable lease expenses as well as service charges and ground rent, as derived from management accounts;
- Underlying Lease Expenses, which we define as Certain Lease Expenses, adjusted to reflect all of the Underlying Adjustments. See "*Supplemental Underlying Financial Information*";
- Certain General Expenses, which we define as central and local overhead costs, including wages and salaries for centralized personnel, office lease expenses, ICT costs, advisory and consultancy costs and travel costs, as derived from management accounts;
- Underlying General Expenses, which we define as Certain General Expenses, adjusted to reflect the Underlying 2017 Pre-Acquisition Results Adjustment, Underlying SeNoFi Adjustment, Underlying Non-Operating and Non-Recurring Adjustments and Underlying Constant Exchange Rate Adjustments. In addition, we have made adjustments for the periods ended December 31, 2017 and 2018 and the nine months ended September 30, 2018 to reclassify some Certain General Expenses as Certain Operating Expenses. This adjustment reflects that, from January 1, 2019, certain expenses which had previously been categorized as Certain General Expenses in prior periods are now recorded as Certain Operating Expenses. See "*Supplemental Underlying Financial Information*";
- Certain Capitalized Personnel Expenses, which we define as personnel costs related to large capital projects, including construction, development and refurbishment of parking facilities, as well as costs relating to our acquisition personnel who acquire new facilities and/or contracts, and capitalized costs in connection with building, developing or expanding facilities, as derived from management accounts;
- Underlying Capitalized Personnel Expenses, which we define as Certain Capitalized Personnel Expenses, adjusted to reflect the Underlying 2017 Pre-Acquisition Results Adjustment and Underlying Constant Exchange Rate Adjustments. In addition, we have made adjustments for the year ended December 31, 2018 and the nine months ended September 30, 2018 to reclassify some Certain Capitalized Personnel Expenses as Certain Operating Expenses. This adjustment reflects that, from January 1, 2019, certain expenses which had previously been categorized as Certain Capitalized Personnel Expenses in prior periods are now recorded as Certain Operating Expenses. See "*Supplemental Underlying Financial Information*";
- Underlying EBITDA Margin, which we define as Underlying EBITDA divided by Underlying Total Revenue;

- Underlying Like-for-Like ("**LFL**") Parking Revenue Growth Rate, which we define as the percentage change from period to period in the Underlying Parking Revenues generated from parking facilities that we categorize as LFL operations. A facility is included in LFL operations if it has a duration of five years or more and has operated for at least two full financial years, measured as of the beginning of the current financial year, excluding any facilities which are due to expire in the current reporting period, facilities relating to an airport business and certain facilities that are not operational (for example, due to refurbishment). Given the foregoing, the number and identity of parking facilities making up our LFL operations for the periods shown changes every reporting period. For the periods prior to 2016, we have calculated the total Underlying LFL Parking Revenue Growth Rate based on the Underlying LFL Parking Revenue Growth Rate per country for such period, weighted by the Underlying Parking Revenues for such country for the twelve months ended September 30, 2019. For 2016 and periods thereafter, we have calculated the total Underlying LFL Parking Revenue Growth Rate based on the percentage change from period to period in the Underlying Parking Revenues generated by each parking facility that we categorize as LFL operations for such period, weighted by the Underlying Parking Revenues for such period;
- Underlying Free Cash Flow ("**FCF**"), which we define as Underlying EBITDA less Underlying Existing Business Capex less Underlying ICT & Other Capex;
- Underlying FCF Cash Conversion Ratio, which we define as Underlying Free Cash Flow divided by Underlying EBITDA;
- Underlying Existing Business Capex, which we define as works to maintain the upkeep of our existing facilities as well as repairs on car park facilities to ensure they remain fully operational and compliant, adjusted to give effect to the Underlying SeNoFi Adjustment;
- Underlying New Business Capex, which we define as capital expenditure related to the development and construction of new or newly acquired parking facilities, adjusted to give effect to the Underlying SeNoFi Adjustment;
- Underlying PaSS Hardware Capex, which we define as capital expenditure on hardware for PaSS;
- Underlying LED Capex, which we define as capital expenditure in connection with our LED lighting initiative, whereby, as part of the Value Enhancement Program, we have replaced our traditional lighting with LED lighting on a Group-wide basis, across seven countries;
- Underlying ICT & Other Capex, which we define as investment and expenditure in relation to information technology and digital and mobility solutions, including PaSS software, incurred by our central and headquarter functions;
- Underlying Total Capex, which we define as cash flow from investment activities adjusted for divestments, the Acquisition, the Underlying 2017 Pre-Acquisition Results Adjustment and the Underlying SeNoFi Adjustment;
- Underlying Cash Tax Expenses, which we define as Taxes paid, adjusted to give effect to the Underlying SeNoFi Adjustment and the Underlying 2017 Pre-Acquisition Results Adjustment; and
- Total Net Working Capital, which we define as the sum of receivables and trade payables, taxes and social insurance contributions, and other liabilities, accruals and deferred income.

See "*Summary—Summary Historical Consolidated Financial and Other Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" for further information about and the calculation of these non-IFRS and non-Dutch GAAP financial measures.

The non-IFRS and non-Dutch GAAP financial measures presented herein have limitations as analytical tools, including the following:

- they do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;
- they do not reflect changes in, or cash requirements for, our working capital needs;
- they do not reflect the significant interest expense or the cash requirements necessary to service interest or principal payments on our debts;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often need to be replaced in the future, and the non-IFRS and non-Dutch GAAP financial measures do not reflect any cash requirements that would be required for such replacements;
- some of the exceptional items that we eliminate in calculating the relevant non-IFRS and non-Dutch GAAP financial measures reflect cash payments that were made, or will in the future be made;
- other companies in our industry may calculate the non-IFRS and non-Dutch GAAP financial measures presented herein differently than we do, which limits their usefulness as a comparative measure; and
- they remove the results of impairments and disposals of fixed assets which may also occur in future periods.

In addition, certain summary unaudited adjusted consolidated financial data of the Group has been prepared to give effect to the Transactions. Such summary unaudited adjusted consolidated financial information has been prepared for illustrative purposes only and does not purport to represent what the actual consolidated financial position or financial information of the Group would have been had the Transactions actually occurred on October 1, 2018 or September 30, 2019, nor does such summary unaudited adjusted consolidated financial information purport to project the Group's consolidated financial position and financial information at any future date or for any future period. The summary unaudited adjusted consolidated financial information presented below includes non-IFRS and non-Dutch GAAP measures and is based on available information and certain assumptions and estimates that we believe are reasonable and may differ materially from the actual amounts.

Such summary unaudited adjusted consolidated financial measures are:

- Adjusted Cash in bank, which we define as cash of €50.7 million as of September 30, 2019, after excluding an aggregate amount of €13.3 million of cash in machines and P1 cash as a result of the P1 Acquisition, which was completed on September 17, 2019. The Adjusted Cash in bank amount gives effect to certain events occurring after September 30, 2019 in order to more closely approximate the Adjusted Cash in bank amount of €30.0 million upon completion of the Transactions. Events affecting cash after September 30, 2019 include drawing additional borrowings under our Existing Facilities in December 2019, the repayment of amounts drawn under our Existing Revolving Facilities (which were partly drawn in connection with the P1 Acquisition in September 2019), estimated cash generation by our business after September 30, 2019 and distributions to our shareholders prior to the Issue Date;
- Adjusted Gross Debt, which we define as the aggregate principal amount of our third-party financial indebtedness as of September 30, 2019 (excluding our financial leases which are long-term property leases that are classified as financial leases for the purposes of Dutch GAAP, but as to which there is no option to, or obligation to, purchase the asset at the conclusion of the lease), on an as adjusted basis after giving effect to the Transactions. Total financial debt as presented under "*Capitalization*" also excludes our financial lease obligations;
- Adjusted Net Debt, which we define as the aggregate principal amount of Adjusted Gross Debt less Adjusted Cash in bank; and

• Adjusted Interest Expense, which we define as the interest expense of the third-party financial indebtedness of the Group following the Transactions, including the issuance of the Notes offered hereby and the use of proceeds therefrom, as if the Transactions occurred on October 1, 2018, and excluding (i) any interest expense with respect to other indebtedness of the Group which has since been extinguished and (ii) any interest expense with respect to shareholder loans.

Furthermore, *Pro Forma* Underlying EBITDA has been prepared for illustrative purposes to give effect to the P1 Acquisition as if such acquisition had occurred on October 1, 2018. This information does not purport to represent what the actual consolidated financial position or financial information of the Group would have been had the P1 Acquisition actually occurred on October 1, 2018, nor does *Pro Forma* Underlying EBITDA purport to project the Group's consolidated financial position and financial information at any future date or for any future period. *Pro Forma* Underlying EBITDA is a non-IFRS and non-Dutch GAAP measure and is based on available information and certain assumptions and estimates that we believe are reasonable and may differ materially from the actual amounts. We define *Pro Forma* Underlying EBITDA as Underlying EBITDA adjusted for the P1 Acquisition as if such acquisition had occurred on October 1, 2018.

The financial information included in this Offering Memorandum is not intended to comply with the applicable accounting requirements of the U.S. Securities Act and the related rules and regulations of the SEC which would apply if the Notes were being registered with the SEC.

Our management also uses non-IFRS and non-Dutch GAAP financial measures described above to assess our operating and financial performance and to make decisions about allocating resources in our business.

Constant Exchange Rate Measures

We are a geographically diversified business with operations in seven European countries, and accordingly, we undertake transactions in several currencies. Our subsidiaries in the United Kingdom and Denmark report their financial information in currencies other than the euro, the reporting currency of our consolidated financial statements. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting Our Results of Operations—Foreign Currency Effects*." To enhance the comparability of our financial information between the year ended December 31, 2016, the period from May 22, 2017 to December 31, 2017, the year ended December 31, 2018, and the nine months ended September 30, 2018 and 2019, Underlying Data in this Offering Memorandum is presented using a constant exchange rate. Measures calculated using constant exchange rates are not IFRS or Dutch GAAP financial measures. The exchange rates used for the calculation of constant exchange rate measures presented in this Offering Memorandum are based on the following:

	Rates per €1.00
Pound Sterling	1.10458
Danish Kroner	0.13406

CERTAIN DEFINITIONS

For the definition of certain financial terms used in this Offering Memorandum, see "*Presentation of Financial and Other Information.*"

In this Offering Memorandum, unless the context otherwise requires:

- "**2025 Senior Secured Fixed Rate Notes**" refers to the €425 million in aggregate principal amount of 1.500% Senior Secured Fixed Rate Notes due 2025 offered hereby;
- "**2026 Senior Secured Floating Rate Notes**" refers to the €400 million in aggregate principal amount of Senior Secured Floating Rate Notes due 2026 offered hereby;
- "**2027 Senior Secured Fixed Rate Notes**" refers to the €630 million in aggregate principal amount of 2.000% Senior Secured Fixed Rate Notes due 2027 offered hereby;
- "**Acquisition**" refers to the acquisition of Q Park B.V. by Byzantium Acquisition B.V. (renamed Q-Park Holding I B.V.), which was completed on October 11, 2017, pursuant to the Acquisition Agreement;
- "**Acquisition Agreement**" refers to the agreement for the sale and purchase of Q Park B.V. between Byzantium Acquisition B.V. as purchaser and the sellers named therein, dated June 12, 2017;
- "**Additional Collateral**" refers to the security on a first-ranking basis, subject to the operation of the Agreed Security Principles, certain perfection requirements and any Permitted Collateral Liens (as defined in "*Description of the Notes—Certain Definitions*"), over shares of capital stock (or partnership interests, as applicable) of the Initial Guarantors (other than the Parent) and the Additional Guarantors as well as Q-Park Verwaltungs GmbH, the general partner of Q-Park Operations Germany GmbH & Co. KG, to be granted within 120 days of the Issue Date;
- "**Additional Guarantors**" refers to Q-Park France SAS, Q-Park France Holding SAS, Q-Park Real Estate Germany GmbH, Q-Park Operations Germany GmbH & Co. KG, Q-Park Operations Netherlands B.V., Q-Park Real Estate Netherlands B.V., Q-Park Duitsland B.V., Q-Park Limited, Universal Parking Limited, Q-Park UK Limited, Q-Park (Taunton) Limited and Q-Park Securities Limited, which will each guarantee the Notes within 120 days of the Issue Date;
- "**Collateral**" refers to, collectively, the Initial Collateral and the Additional Collateral;
- "**Consortium**" refers to, collectively, KKR, Schroders, EDF, PensionDanmark and Safra;
- "**Deloitte**" refers to Deloitte Accountants B.V.;
- "**Dutch GAAP**" refers to the generally accepted accounting principles in The Netherlands based on Part 9 of Book 2 of the Dutch Civil Code;
- "**EDF**" refers to Électricité de France SA and its affiliates, and any fund, partnership and/or other entities represented, managed, advised, owned or controlled directly or indirectly by it or any of them;
- "**EURIBOR**" refers to the Euro Interbank Offered Rate;
- "**EU**" refers to the European Union;
- "**euro**" or "**€**" refers to the lawful currency of the European Monetary Union;
- "**Existing Facilities Agreement**" refers to the amended and restated term loan and revolving facilities agreement entered into on July 28, 2017, by and among, *inter alios*, the Parent, the obligors and the arrangers and lenders thereunder and Wilmington Trust (London) Limited, as facility agent and security agent, as amended and restated from time to time (including by way of amended and restated agreement dated December 9, 2019);

- “**Existing Term Loan Facilities**” refers to the term loan facilities denominated in various currencies that was made available pursuant to the Existing Facilities Agreement;
- “**Existing Revolving Facilities**” refers to the €250 million revolving facilities that was made available pursuant to the Existing Facilities Agreement;
- “**Existing Facilities**” means the Existing Term Loan Facilities and the Existing Revolving Facilities;
- “**Group**,” “**we**,” “**us**” and “**our**” refer to the Parent and its subsidiaries, from May 22, 2017 and Q Park B.V. and its subsidiaries, prior to May 22, 2017 except where otherwise indicated or if the context otherwise requires;
- “**Guarantees**” refers to the guarantees of the Notes to be issued by each of the Initial Guarantors and the Additional Guarantors;
- “**Guarantors**” refers to, collectively the Initial Guarantors and the Additional Guarantors;
- “**IFRS**” refers to International Financial Reporting Standards, as adopted by the European Union;
- “**Indenture**” refers to the indenture governing the Notes to be dated the Issue Date by and among, *inter alios*, the Issuer, the Initial Guarantors, the Trustee and the Security Agent;
- “**Initial Collateral**” refers to the security on a first-ranking basis, subject to the operation of the Agreed Security Principles, certain perfection requirements and any Permitted Collateral Liens (as defined in “*Description of the Notes—Certain Definitions*”), over (a) certain bank accounts of the Issuer and the Parent, (b) intercompany receivables owing to the Parent from the Issuer and (c) shares of capital stock of the Issuer and Q Park B.V., to be granted within five business days of the Issue Date;
- “**Initial Guarantors**” refers to, collectively, the Parent, Q Park B.V., Q-Park Real Estate Holding B.V. and Q-Park Operations Holding B.V., which will each guarantee the Notes as of the Issue Date;
- “**Initial Purchasers**” refers to, collectively, J.P. Morgan Securities plc, Merrill Lynch International, KKR Capital Markets Limited, ABN AMRO Bank N.V., ING Bank N.V., London Branch, NatWest Markets Plc, Coöperatieve Rabobank U.A. and ICBC Standard Bank Plc;
- “**Intercreditor Agreement**” refers to the intercreditor agreement to be dated on or about the Issue Date, by and among, *inter alios*, the Issuer, the Initial Guarantors, the Trustee and the Security Agent;
- “**Issue Date**” refers to the date on which the Notes will be issued, which will be February 13, 2020;
- “**Issuer**” refers to Q-Park Holding I B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands;
- “**KKR**” refers to Kohlberg, Kravis, Roberts & Co. L.P. and its affiliates and co-investors, and any fund, partnership and/or other entities represented, managed, advised, owned or controlled directly or indirectly by it or any of them;
- “**KKR Infrastructure**” refers to KKR Global Infrastructure Investors II fund held by KKR;
- “**Noteholders**” refers to the holders of the Notes;
- “**Notes**” refers to, collectively, the 2025 Senior Secured Fixed Rate Notes, the 2027 Senior Secured Fixed Rate Notes and the 2026 Senior Secured Floating Rate Notes offered hereby;
- “**Offering**” refers to the offering hereby of the Notes;
- “**Operating Facilities**” refers to any indebtedness incurred as Operating Facilities as described under “*Description of the Notes—Certain Covenants—Limitation on Indebtedness*;”

- “**P1 Acquisition**” refers to the acquisition by Q-Park Operations Netherlands B.V. of 100% of the issued share capital of Pink and Nelson B.V. and its affiliated companies from Nijenhorst Venture B.V. (together, “**P1**”) on September 17, 2019, by which we gained 5,310 off-street operated spaces, 30,490 off-street managed spaces and 46,500 on-street managed spaces in 80 locations;
- “**Parent**” refers to Q-Park Holding B.V., which was formerly known as Byzantium Acquisition MidCo 2 B.V. from May 22, 2017 to September 5, 2018;
- “**PensionDanmark**” refers to PensionDanmark Pensionsforsikringsaktieselskab and its affiliates, and any fund, partnership and/or other entities represented, managed, advised, owned or controlled directly or indirectly by it or any of them;
- “**Q Park B.V.**” refers to Q Park B.V., which was formerly known as Q Park N.V. until October 10, 2017;
- “**Restricted Group**” refers to the Parent and its Restricted Subsidiaries as such term is defined in “*Description of the Notes*;”
- “**Revolving Credit Facility Agreement**” refers to the super senior revolving facility agreement to be entered into on or about the Issue Date, by and among, *inter alios*, the Issuer, the Initial Guarantors and the arrangers and lenders thereunder;
- “**Revolving Credit Facility**” refers to the €250 million super senior revolving credit facility made available pursuant to the Revolving Credit Facility Agreement;
- “**SEC**” refers to the U.S. Securities and Exchange Commission;
- “**Safra**” refers to the J. Safra Group and its affiliates, and any fund, partnership and/or other entities represented, managed, advised, owned or controlled directly or indirectly by it or any of them;
- “**Schroders**” refers to Schroders plc, registered in England and Wales (company number: 3909886) and its affiliates, and any fund, partnership and/or other entities represented, managed, advised, owned or controlled directly or indirectly by it or any of them;
- “**Security Agent**” refers to Wilmington Trust (London) Limited, in its capacity as security agent under the Indenture, the Intercreditor Agreement and the Revolving Credit Facility Agreement;
- “**Security Documents**” refers to the agreements creating security interests over the Collateral as described under “*Description of the Notes—Security*;”
- “**Senior Secured Fixed Rate Notes**” refers to, collectively, the 2025 Senior Secured Fixed Rate Notes and the 2027 Senior Secured Fixed Rate Notes;
- “**SeNoFi**” refers to our former Swedish, Norwegian and Finnish subsidiaries, which operated parking spaces in Sweden, Norway and Finland at the time of the announcement of the SeNoFi Disposal;
- “**SeNoFi Disposal**” refers to our divesture of SeNoFi and our exit from these markets, which we concluded on April 30, 2019;
- “**Transactions**” refers to (i) the issuance by the Issuer of €1,455 million aggregate principal amount of Notes offered hereby; (ii) the entry into the Revolving Credit Facility, certain Operating Facilities and the discharge and termination of the Existing Facilities; (iii) the repayment of a portion of existing shareholder loans; and (iv) the payment of costs, fees and expenses in connection with the foregoing transactions, including the fees and expenses to be incurred in connection with the Offering;
- “**Trustee**” refers to BNY Mellon Corporate Trustee Services Limited, in its capacity as trustee under the Indenture;
- “**UK Sale and Leaseback**” refers to a sale and leaseback of our United Kingdom real estate comprising of 14 assets that implemented over the course of 2019, with the transactions

completed prior to September 30, 2019 with respect to 11 of the properties and after September 30, 2019 with respect to three of the properties completed in 2019;

- "**United Kingdom**" or "**UK**" refers to the United Kingdom of Great Britain and Northern Ireland;
- "**U.S. dollar**" or "**$**" refers to the lawful currency of the United States;
- "**U.S. Exchange Act**" refers to the U.S. Securities Exchange Act of 1934, as amended; and
- "**U.S. Securities Act**" refers to the U.S. Securities Act of 1933, as amended.

GLOSSARY OF INDUSTRY TERMS

In this Offering Memorandum, unless the context otherwise requires:

- "**ANPR**" refers to automatic number plate recognition technology, which is used to identify customers at the entry and exits of car parks;
- "**brown field**" refers to the acquisition of an existing parking facility;
- "**concession**" or "**concession agreement**" refers to a public lease, for which the lease amount is paid upfront (concession fee) and where the lessee takes the operational risks and rewards of a facility. Our concession agreements principally only exist in France, and these are regulated under French law;
- "**control fee**" refers to a contract, for which we provide a service to enforce the parking policy within a specific site on behalf of a landlord. This is done by writing control fees (*i.e.* fines) for detected parking violations;
- "**green field**" refers to a concession or contract that provides for the construction of a new parking facility;
- "**ground lease**" refers to a limited real right to a property, such that we own the property in or on another person's land or we have the exclusive use of another person's property and land. Ground lease is a collective of several country specific constructions, including *erfpacht/opstalrecht* in The Netherlands and Belgium, *erbbaurecht* in Germany and *droit emphytéotique* or *droit de superficie* in France; however, in the United Kingdom, we classify long-term leases (with a duration of more than 50 years) as ground lease;
- "**ICT**" refers to our information and communication technology systems;
- "**legally owned**" refers to the legal ownership of both the ground and the property; however, in the United Kingdom this is synonymous with a freehold ownership;
- "**long-term business**" refers, collectively, to our legally owned, ground lease, protected lease, concession and long-term lease business;
- "**long-term lease**" refers to lease contracts that are not already qualified as a protected lease, a concession nor a ground lease and have an initial duration of at least 15 years at inception. We pay an annual rent and bear the commercial risk during the lease contract;
- "**management contract**" refers to a contract for which we provide operational services of the parking facility and receive a (fixed or variable) management fee, often on a cost-plus basis. We do not bear the commercial risk for the parking activities and the parking revenues are for the benefit of the landlord;
- "**mobility as a service (MaaS)**" refers to providing travelers mobility services that are based on their travel needs. This is enabled by combing transportation services from public and private transportation providers through a unified identifier;
- "**Park +**" refers to providing customers parking solutions, often through online pre-booking, linked to their next destination or activity. Best known examples include "**Park + Fly**," which provides customers the option to pre-book (including online pre-booking) parking spaces at parking facilities that are located at or close to airports, giving customers the ability to park their cars and catch a flight conveniently and efficiently, and "**Park + Ride**," which provides customers the option to pre-book (including online pre-booking) parking spaces at parking facilities that are located at or close to public transportation sites, especially train stations;
- "**PaSS**" refers to Parking as a Smart Service, which is our digital service offering for registered customers who desire a seamless parking experience without the need for cash, credit card or tickets. We enable this digital product via ANPR technology;

- “**PMS**” or “**parking management system**” refers to the system used to control entry and exit by customers into and out of our parking facilities. This includes the physical barriers at entry and exit, payment machines, including the tariff and billing logistics;
- “**protected lease**” refers to tenant protection, found in certain jurisdictions, regarding commercial lease contracts. In terms of countries where we operate, this protection is applicable in Ireland. These leases are separately qualified since the duration is, due to the protection, in theory indefinite;
- “**QCR**” refers to the Q-Park Control Room, which is run by trained staff that remotely control and manage a substantial majority of our parking facilities;
- “**Renewal Rate**” refers to the total number of contracts we renewed expressed as a percentage of the total number of our contracts that expired, and does not take into account the contract value;
- “**Replacement Rate**” refers to the total number of newly awarded contracts (including contract renewals, winning new “green field” contracts and being awarded contracts that were previously awarded to our competitors) as a percentage of the total number of our contracts that expired, and does not take into account the contract value;
- “**short-term business**” refers, collectively, to short-term leases, control fees and management contracts;
- “**short-term lease**” refers to lease contracts that are not already qualified as a protected lease, a concession or a ground lease, and have an initial duration of maximum five years. We pay an annual rent and bear the commercial risk during the lease contract;
- “**smart city**” refers to a concept where connected infrastructure and an intelligent ecosystem allow cities of the future to engage municipalities, residents, businesses and visitors in a more efficient way. MaaS and smart parking are sub-components of this concept, to be enabled via seamless connectivity with the smart city ecosystem; and
- “**Weighted Average Remaining Duration**” refers to the average duration weighted by Underlying Gross Margin (excluding non-allocated and central operating costs) based on the remaining term of each individual contract (legally owned, ground leases, concessions, protected leases and long-term leases where contract information was available) using 100 years for legally owned and protected leases.

EXCHANGE RATE AND CURRENCY INFORMATION

The following table sets forth, for the periods indicated, the high, low, average and period-end Bloomberg Composite Rate (New York) expressed as U.S. dollars per euro. The Bloomberg Composite Rate is a "best market" calculation, in which, at any point in time, the bid rate is equal to the highest bid rate of all contributing bank indications and the ask rate is set to the lowest ask rate offered by these banks. The Bloomberg Composite Rate is a mid-value rate between the applied highest bid rate and the lowest ask rate. Neither the Issuer nor the Initial Purchasers make any representation that the euro or U.S. dollar amounts referred to in this Offering Memorandum have been, could have been or could in the future be converted into the other currencies referred to herein, as the case may be, at any particular rate, if at all.

	(expressed as U.S. dollars per euro)			
Year	**Period-end**	**Average(1)**	**High**	**Low**
2015	1.0856	1.1031	1.2103	1.0497
2016	1.0520	1.1035	1.1532	1.0389
2017	1.2005	1.1393	1.2036	1.0406
2018	1.1469	1.1782	1.2509	1.1218
2019	1.1214	1.1179	1.1543	1.0900
2020 (through February 6, 2020)	1.0983	1.1092	1.1212	1.0983

	(expressed as U.S. dollars per euro)			
Month	**Period-end**	**Average(2)**	**High**	**Low**
August 2019	1.0992	1.1123	1.1214	1.0992
September 2019	1.0900	1.1008	1.1074	1.0900
October 2019	1.1152	1.1057	1.1171	1.0932
November 2019	1.1019	1.1047	1.1166	1.0999
December 2019	1.1214	1.1179	1.1543	1.0900
January 2019	1.1092	1.1104	1.1212	1.1010
February 2020 (through February 6, 2020)	1.0983	1.1022	1.1060	1.0983

(1) The average of the Bloomberg Composite Rates (New York) on the last business day of each month during the relevant period.

(2) The average of the Bloomberg Composite Rates (New York) on each business day during the relevant period.

As of February 6, 2020, the Bloomberg Composite Rate (New York) between the euro and the U.S. dollar was $1.0983 per €1.00.

The above rates may differ from the actual rates used in the preparation of the financial statements and other financial information appearing in this Offering Memorandum.

SUMMARY

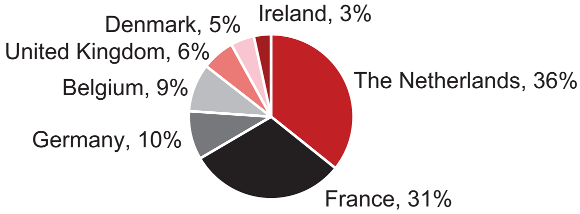
The following summary highlights selected information from this Offering Memorandum and does not contain all the information that you should consider before investing in the Notes. It does not contain all the information that may be important to you or that you should consider before investing in the Notes, and it is qualified in its entirety by the remainder of this Offering Memorandum. This Offering Memorandum contains specific terms of the Notes, as well as information about the Group's business and detailed financial data. You should read this Offering Memorandum in its entirety, including the "Risk Factors" section and our financial statements and the notes to those statements. In addition, certain statements include forward-looking information that involves risks and uncertainties. See "Forward-Looking Statements."

Overview

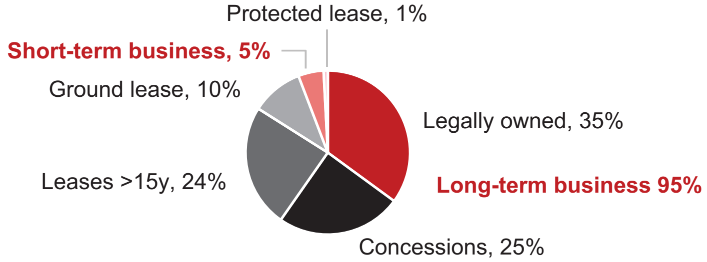
We are a leading parking infrastructure owner and operator in the Western European market, with a large and diversified portfolio of owned, leased and managed parking facilities across seven Western European countries. We mainly operate off-street parking spaces owned by us as well as parking spaces under concessions and long-term leases from public and private landlords, with a focus on off-street purpose-built parking facilities at strategic locations. We operate approximately 2,500 parking facilities comprising over 454,000 parking spaces as of December 31, 2018 in The Netherlands, France, the United Kingdom, Germany, Belgium, Denmark and Ireland. As of December 31, 2018, our long-term business portfolio included 77 legally owned facilities, 49 ground lease facilities and four protected lease facilities, 174 concession facilities and 349 long-term lease facilities, which together comprised over 281,000 parking spaces. As of December 31, 2018, our short-term business comprised approximately 1,800 facilities and 173,000 parking spaces. Based on the most recent industry data available to us from 2016, we believe we are a top three participant, based on the number of parking spaces, in all of the countries in which we operate, except the United Kingdom where we are ranked fourth.

Below are charts showing the percentage of Underlying Gross Margin generated by country of operation and our contract mix by Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018.

Underlying Gross Margin by Geography



Underlying Gross Margin by Contract Type[1]



[1] Represents percentage of Underlying Gross Margin, excluding non-allocated and central operating costs.

For the twelve months ended September 30, 2019, our Underlying Total Revenue was €658.6 million, our Underlying Gross Margin was €247.2 million and our Underlying EBITDA was €208.9 million. Our operations in The Netherlands, France and the United Kingdom, respectively, represented 31%, 20% and 17% of our Underlying Total Revenue, 36%, 31% and 6% of our Underlying Gross Margin and 39%, 33% and 6% of our Underlying EBITDA for the twelve months ended September 30, 2019.

We started our operations in the European market in The Netherlands in 1998, and expanded to Belgium, Germany and the United Kingdom in the early 2000s. We have consistently secured long-term contracts and built a portfolio of prime parking locations in The Netherlands, France, the United Kingdom, Denmark, Ireland, Belgium and Germany, including multi-functional parking facilities near inner-city areas, public transport interchanges, airports and hospitals. Multi-functional parking facilities serve multiple urban needs (such as city centers, shopping centers, hospitals and railway stations). Due to a variety of physical, regulatory and other constraints such as cost and availability of space, we believe that there is limited opportunity to develop alternative parking options in many of these prime areas, allowing us to benefit from a degree of captive demand with limited competition in some areas.

We generate revenues under four main business lines:

- *Parking revenues*. Our off-street parking business primarily comprises parking facilities owned and operated by us or operated by us under contract (both short-term parking and long-term parking). We have a healthy mix of short- and long-term parking customers. Short-term parking includes shorter term parking customers, such as per-hour or per-day tickets. Short-term parking generated 78% of our Underlying Parking Revenues for the twelve months ended September 30, 2019. Long-term parking includes customers holding season tickets, including monthly, quarterly and annual season tickets. Long-term parking generated 22% of our Underlying Parking Revenues for the twelve months ended September 30, 2019. Short-term parking customers provide immediate payment in cash or by debit or credit cards at the gates and physical barriers present in our parking facilities, while long-term parking customers provide revenue stability and advance payments. Underlying Parking Revenues represented 92% of our Underlying Total Revenue for the twelve months ended September 30, 2019. We generally retain all fees generated from operating the relevant parking facility. In respect of parking facilities owned by us, we are responsible for all expenses relating to the parking facility, including operation, maintenance and management. Under our concession and lease contracts, we are responsible for all expenses relating to operating and maintaining the parking facility during the term of the concession or the lease.
- *Non-parking revenues*.
  - *Control fees.* Control fees are predominantly generated in Denmark and represent income arising from enforcement of paid parking (for example, parking fines) in parking facilities (usually above ground) owned by landlords. Landlords generally contract with parking facility operators like us to eliminate or reduce the misuse of parking spaces (for example, misuse of handicap spaces, parking on rescue roads, misuse of reserved parking spaces and long-term parking in spaces intended for short-term parking). Control revenues are incidental to our operations and represented 2% of our Underlying Total Revenue for the twelve months ended September 30, 2019.
  - *Management and consultancy fees.* Our management and consultancy business represents the fixed and variable fees we receive for operating parking facilities under contracts with third parties including public authorities as well as private landlords and other private entities. Our management and consultancy business represented 2% of our Underlying Total Revenue for the twelve months ended September 30, 2019.
  - *Rental income*. In addition to owning, operating and managing parking facilities, we lease certain of our owned parking facilities to the municipality of Amsterdam. Rental income also

includes the income from the lease of parts of our facilities to third parties that use the space for parking, storage or to provide spaces used for business operations, such as refrigeration or storage facilities for restaurants. Our rental income business represented 2% of our Underlying Total Revenue for the twelve months ended September 30, 2019.

- *Other income*. Other income includes all other income not included in the categories above, such as subsidies, ancillary revenues, revenue from other alternative uses of our parking facilities and other services such as vending machines placed in our parking facilities. Our other income business represented 2% of our Underlying Total Revenue for the twelve months ended September 30, 2019.

Strengths

We believe that we have several competitive advantages in the car park sector in Western Europe, including our local market leadership positions, long-term contract revenues, resilient and diversified business profile, high quality investment property portfolio and strong asset locations. As a result of these strengths, together with the key infrastructure features that underpin our business model and the continuing regulatory shift in favor of off-street parking, our business benefits from a high level of stability and recurring cash flows.

Leading Parking Infrastructure Owner and Operator in Western Europe

We are one of the leading car park infrastructure owners and operators in the Western European parking market, with approximately 2,500 parking facilities comprising over 454,000 parking spaces as of December 31, 2018. As an infrastructure company with owned facilities and long-term contracts, we have a market leading position driven by positive industry dynamics and a resilient business model. Based on the most recent industry data available to us from 2016, we believe we have a top three market position in six of the Western European countries in which we operate. The vast majority of our facilities are multi-functional parking facilities, which represented 68% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018.

Our off-street business and on-street business represented 95% and 5%, respectively, of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018. Our market leading positions, size and growth have allowed us to achieve significant economies of scale, and the scope of our operations, combined with the various cost management measures we have implemented, have allowed us to maintain our Underlying EBITDA levels. We have been able to achieve operational efficiencies and cost savings through the implementation of a streamlined and lean management and governance structure across our operations. Our economies of scale enable us to be a consolidation platform for European parking operations, and allow us to undertake valuable new concessions and acquisitions of smaller players, as well as individual assets and lease contracts. In addition, through our experienced management team, and due to our size and long-standing reputation in the industry, we have been able to develop and maintain important relationships with the various municipalities and private landlords with which we do business, thereby reducing our dependence on any single local governmental authority or region.

Attractive Market with Significant Barriers to Entry

The off-street parking industry in Western Europe is highly fragmented with a limited number of large players. Accordingly, leading infrastructure players like us are better positioned than smaller operators to take advantage of quality industry dynamics and benefit from the resilient and mature market. Our operations are supported by a growing customer base, high barriers to entry and favorable pricing dynamics. As an established market player, we have consistently improved our performance on an Underlying Like-for-Like Parking Revenue Growth Rate basis through economic cycles, recording a compound annual growth rate ("**CAGR**") of 3.1% in Underlying Like-for-Like Parking Revenue Growth Rate between January 1, 2013 and September 30, 2019 compared to a real gross domestic product ("**GDP**") growth rate of 1.9% and consumer price index ("**CPI**") inflation of 1.1% during the same period. The European countries in which we operate have seen resilient parking revenue growth and resilient personal car fleet levels over the past decade. Also, the lack of available land in the major city centers of Europe results in limited opportunities to construct new car parks, which can act as a barrier to entry for new entrants in the car park industry.

We benefit from an industry where demand is relatively inelastic to price, although regulation may limit pricing flexibility in some regions. We believe that consumer choice regarding parking is not primarily driven by price but rather by factors such as location, lighting and security. In addition, we believe that upfront costs, the difficulty in obtaining planning permission to build new high density car parks in city centers, the regulatory shift in favor of off-street parking and the economies of scale that result from operating multiple facilities, together, present significant barriers to entry for new entrants in the car park industry in Western Europe. The stringent regulatory framework governing parking concessions in Europe reduces the risk of new competitors entering the market. For example, due to the terms and duration of our long-term lease and concession contracts, competitors can be effectively "locked-out" of the off-street concessions business for long periods of time. In addition, our long-standing relationships with municipalities enables an ongoing dialogue with them and provides us with an opportunity to expand our existing business with such municipalities, since they know that we are well positioned to handle their requirements.

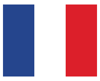
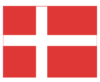
Our size also provides us with the scale required to operate a car park portfolio efficiently. For example, our scale enables us to share resources among our car parks (in particular, in clusters where we operate multiple parking facilities in close proximity) including maintenance and supervisory staff, as well as management resources in respect of accounting, marketing, human resources, insurance and tax matters. The number of our locations and the connectivity of our parking facilities through cloud network systems gives us a commercial advantage and enables us to anticipate customer needs across multiple locations. For example, the cloud system gives us real time data on occupancy and availability of our parking facilities, thereby enabling us to better anticipate and predict customer demand. In addition, due to our size and scale, we are better equipped to make significant investments in IT and to leverage such investments across our operations compared to smaller competitors. Between January 1, 2016 and September 30, 2019, we invested approximately €28 million in Underlying ICT & Other Capex. Such operational efficiencies and costs savings generated through IT initiatives and investments allow us to offer attractive terms to municipalities and landlords.

Diversified Portfolio Benefitting from Local Leadership and Scale

Our business benefits from a portfolio of parking facilities and parking spaces which is highly diversified in terms of the following: number of contracts, type of contract, number of municipality clients, number of private landlords and types of parking services we deliver. Our off-street parking business primarily comprises the following: (i) legally owned properties, (ii) long-term leases, (iii) concessions, (iv) ground leases, (v) protected leases and (vi) short-term leases. As such, we have a diversified portfolio consisting of both, parking facilities owned and operated by us as well as those operated by us under contracts (both long-term and short-term).

Our legally owned properties are owned and operated by us. We also operate parking facilities under long-term leases with a typical duration of more than 15 years at inception, concessions with a typical duration ranging from 10 to 40 years, ground leases with a typical duration from 10 to 90 years and protected leases, which typically have an infinite duration. We also operate parking facilities under short-term leases, usually with a duration of less than 15 years. For the year ended December 31, 2018, revenue from our long-term business and short-term business represented 85% and 15% of our Underlying Total Revenue, respectively, and 95% and 5% of our Underlying Gross Margin (excluding non-allocated and central operating costs), respectively. We operate each parking facility on a long-term or short-term basis and generate our fees based on tariffs charged to car park users, which in certain circumstances are set forth in the relevant contract. The tariffs charged under our concessions typically increase each year in line with inflation. We operate approximately 2,500 parking facilities comprising over 454,000 parking spaces as of December 31, 2018 in The Netherlands, France, the United Kingdom, Germany, Belgium, Denmark and Ireland. As of December 31, 2018, our long-term business portfolio included 77 legally owned facilities, 49 ground lease facilities, four protected lease facilities, 174 concession facilities and 349 long-term lease facilities, which together comprised over 281,000 parking spaces. As of December 31, 2018, our short-term business comprised approximately 1,800 facilities and 173,000 parking spaces. As of December 31, 2018, the Weighted Average Remaining Duration of our long-term contracts was 50 years.

As of December 31, 2018, we had a total of 336, 224, 73, 112, 1,645, 58 and 25 parking facilities in The Netherlands, France, the United Kingdom, Germany, Denmark, Belgium and Ireland, respectively. These contracts comprise legally owned, long-term leases, concessions, ground leases, protected leases and short-term business, in approximately 330 cities throughout Western Europe. Below is a chart that presents our market position, contribution to Underlying Gross Margin, key contract types and pricing characteristics in each jurisdiction, as of and for the year ended December 31, 2018.

	Market position[1]	Percentage of Underlying Gross Margin	Key contract types	Control and flexibility on pricing
	1	36%	Legally owned, long-term lease	We mostly have control and flexibility on pricing
	3	31%	Concession	Pricing mostly based on contractual indexation
	3	10%	Legally owned, long-term lease, ground lease	Control and flexibility on pricing (subject to certain conditions)
	2	9%	Legally owned, ground lease	We mostly have control and flexibility on pricing
	4	6%	Long-term lease	We mostly have control and flexibility on pricing
	2	5%	Legally owned, long-term lease	Control and flexibility on pricing (subject to certain conditions)
	1	3%	Legally owned, protected lease	We mostly have control and flexibility on pricing

[1] Market position based on number of parking spaces, as of 2016.

We own and operate parking facilities in clusters, which comprise multiple parking facilities at locations in strategic cities. The use of clusters generates pricing power, provides operational cost reduction opportunities and facilitates strong local government relations. Our prominence in small and medium sized cities, including non-capital cities, drives higher margins as a result of the higher reliance of end users in those cities on driving as a mode of preferred transportation and more stable consumer behavior as well as less regulation. For example, our operations in the smaller city of Maastricht in The Netherlands generate more than twice the Underlying Gross

Margin (excluding non-allocated and central operating costs) than our operations in London and Paris combined. We operate in clusters in smaller cities, with clusters of three or more locations accounting for 84% of our Underlying Gross Margin (excluding non-allocated and central operating costs) in the year ended December 31, 2018.

Below is a table showing the contribution of our top five and top 20 clusters to our Underlying Gross Margin (excluding non-allocated and central operating costs), for the year ended December 31, 2018.

Cluster	Number of Facilities	Underlying Gross Margin (€ millions)[1]	Percentage of Underlying Gross Margin[1]
Amsterdam	38	27	11%
The Hague	128	16	7%
Maastricht	23	12	5%
Marseille	17	10	4%
Brussels	9	9	4%
Top 5 (by Underlying Gross Margin)[1]	**215**	**75**	**31%**
Top 20 (by Underlying Gross Margin)[1]	**479**	**134**	**55%**

1 Underlying Gross Margin excludes central operational costs and non-allocated costs.

Our off-street parking business is diversified in terms of location (inner city centers, hospitals, shopping areas and transport links), municipality, end-user and type of contract. We believe our limited reliance on any single parking facility is a significant factor in diversifying our source of revenues and therefore reduces our cash flow volatility. While our 20 largest cities (in terms of Underlying Gross Margin (excluding non-allocated and central operating costs)) represented 55% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018, no city represented more than 9% of our Underlying Total Revenue or more than 11% of our Underlying Gross Margin (excluding non-allocated and central operating costs). We believe our diversified business portfolio differentiates us from other infrastructure companies, who typically rely on a smaller number of large contracts or concessions, or strong concentrations in a single geography, resulting in a greater concentration of risk.

Strategic Focus on Off-street Parking

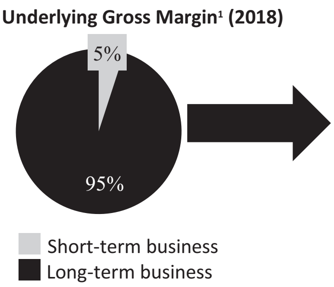
We have strategically positioned our portfolio to focus on off-street parking in line with the regulatory shift in favor of off-street parking. Off-street parking contracts are typically longer duration contracts (generally more than 15 years) in comparison to on-street parking contracts (generally less than five years). This generates long-term cash flows with a healthy mix of short- and long-term parking customers. Short-term parking customers provide immediate payment, while long-term parking customers provide revenue stability and advance payments. Further, off-street parking is supported by the presence of physical barriers which ensures immediate payment and revenue stability.

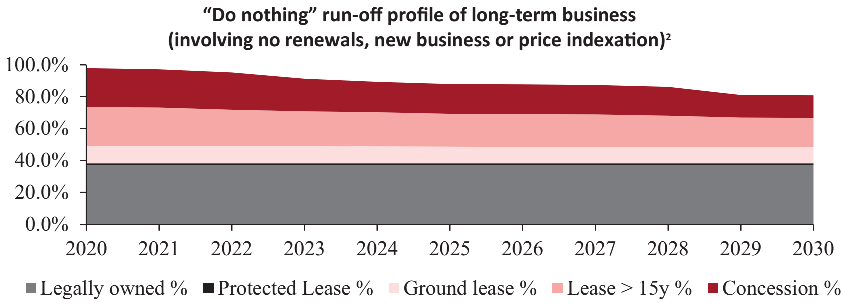
Our focus on off-street management has resulted in a strong asset base, which also provides opportunities for alternative uses of our space, with a real estate portfolio valued at €1.7 billion as of September 30, 2019. The facilities included in the valuation comprise 110 real estate properties (mostly legally owned by us, but including, in some cases, certain ground lease properties, and excluding the 14 UK properties which were sold in the UK Sale and Leaseback). We have been able to leverage our asset base to lease parts of our facilities to third parties for alternative uses including parking, storage or to provide spaces used for business operations such as storage facilities, such as the self-storage facility in Harley Street, London.

Further, we believe that off-street parking is expected to benefit from key trends in the industry, including, for example: the regulatory shift away from on-street parking with reduced on-street parking provisions in low emission zones, increasing prices of city center parking, the introduction of electric cars, which require charging spaces that off-street parking can offer, the introduction of autonomous taxis and buses, which is expected to require the introduction of new lanes and thus decrease on-street parking availability, and the potential transformation of off-street car park facilities into multi-modal hubs (such as overnight hubs, which are parking facilities where residents, private taxi drivers and other drivers can park their cars overnight, partnerships with car sharing operators in cities with no or low on-street availability). Off-street parking facilities also have alternative uses and can potentially offer a source of ancillary revenues. We believe that such key industry trends combined with our strong asset base, including our real estate portfolio valued at €1.7 billion as of September 30, 2019, underpin our strong and stable performance, with off-street business contributing approximately 95% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018 and the remaining 5% of our Underlying Gross Margin (excluding non-allocated and central operating costs) derived from on-street business. We typically agree to operate our on-street business to complement local off-street activity, as requested by local municipalities.

Long-term Cash Flow Profile Underpinned by a Strong Asset Base and Perpetuity/Long-term Contract Structure

We believe that our infrastructure portfolio is well invested. We have a long-term cash flow profile with 95% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018, comprising primarily facilities that are owned or operated under our long-term business, of which 81% are due to continue under their existing terms through 2030 (assuming no renewals, new business or price indexation), as illustrated by the following.





1 Underlying Gross Margin excludes non-allocated and central operating costs.

2 Based on Underlying Gross Margin for the year ended December 31, 2018, excluding non-allocated and central operating costs.

As of December 31, 2018, the Weighted Average Remaining Duration of our long-term contracts was 50 years. Furthermore, as of September 30, 2019, the market value of our real estate portfolio, predominantly located in large and attractive cities, was €1.7 billion. The facilities included in the valuation comprise 110 real estate properties (mostly legally owned by us, but including, in some cases, certain ground lease properties, and excluding the 14 UK properties which were sold in the UK Sale and Leaseback).

Our long-term business accounted for 95% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018. As a result, we have more exposure to the facilities that tend to generate relatively higher margins, with a corresponding benefit to our Underlying EBITDA and profitability, compared to local competitors with fewer facilities under different contract structures (either shorter term or less diversified). For example, we have the highest Underlying EBITDA per parking space of €432 when compared to other players in the industry for the year ended December 31, 2018.

We believe that our strategic focus on owned facilities and long-term contracts has resulted in a stable business model, which enables us to attract customers and is supported by the high volume of cars and growing urbanization where our parking facilities are located. These prime locations provide flexibility and stability to our business, combined with stability of demand, leading to revenue stability as evidenced by the historical evolution of our revenues over time. Such stability in our operating model and revenues is further underpinned by the regulatory shift in favor of off-street parking. Moreover, in certain circumstances (primarily in relation to concessions in France), the long-term contracts and concessions include a protection mechanism allowing renegotiation of payments to local municipalities in case a certain level of performance is not achieved, thereby providing protection in case of lower demand.

Furthermore, our parking facilities are typically not dedicated to a single institution or purpose and are mostly multi-functional, in the sense that they are used by drivers that may be using the car park to visit different locations, whether it is for work, shopping, other cultural activities or other purposes. For the year ended December 31, 2018, 68% of our Underlying Gross Margin (excluding non-allocated and central operating costs) was generated by multi-functional facilities. We believe that we enjoy a prime position in the relevant local area with respect to a significant proportion of our parking facilities. Our prime locations, the multi-functionality of our car parks and the difficulty in building new car parks help mitigate risk in our off-street parking business. Further, our multi-functional car parking facilities also have alternative uses and can potentially be a source of ancillary revenues, for example, as storage facilities or refrigeration for restaurants. The remaining 32% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018 was generated by mono-functional facilities, which are selected on a strategic basis, generally targeting national partnerships with municipalities and local authorities, thereby reducing the dependency on a single source of revenue.

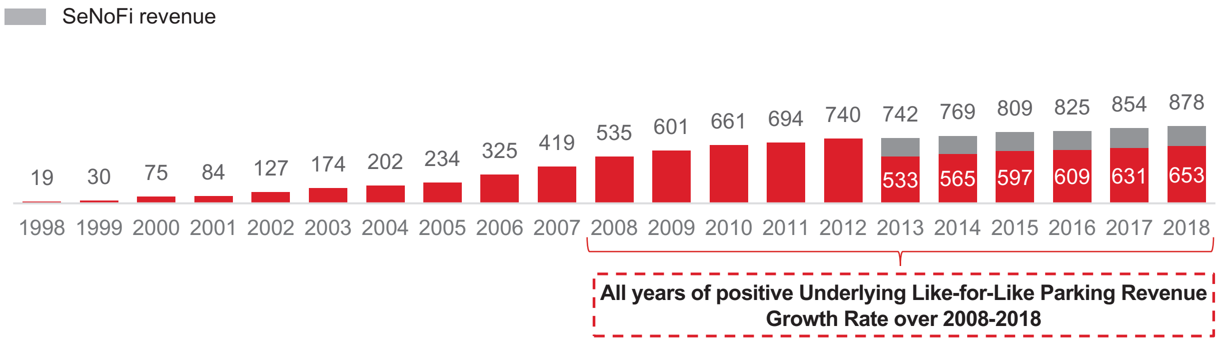
Highly Predictable Business and Resilient Business Model, with Strong Cash Conversion

For the year ended December 31, 2018, 95% of our Underlying Gross Margin (excluding non-allocated and central operating costs) was generated by our long-term business. We benefit from a high level of recurring business and long-term visibility of cash flows, and we believe the long-term nature of our portfolio is matched by few other infrastructure companies in Europe. The correlation of parking demand to the total size of the car fleet (rather than GDP) enhances the stability of our revenues over long periods and helps ensure resilience through periods of economic down turn. We have achieved a Replacement Rate of approximately 290% from 2017 to 2019 with respect to our portfolio. Further, we achieved a Renewal Rate of approximately 58% in respect of our portfolio from 2017 to September 30, 2019.

In addition, we also won a number of contracts previously granted to our competitors and we have successfully renewed a substantial portion of our long-term contracts and concessions business. For example, most recently, we won contracts to operate Stadspark (Maastricht) and Hoornwijck (Rijswijk) in The Netherlands and renewed our contract for Christchurch (Dublin) in Ireland. We believe this is due to our superior technical competence, including the implementation of our bespoke revenue collection technology, and our wealth of industry experience. Moreover, our concessions business benefits from regulated tariffs linked to inflation, and we are able to increase prices at a premium to inflation. Further, in respect of our ground leases, there is typically a protection mechanism where the municipality is required to pay compensation to us in the event the municipality intends to terminate the ground lease or expropriate the property, thereby providing us adequate security and stability.

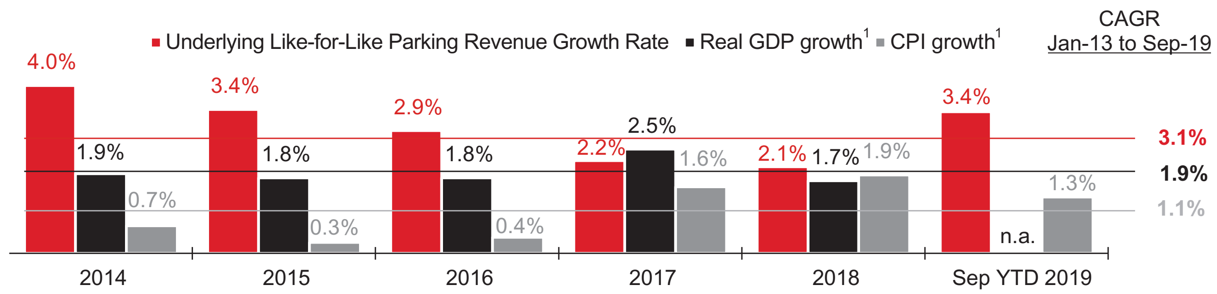
Our Underlying Total Revenue growth over the past 10 years has been consistent and continual. We have experienced positive Underlying Like-for-Like Parking Revenue Growth Rate for all years during the period from 2008 to 2018, with a CAGR of 3.1% in Underlying Like-for-Like Parking Revenue Growth Rate from January 1, 2013 to September 30, 2019. The charts below present our net revenue for the periods shown, together with Underlying Like-for-Like Parking Revenue Growth Rate for the periods shown.

Net revenue:



Note: The revenue amounts shown in the chart above are derived from our annual accounts and management accounts and may not be fully comparable due to, among other things, changes to accounting policies or standards and acquisitions and divestitures over the periods shown. Underlying Data is based on our audited and unaudited actual results for the periods presented, as adjusted to reflect the applicable Underlying Adjustment.

Underlying Like-for-Like Parking Revenue Growth Rate:



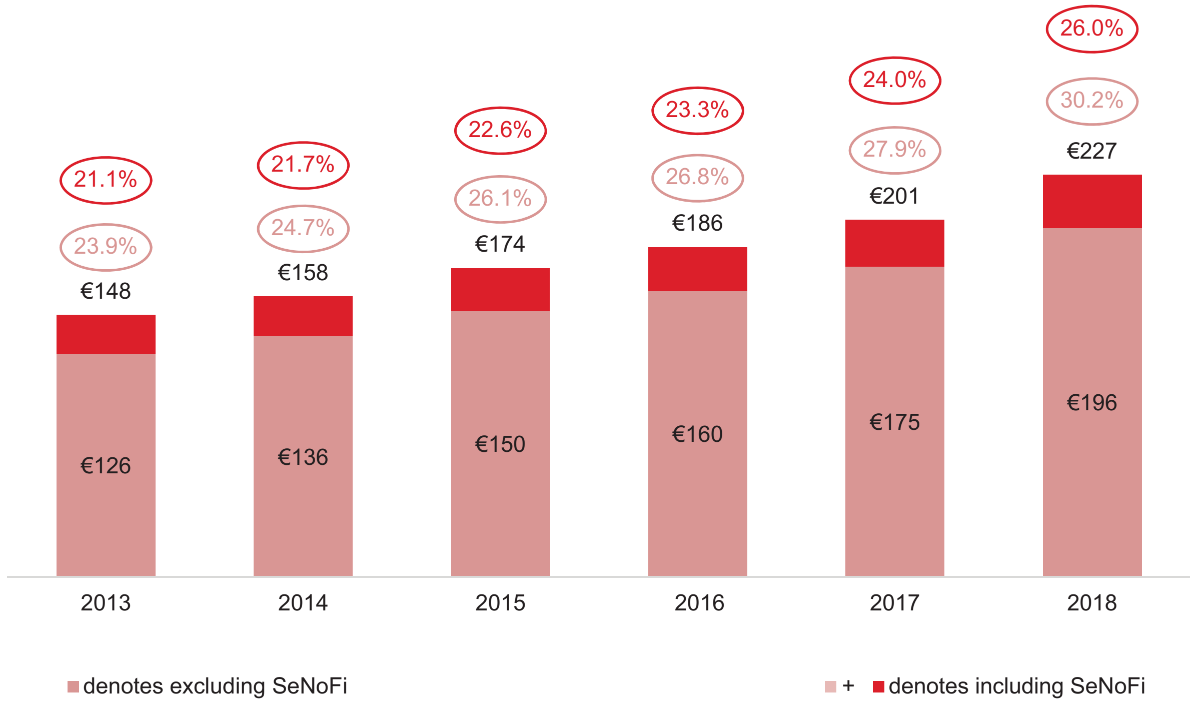
Note: GDP and CPI for geographies Belgium, Denmark, France, Germany, Ireland, The Netherlands and the United Kingdom.

[1] Based on IHS Markit data.

Our business model shares all the key features of infrastructure assets, such as long-term cash flow visibility, physical and irreplaceable assets, central role in the local economy, in-built hedge against inflation, limited correlation to economic cycles, resilient revenue generation, long-term concessions and a favorable and stable regulatory environment with certain protections for us in the event of regulatory or administrative changes. However, unlike some other infrastructure companies, our car parks, once operational, require relatively low levels of Underlying Existing Business Capex. Our limited Underlying Existing Business Capex, which averaged 4.9% of Underlying Total Revenue in the years ended December 31, 2016, 2017 and 2018) are driven by our scale, preventive maintenance measures and low operating intensity. Underlying Existing Business Capex relates to the upkeep of our existing facilities as well as repairs to our facilities to ensure they remain fully operational and compliant in line with our internal quality standards. As a result, we believe we are well positioned to benefit from returns on these investments without the need to make significant Underlying Existing Business Capex with respect to these facilities.

Our cash flow generation benefits from an advantageous working capital cycle through the collection of upfront payments (through season tickets) by our long-term parking customers and revenue collection directly upon exit of the car park for our short-term parking customers. As a result of our low Underlying Existing Business Capex and working capital requirements, we have achieved Underlying FCF Cash Conversion Ratio of 80.3% and Underlying EBITDA Margin of 31.7% for the twelve months ended September 30, 2019. Below is a chart showing our Underlying EBITDA Margins from 2013 to 2018.

Underlying EBITDA (€ in millions, % Underlying EBITDA Margin):



Underlying EBITDA has consistently increased between 2013 and 2018, with Underlying EBITDA increasing at a CAGR of 10.7% since the Acquisition. Further, we have limited Underlying Existing Business Capex and high Underlying FCF Cash Conversion Ratios. Our Underlying Existing Business Capex was €35.5 million, €28.5 million and €32.2 million, respectively, for the years ended December 31, 2017 and 2018 and the twelve months ended September 30, 2019 and our Underlying FCF Cash Conversion Ratios were 75.1%, 81.4% and 80.3% respectively, for the same periods.

Experienced Management Team

Our senior management team has significant experience and understanding of the car park sector and has a combined experience of over 100 years in the industry and an average of approximately 10 years of experience with the Group. Our senior management team has consistently outperformed budget targets and implemented the Value Enhancement Program, achieving significant operational improvements while building capabilities for sustainable profitable growth and showing proven ability to increase our Underlying EBITDA. Since the Acquisition, our Underlying EBITDA has increased at a CAGR of 10.7%. This over performance can also be attributed to the senior management team's ability to anticipate and embrace new trends and technology in the car park sector, which has enabled us to be a pioneer in the deployment of efficient transformational programs, revenue management and digitalization programs and user friendly applications, such as PaSS (Parking as a Smart Service). Our senior management team has furthermore shown its capability to provide best-in-class portfolio management with the constant delivery of new contracts and active acquisition activity, including completion of the SeNoFi Disposal, the P1 Acquisition and the UK Sale and Leaseback. From 2016 to September 30, 2019, we signed 55 new contracts for new business including for the operation of facilities at our legally owned properties and under long-term leases and concessions, which are expected to contribute an aggregate amount of approximately €40 million in Underlying EBITDA, part of which has already been realized.

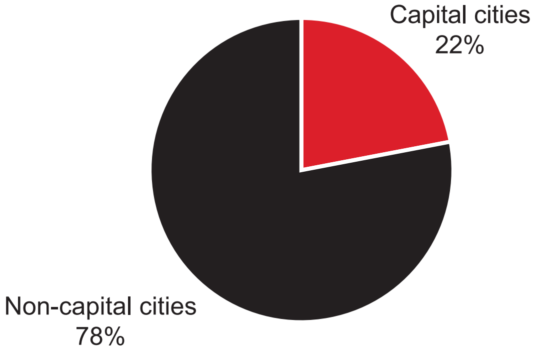
In addition, our local management teams are well connected to industry bodies and groups as well as municipalities and maintain strong and long-standing local relationships with the relevant regulatory authorities in the jurisdictions in which we operate, and our regional management teams also have extensive sector experience. Our regional teams comprise senior people with 10 to 15 years of experience at the local levels, having local presence, some of whom also hold prestigious positions with local municipalities and regulatory authorities.

Strategy

Our strategies focus on value creation, with the aim of being the strongest European car park infrastructure operator that best understands and captures parking market opportunities. We have strong infrastructure goals with a disciplined and conservative approach to investment. We intend to drive growth and sustained business performance through Underlying Like-for-Like Parking Revenue Growth Rate and portfolio growth, supported by value enhancement and revenue management programs. Our strategies rely on strong processes and tools (such as data analytics, business development processes, and feedback loops), our information and communications technology ("**ICT**") and our brand. Our key strategies are the following:

Maintain a Focus on our Diversified Portfolio and Profitable Assets in Strategic Locations

We have a diversified portfolio of owned, leased and managed parking facilities, including concessions and contracts, in prime locations. We believe our infrastructure is well-invested, with a focus on the most attractive segments of the car parking market. We focus on medium and smaller sized cities to benefit from their growth, and we will continue to seek to enhance profitability through portfolio optimization. For example, the sale of SeNoFi was a strategic decision to focus our portfolio on more profitable, off-street based business in order to maximize revenue generation and efficiencies. We intend to focus our efforts on renewing our portfolio of existing contracts by maintaining our well invested assets to better manage the need for future capital expenditure requirements and expanding our operations by capturing new opportunities that meet out stringent investment criteria. Due to our market leading position, scale and expertise, we believe that we are well positioned to continue to grow our diversified portfolio by renewing our existing contracts and capturing new contracts in value enhancing locations from both existing customers seeking to award new contracts and from other organizations looking to outsource the management of their parking facilities. Our selection of facility locations is driven by our long-term strategy to operate and expand in high margin cities. Our highly diversified geographical coverage spans across approximately 330 cities that have attractive market dynamics, with a strategic and tailored approach to different markets in an effort to drive higher returns. We may also acquire high-quality smaller car parks in medium and small sized cities to further diversify our portfolio and benefit from the potential for growth in these cities. In the year ended December 31, 2018, we derived 22% of our Underlying Gross Margin (excluding non-allocated and central operating costs) from capital cities and 78% of our Underlying Gross Margin (excluding non-allocated and central operating costs) from non-capital cities. We believe that our focus on non-capital cities reduces our exposure to changing urban trends and regulatory changes in larger cities.



Due to our scale, long-standing industry experience and established relationships with municipalities and private landlords, we are typically able to achieve significant synergies that also allow us to offer competitive terms and win new business. We will continue to grow our parking facilities in clusters representing multiple locations in strategic cities, which enhances our pricing strategy through a more resilient local competitive dynamic, operational cost reduction given our ability to have a single task force servicing multiple locations and strong relationships with municipalities. Our ability to build and maintain relationships with municipalities makes us well positioned to negotiate and win long-term contracts and to avoid long-term regulatory risk. We have clusters in key cities including The Hague, Amsterdam, Maastricht, Rotterdam, Toulouse, Chambery, Leeds/Manchester, London, Dublin, Berlin, Dusseldorf, Antwerp, Hasselt and Brussels. In addition, we are often able to expand our locations to further facilities once we have entered a local market by virtue our existing relationship with local authorities and the ability to benefit from synergies with existing parking facilities.

We believe our position as one of the leading owners and operators of parking facilities in Western Europe, combined with our long-standing relationships with a diverse number of local authorities and favorable industry dynamics, including high barriers to entry, will assist us in continuing to implement this strategy.

Differentiated Contract Offering with Disciplined Investment Approach

We believe that we are the only infrastructure-based parking facilities operator in Europe that can offer the full spectrum of contracts, ranging from ground leases, concessions, protected leases and long-term and short-term leases. This offers us a high degree of adaptability to the most appropriate type of contract depending on the characteristics of each model and the demand in local markets. As of December 31, 2018, we had a diversified portfolio of approximately 2,500 parking facilities in prime locations supporting stable and high demand, and 95% of our Underlying Gross Margin (excluding non-allocated and central operating costs), in the year ended December 31, 2018, comprised long-term business, with the remaining 5% of our Underlying Gross Margin (excluding non-allocated and central operating costs) comprising short-term leases and other contracts and costs (which consist of management and consultancy contracts and leases with a duration of less than one year). For example, our management and consultancy contracts typically have a fixed fee structure, which provides secured income visibility. This enables us to optimize and balance risk and return on our investment portfolio. Further, because our contract portfolio largely comprises long-term facilities (owned facilities, leased facilities (including long-term leases, ground leases and protected leases) and concessions), our Weighted Average Remaining Duration was approximately 50 years as of December 31, 2018, which provides a highly visible cash flow profile.

We also adopt a disciplined approach with respect to new investments and the expansion of our existing business. Our Investment Committee (“**IC**”) reviews, appraises and assesses new investments. It reviews and advises on investment proposals from the country management teams with respect to potential new business (including the expansion of our existing business) and applied thorough and consistent criteria and analyses to provide a recommendation to the Executive Board to approve or reject the proposal. We will continue to take a disciplined approach to new investments, with different levels of advice, support and strategic guidance, which we believe will result in more robust revenues.

Digital and Pricing Capabilities

We believe we are the industry frontrunners in pursuing strategic initiatives driven by digitalization trends. We embarked on a digital transition between 2015 and 2019, with initiatives piloted in The Netherlands and Belgium and implemented in other countries following a phased approach. Key features of this technology platform include membership for digital invoicing, Park + Events capabilities, pre-booking for city parking, on-street parking, near-time parking information, Park + Fly capabilities, and equipping facilities with PaSS gateways. This is expected to serve as a basis for long-term operations standardization and digitalization. Such digital capabilities seek to increase control and ownership over data, enable the use of standard interfaces to communicate with our partners and facilitate the integration of potential acquisitions or new sites.

Our local scale and digital leadership enable us to manage pricing. We believe that our diversified portfolio and differentiated contract offering provides price flexibility and enables us to select the contracts that best suit our investment portfolio. We are able to use such pricing flexibility as a lever to maintain stability of cash flows and sustain profitability. For example, our data-driven pricing methodologies include measures such as dynamic pricing (real-time adaptation of prices based on demand and locations, such as peak hours, and online price differentiation with pre-booking), flexible pricing depending on frequency and duration (such as one-hour tickets in London), location-based pricing (such as premium pricing in city centers, medium-range pricing in Park + Walk locations and budget pricing in Park + Public Transport locations) and day tariffs optimization (through parking for over six to eight hours in strategic locations). These pricing innovations have supported a CAGR of 3.1% in Underlying Like-for-Like Parking Revenue Growth Rate from 2013 to September 30, 2019. We intend to continue to increase our scale to drive digital leadership and pricing initiatives in the market.

Customer Focus and Value Enhancement Leading to Strong and Stable Profitability

Our Value Enhancement Program, which is centered on scale, technology and a seamless and lean platform, has resulted in industry-leading profitability. For example, we have the highest Underlying EBITDA per parking space of €432 when compared to other players in the industry for the year ended December 31, 2018. We will continue to focus on managing our business in a cost-efficient manner by using the latest industry technologies and improving customer service. We have sought to improve operational efficiency and realize cost savings through the implementation of our Value Enhancement Program, which has four main pillars:

- *Optimize people costs, locally:* We have implemented a comprehensive program to make our local work force more efficient across a wide range of activities. These include improvements in operations in the field, such as harmonizing and standardizing processes, which previously varied widely across facilities and geographies, reducing the frequency of various activities which were being performed when not required or in a duplicative manner, and eliminating activities that do not add value, as well as outsourcing various activities such as cleaning and security services to generate cost savings.

- *Optimize non-people costs, locally:* We have initiated a number of cost saving programs locally, including improvements in our IT systems, changes to our facilities management, and improvement in our car park systems.

- *Leverage scale on people costs, Group-wide:* We have improved our finance functions, by implementing Group-wide systems to replace local teams with regional teams, such as the integration of our German and Belgian finance functions into The Netherlands. We have also enhanced the operational efficiency of our IT department by centralizing our IT teams and functions and reorganizing our governance to introduce central reporting lines for IT personnel.

- *Leverage scale on non-people costs, Group-wide:* Our Group-wide efforts on this front have been driven by our LED initiative, whereby we replaced our traditional lighting with LED lighting on a Group-wide basis, across seven countries and more than 230 locations, with more than 100,000 new light fittings, in what may be Europe’s largest LED roll-out in our industry.

We expect that the Value Enhancement Program will generate cost savings of €17 million between 2017 and 2022, with run-rate annualized cost savings of 81% already achieved by September 30, 2019.

Furthermore, we have also introduced measures that seek to create a seamless customer experience. We have installed a robust infrastructure for charging facilities for electric vehicles, glass doors and elevators to enhance safety and security and speed gates and pedestrian doors, which are open for customers only. We have initiated payment integration with purpose partners, cashless and contactless payment mechanisms and differentiated parking tariffs based on supply and demand. We have introduced one-way traffic and multiple ramps for the efficient flow of traffic, and payment integration with certain partners. In the past, we have also invested in and installed several user-friendly IT applications to enhance the customer experience at our car parks including electronic payment devices, license plate recognition systems and mobile applications. In addition, in an effort to reduce our environmental footprint, we are committed to sustainable investments which have helped us reduce CO_2 emissions per parking space by 33% since 2013 and reduce energy consumption by 10% since 2013 (each, as of December 31, 2018). Moreover, we will continue to maintain our well invested assets in order to keep our required level of Underlying Existing Business Capex low.

Enabler of Urbanization through Active Participation in Mobility Solutions and Partnerships

We aim to continue to focus on customer satisfaction and convenience by initiating partnerships across the mobility eco-system. We have introduced several mobility solutions to enhance customer experience. For example, we introduced PaSS (Parking as a Smart Service), which is a technology initiative built around a cloud-based technology platform that allows us to interact with and provide services virtually to our customers and business partners. Integrated payment systems such as PaSS enables us to partner with companies like EasyPark and KBC in Belgium and we expect to introduce new partnerships in 2020. See "*Business—ICT and Operations*." We work closely with local authorities including, in The Netherlands (Maastricht, Rotterdam and Eindhoven) and Belgium (Antwerp) to develop facilities that enable travelers to park their cars or bicycles close to transport hubs so our facilities act as vital links in the mobility chain, connecting travelers with their final destination and acting as public transport transit points. We have also introduced Park + Ride and Park + Walk facilities in The Netherlands, which are modern, integral parts of the mobility chain in many towns and cities across The Netherlands and are located in the vicinity of public transport so they are easy to access and find. Furthermore, in partnership with others, we have approximately 720 parking spaces (as of December 31, 2018), providing access to electrical vehicle-charging points in seven countries since 2011, whereby our partners take responsibility to ensure that the charging points are well-maintained, with additional and updated charging points installed as required. We will continue to seek and explore initiatives which we believe will give us the first mover advantage in the market and sustain our position as drivers of industry change and leadership.

Recent Developments

Trading Update

Based on preliminary management accounts for the year ended December 31, 2019, we estimate that our Underlying EBITDA was approximately €215 million for such period compared to €196 million in the year ended December 31, 2018. In addition, we estimate that our Underlying Like-for-Like Parking Revenue Growth Rate was approximately 3.4% in the year ended December 31, 2019 compared to 2.1% in the prior corresponding period, and that our Underlying Total Revenue was approximately €670 million in the year ended December 31, 2019 compared to €651 million in the prior corresponding period. These preliminary estimates include the estimated contribution from P1 from the date of the P1 Acquisition on September 17, 2019.

We have not yet finalized our financial or operating data for the periods from September 30, 2019 onwards as discussed above. Accordingly, the above information is not intended to be a comprehensive statement of our financial or operating results for the relevant period. The preliminary estimates above were prepared based on a number of assumptions and estimates that are subject to inherent uncertainties and subject to change. Accordingly, our actual results for the relevant period may vary from our unaudited preliminary estimates above, and such variations could be material. We caution that the above information has not been audited or reviewed by our independent auditors and should not be regarded as an indication, forecast or representation by us or any other person regarding or financial performance for the full year ending December 31, 2019. See "*Forward-Looking Statements*" and "*Risk Factors*" for a more complete discussion of certain of the factors that could affect our future performance and results of operations.

Other Developments

- The UK Sale and Leaseback comprised 14 assets sold and leased back to us. As of September 30, 2019, we had completed the sale and leaseback of 11 assets, and the sale and leaseback of the remaining three assets occurred in the fourth quarter of 2019.
- As part of our ordinary course business activities, we continue to assess new investment and acquisition opportunities in the markets in which we operate and we recently acquired a group of parking facilities in Denmark on January 2, 2020.
- In November 2019, we paid a distribution of €25.3 million to our shareholders, and in January 2020, we paid a distribution of €210.0 million to our shareholders.
- In addition, following September 30, 2019, we repaid amounts drawn under our Existing Revolving Facilities (which were partly drawn in connection with the P1 Acquisition in September 2019) and we continued to experience strong cash generation in the fourth quarter of 2019.

The Issuer

The Issuer was incorporated as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of The Netherlands on May 12, 2017 and is registered with the Dutch trade register under registration number 68751044. Its registered office is located at Overschiestraat 61F, 1062XD, Amsterdam, The Netherlands.

Principal Shareholders

The Issuer is a direct and wholly owned subsidiary of the Parent. The Parent was formed as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of The Netherlands on May 22, 2017 in connection with the Acquisition and is registered with the Dutch trade register under registration number 68805934. Its registered office is located at Overschiestraat 61F, 1062XD, Amsterdam, The Netherlands.

The issued and outstanding share capital of the Parent is indirectly controlled by KKR. Certain investment funds and entities advised by affiliates of Schroders, EDF, PensionDanmark, Safra, and certain members of our senior management own capital interests in Byzantium Acquisition TopCo B.V.

KKR

KKR is a leading global investment firm with a long history of investing in Europe. Founded in 1976 and led by Henry Kravis and George Roberts, KKR had $208 billion in assets under management as of September 30, 2019. With offices around the world, KKR manages assets through a variety of investment funds and accounts covering multiple asset classes. KKR seeks to create value by bringing operational expertise to its portfolio companies and through active oversite and monitoring of its investments. KKR complements its investment expertise and strengthens interactions with investors through its client relationships and capital markets platforms.

KKR's investment in the Group is held through KKR Infrastructure, which has a long-term approach to investing. KKR Infrastructure holds approximately 30 infrastructure investments globally within three funds investing across North America, Europe and Asia-Pacific in a number of sub-sectors and geographies and has 37 team members supported by the broader KKR global resources. KKR Infrastructure adopts a differentiated and disciplined risk-based strategy to its investments with focus on downside protection and low risk of capital impairment, and a conservative approach to leverage and structuring. As of September 30, 2019, KKR Infrastructure had a total of $12.7 billion in assets under management across three dedicated funds.

Schroders

Schroder Aida is an affiliate of Schroders with £444.4 billion of assets as of June 30, 2019. Schroder Aida has specialized in infrastructure financing since September 2015 as an investment solution for institutional investors willing to invest in the infrastructure sector through equity or debt. As of December 31, 2018, Schroder Aida raised €2.6 billion of capital in both debt and equity, of which 90% has been invested. Its equity strategy is focused on strategic investments in core European infrastructure assets, generating predictable and resilient distribution to shareholders. Based in Paris, Schroder Aida is led by Charles Dupont and employed 20 professionals as of December 31, 2018. It is jointly owned by Schroders and its management, authorized and regulated in France by the Autorité des Marchés Financiers (AMF) as an asset management company (*Société de Gestion de Portefeuille*).

EDF

Historically, EDF Invest has managed assets that contribute to the long-term financing of future decommissioning of EDF's nuclear power plants in France. As part of its mission is to diversify EDF's portfolio of dedicated assets, EDF has expanded its investments to target the following three asset classes in France and abroad: Infrastructure, Real Estate and Investment Funds. EDF Invest currently manages approximately €6.5 billion of equity.

PensionDanmark

PensionDanmark is a labor market pension fund and among the 50 largest pension funds in Europe. As of December 31, 2019, PensionDanmark managed pension and insurance schemes, healthcare and educational funds on behalf of 750,000 members employed at 26,000 businesses within the Danish private and public sector. PensionDanmark is a not-for-profit and owned by its members, with all profits benefitting its members. In 2018, PensionDanmark generated pension contributions of €1.9 billion and had €32 billion of assets under management.

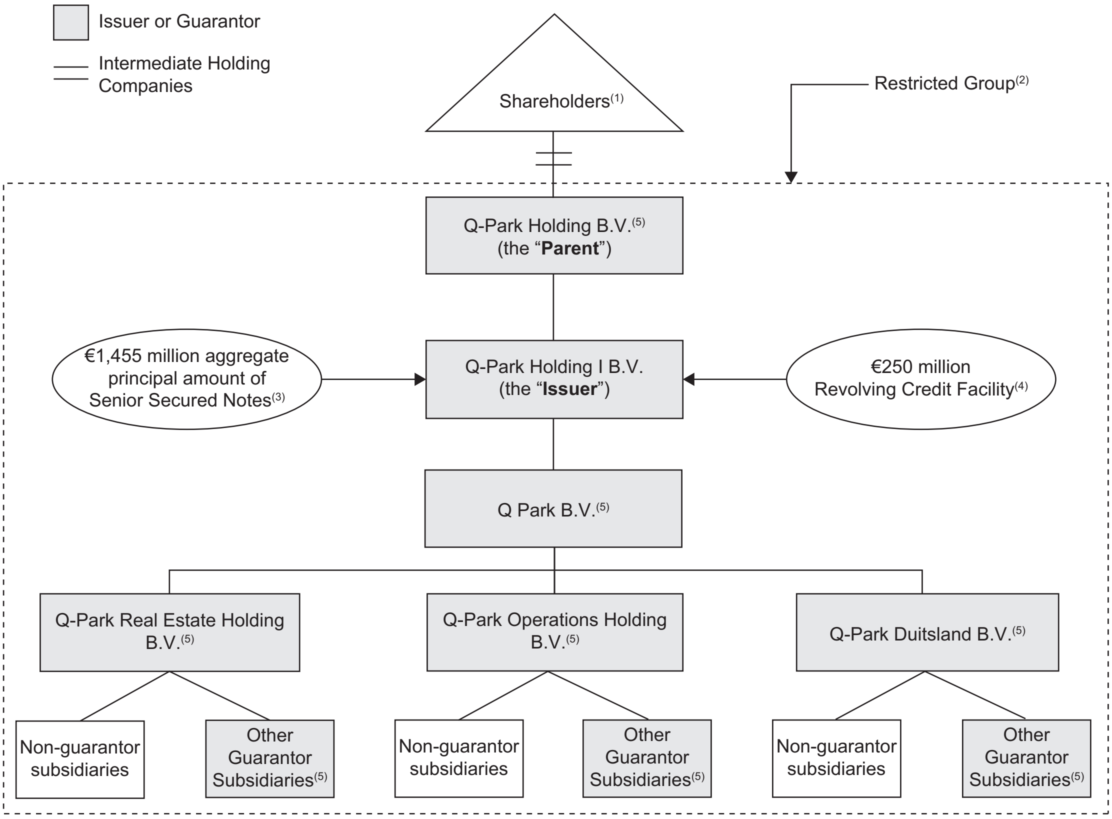
Safra

The J. Safra Group, with total assets under management of over $242 billion and aggregate stockholders equity of $19.3 billion as of December 31, 2018, is controlled by the Joseph Safra family. The J. Safra Group consists of privately owned banks under the Safra name and investment holdings in asset based business sectors such as real estate and agribusiness. The J. Safra Group's banking interests span over 160 locations globally with more than 33,000 employees associated with the J. Safra Group as of December 31, 2018. With deep relationships in markets worldwide, the J. Safra Group is able to greatly enhance the value of businesses which are part of it.

For more information, see "*Principal Shareholders*."

Corporate and Financing Structure

The following diagram summarizes the Group's corporate structure and principal outstanding financing arrangements after giving effect to the Transactions. The chart does not include all entities in the Group, nor all of the debt obligations thereof. See "*Description of the Notes*," "*Description of Other Indebtedness*" and "*Capitalization*" for more information.



(1) The issued and outstanding share capital of the Parent is indirectly controlled by KKR. Certain investment funds and entities advised by affiliates of Schroders, EDF, PensionDanmark, Safra and certain members of our senior management own capital interests in Byzantium Acquisition TopCo B.V. See "*Principal Shareholders.*"

(2) The Restricted Group excludes N.V. Parkeergarage Deventer, SOPAC NIORT, SEM de Vence and Transurbain, which are our minority investments, and accordingly these entities will not be subject to the covenants in the Indenture that apply to the Restricted Group. As of September 30, 2019, after giving effect to the Transactions, we would have had Adjusted Gross Debt as of September 30, 2019, which is third-party financial indebtedness (excluding our financial leases which are long-term property leases that are classified as financial leases for the purposes of Dutch GAAP, but as to which there is no option to, or obligation to, purchase the asset at the conclusion of the lease) of €1,501.2 million, including the Notes.

(3) The Issuer will issue €425 million aggregate principal amount of 2025 Senior Secured Fixed Rate Notes, €630 million aggregate principal amount of 2027 Senior Secured Fixed Rate Notes and €400 million aggregate principal amount of 2026 Senior Secured Floating Rate Notes.

(4) On or about the Issue Date, the Issuer will enter into a Revolving Credit Facility in the amount of €250 million. On the Issue Date, the Revolving Credit Facility is expected to be undrawn and fully available. See "*Description of Other Indebtedness—Revolving Credit Facility.*"

(5) The Notes will be guaranteed (the "**Guarantees**") on a senior secured basis (i) as of the Issue Date, by the Parent, Q Park B.V., Q-Park Real Estate Holding B.V. and Q-Park Operations Holding B.V. (together the "**Initial Guarantors**") and (ii) within 120 days of the Issue Date, by Q-Park France SAS, Q-Park France Holding SAS, Q-Park Real Estate Germany GmbH, Q-Park Operations Germany GmbH & Co. KG, Q-Park Operations Netherlands B.V., Q-Park Real Estate Netherlands B.V., Q-Park Duitsland B.V., Q-Park Limited, Universal Parking Limited, Q-Park UK Limited, Q-Park (Taunton) Limited and Q-Park Securities Limited (collectively, the "**Additional Guarantors**" and together with the Initial Guarantors, the "**Guarantors**"). It is anticipated that the Issuer and the Guarantors would account for approximately 85.8% of the Consolidated EBITDA and 83.7% of the total assets of the Group for the year ended December 31, 2018, as adjusted to give effect to the SeNoFi Disposal and the UK Sale and Leaseback (and for the purposes of the calculation, disregarding the EBITDA of any Guarantor if negative, and utilizing the statutory financial figures of each Guarantor). The Guarantees will be subject to certain limitations under applicable law, as described under "*Risk Factors—Risks related to the Notes, the Guarantees and our Structure—The Guarantees and the Collateral will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defenses that may limit their validity and enforceability.*" Subject to the operation of the Agreed Security Principles, certain perfection requirements and any Permitted Collateral Liens (as defined in "*Description of the Notes—Certain Definitions*"), the Notes will be secured (i) within five business days of the Issue Date, by first-ranking

security interests over (a) certain bank accounts of the Issuer and the Parent, (b) intercompany receivables owing to the Parent from the Issuer and (c) shares of capital stock of the Issuer and Q Park B.V. (the "**Initial Collateral**") and (ii) within 120 days of the Issue Date, by first-ranking security interests over shares of capital stock (or partnership interests, as applicable) of the other Initial Guarantors (other than the Parent) and the Additional Guarantors, as well as Q-Park Verwaltungs GmbH, the general partner of Q-Park Operations Germany GmbH & Co. KG (the "**Additional Collateral**" and, together with the Initial Collateral, the "**Collateral**"). See "*Description of the Notes—Security—The Collateral*." Under the terms of the Intercreditor Agreement, lenders under the Revolving Credit Facility and counterparties to certain hedging obligations will receive proceeds from the enforcement of the Collateral in priority to holders of the Notes. See "*Description of Other Indebtedness—Intercreditor Agreement*."

See "*Capitalization*," "*Description of Other Indebtedness*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" for further information.

The Offering

The summary below describes the principal terms of the Notes and the Guarantees. It is not intended to be complete and certain of the terms and conditions described below are subject to important exceptions. For additional information regarding the Notes and the Guarantees, see "*Description of the Notes*" and "*Description of Other Indebtedness—Intercreditor Agreement*."

Issuer	Q-Park Holding I B.V. (the "**Issuer**").
Notes offered	
2025 Senior Secured Fixed Rate Notes	€425 million aggregate principal amount of 1.500% Senior Secured Fixed Rate Notes due 2025 (the "**2025 Senior Secured Fixed Rate Notes**").
2027 Senior Secured Fixed Rate Notes	€630 million aggregate principal amount of 2.000% Senior Secured Fixed Rate Notes due 2027 (the "**2027 Senior Secured Fixed Rate Notes**" and, together with the 2025 Senior Secured Fixed Rate Notes, the "**Senior Secured Fixed Rate Notes**").
2026 Senior Secured Floating Rate Notes	€400 million aggregate principal amount of Senior Secured Floating Rate Notes due 2026 (the "**2026 Senior Secured Floating Rate Notes**" and, together with the Senior Secured Fixed Rate Notes, the "**Notes**").
Issue Date	February 13, 2020.
Maturity Dates	
2025 Senior Secured Fixed Rate Notes	March 1, 2025.
2027 Senior Secured Fixed Rate Notes	March 1, 2027.
2026 Senior Secured Floating Rate Notes	March 1, 2026.
Interest Rate and Interest Payment Dates	
2025 Senior Secured Fixed Rate Notes	1.500% per annum, payable semi-annually in arrear on each March 1 and September 1 of each year, commencing on September 1, 2020. Interest on the 2025 Senior Secured Fixed Rate Notes will accrue from and including the Issue Date.
2027 Senior Secured Fixed Rate Notes	2.000% per annum, payable semi-annually in arrear on each March 1 and September 1 of each year, commencing on September 1, 2020. Interest on the 2027 Senior Secured Fixed Rate Notes will accrue from and including the Issue Date.

2026 Senior Secured Floating Rate Notes	Three-month EURIBOR (subject to a 0.0% floor) plus 2.000% per annum, reset quarterly. Interest on the 2026 Senior Secured Floating Rate Notes will be paid quarterly in arrear on each March 1, June 1, September 1 and December 1, commencing on June 1, 2020. Interest on the 2026 Senior Secured Floating Rate Notes will accrue from and including the Issue Date.
Issue prices	
2025 Senior Secured Fixed Rate Notes	100.000% plus accrued interest, if any, from and including the Issue Date.
2027 Senior Secured Fixed Rate Notes	100.000% plus accrued interest, if any, from and including the Issue Date.
2026 Senior Secured Floating Rate Notes	100.000% plus accrued interest, if any, from and including the Issue Date.
Denominations	The Notes will have a minimum denomination of €100,000 and any integral multiple of €1,000 in excess thereof.
Ranking of the Notes . . .	The Notes will: • be senior secured obligations of the Issuer, secured by first-ranking security interests over certain assets as set forth below under "—*Collateral*;" • rank equally in right of payment with all the Issuer's existing and future indebtedness that is not subordinated in right of payment to the Notes; • rank senior in right of payment to all the Issuer's existing and future indebtedness that is subordinated in right of payment to the Notes; • be effectively senior to all the Issuer's existing and future unsecured indebtedness to the extent of the value of the property or assets securing the Notes; • be effectively subordinated to all the Issuer's existing and future secured indebtedness that is secured by property or assets that do not secure the Notes to the extent of the value of the property or assets securing such indebtedness; and • be effectively subordinated to any existing and future indebtedness of the subsidiaries of the Issuer that do not guarantee the Notes. The 2025 Senior Secured Fixed Rate Notes, the 2027 Senior Secured Fixed Rate Notes and the 2026 Senior Secured Floating Rate Notes will constitute separate series of Notes, but shall be treated as a single class for all purposes under the Indenture, including in respect of any amendment, waiver or other modification of the Indenture or any other action by the holders of the Notes thereunder, except as otherwise provided in the Indenture.

Guarantees	The Notes will be guaranteed (the "**Guarantees**") on a senior secured basis (i) as of the Issue Date, by Q-Park Holding B.V. (the "**Parent**"), Q Park B.V., Q-Park Real Estate Holding B.V. and Q-Park Operations Holding B.V. (together the "**Initial Guarantors**") and (ii) within 120 days of the Issue Date, by Q-Park France SAS, Q-Park France Holding SAS, Q-Park Real Estate Germany GmbH, Q-Park Operations Germany GmbH & Co. KG, Q-Park Operations Netherlands B.V., Q-Park Real Estate Netherlands B.V., Q-Park Duitsland B.V., Q-Park Limited, Universal Parking Limited, Q-Park UK Limited, Q-Park (Taunton) Limited and Q-Park Securities Limited (collectively, the "**Additional Guarantors**" and together with the Initial Guarantors, the "**Guarantors**"). It is anticipated that the Issuer and the Guarantors would account for approximately 85.8% of the Consolidated EBITDA and 83.7% of the total assets of the Group for the year ended December 31, 2018, as adjusted to give effect to the SeNoFi Disposal and the UK Sale and Leaseback (and for the purposes of the calculation, disregarding the EBITDA of any Guarantor if negative, and utilizing the statutory financial figures of each Guarantor). The Guarantees will be subject to contractual and legal limitations, and may be released under certain circumstances. See "*Description of the Notes—The Notes Guarantees*" and "*Risk Factors—Risks related to the Notes, the Guarantees and our Structure*."
Ranking of the Guarantees	The Guarantees will: • be a senior secured obligation of the Guarantors, secured by first-ranking security interests as set forth below under "*—Collateral*;" • rank equally in right of payment with the Guarantors' existing and future indebtedness that is not subordinated in right of payment to the Guarantees; • rank senior in right of payment to the Guarantors' existing and future indebtedness that is subordinated in right of payment to the Guarantees; • be effectively senior to the Issuer's existing and future unsecured indebtedness to the extent of the value of the property or assets securing the Guarantees; and • be effectively subordinated to all the Issuer's existing and future secured indebtedness that is secured by property or assets that do not secure the Guarantees to the extent of the value of the property or assets securing such indebtedness. The Guarantees will be subject to release under certain circumstances. See "*Risk Factors—Risks related to the Notes, the Guarantees and our Structure*" and "*Description of the Notes—The Notes Guarantees.*"
Collateral	Subject to the operation of the Agreed Security Principles, certain perfection requirements and any Permitted Collateral Liens (as defined in "*Description of the Notes—Certain Definitions*"), the

	Notes will be secured (i) within five business days of the Issue Date, by first-ranking security interests over (a) certain bank accounts of the Issuer and the Parent, (b) intercompany receivables owing to the Parent from the Issuer and (c) shares of capital stock of the Issuer and Q Park B.V. (the "**Initial Collateral**") and (ii) within 120 days of the Issue Date, by first-ranking security interests over shares of capital stock (or partnership interests, as applicable) of the other Initial Guarantors (other than the Parent) and the Additional Guarantors, as well as Q-Park Verwaltungs GmbH, the general partner of Q-Park Operations Germany GmbH & Co. KG (the "**Additional Collateral**" and, together with the Initial Collateral, the "**Collateral**"). See "*Description of the Notes—Security*." Under the terms of the Intercreditor Agreement, lenders under the Revolving Credit Facility, any Operating Facilities and counterparties to certain hedging obligations will receive proceeds from the enforcement of the Collateral in priority to holders of the Notes. See "*Description of Other Indebtedness—Intercreditor Agreement*." The Collateral will, in each case, be limited and subject to certain statutory preferences under the laws of The Netherlands, England and Wales, France and Germany, as applicable, as described under "*Risk Factors—Risks related to the Notes, the Guarantees and our Structure—The Guarantees and the Collateral will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defenses that may limit their validity and enforceability*" and "*Limitations on Validity and Enforceability of the Guarantees and the Collateral and Certain Insolvency Law Considerations*." The Collateral may be released under certain circumstances. See "*Risk Factors—Risks related to the Notes, the Guarantees and our Structure,*" "*Description of Other Indebtedness—Intercreditor Agreement*" and "*Description of the Notes—Security—Release of Liens.*"
Additional amounts	All payments made by or on behalf of the Issuer or any Guarantor with respect to the Notes will be made without withholding or deduction for any taxes unless required by law. If the Issuer or Guarantors are required by law to withhold or deduct for taxes of any Relevant Taxing Jurisdiction with respect to a payment on the Notes, the Issuer or Guarantors, as applicable, will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders after the withholding is not less than the amounts which would have been received in the absence of such withholding, subject to certain exceptions. See "*Description of the Notes—Withholding Taxes*."
Optional redemption of the Notes	
2025 Senior Secured Fixed Rate Notes	Prior to March 1, 2022, the Issuer will be entitled at its option to redeem all or a portion of the 2025 Senior Secured Fixed Rate Notes at a redemption price equal to 100% of the principal amount of

	such Notes redeemed plus the applicable "make whole" premium described in this Offering Memorandum and accrued and unpaid interest and additional amounts, if any, to, but excluding, the redemption date.
	Prior to March 1, 2022, the Issuer will be entitled at its option, on one or more occasions, to redeem 2025 Senior Secured Fixed Rate Notes in an aggregate principal amount not to exceed 40% of the original aggregate principal amount of the 2025 Senior Secured Fixed Rate Notes at a redemption price equal to 101.500% of the principal amount outstanding in respect of such Notes with the net cash proceeds from certain equity offerings, plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the redemption date; *provided* that at least 50% of the original aggregate principal amount of 2025 Senior Secured Fixed Rate Notes remains outstanding immediately after each such redemption.
	On or after March 1, 2022, the Issuer will be entitled at its option to redeem all or a portion of the 2025 Senior Secured Fixed Rate Notes at the applicable redemption prices set forth under the caption "*Description of the Notes—Optional Redemption—2025 Notes*," plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the redemption date.
2027 Senior Secured Fixed Rate Notes	Prior to March 1, 2023, the Issuer will be entitled at its option to redeem all or a portion of the 2027 Senior Secured Fixed Rate Notes at a redemption price equal to 100% of the principal amount of such Notes redeemed plus the applicable "make whole" premium described in this Offering Memorandum and accrued and unpaid interest and additional amounts, if any, to, but excluding, the redemption date.
	Prior to March 1, 2023, the Issuer will be entitled at its option, on one or more occasions, to redeem 2027 Senior Secured Fixed Rate Notes in an aggregate principal amount not to exceed 40% of the original aggregate principal amount of the 2027 Senior Secured Fixed Rate Notes at a redemption price equal to 102.000% of the principal amount outstanding in respect of such Notes with the net cash proceeds from certain equity offerings, plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the redemption date; *provided* that at least 50% of the original aggregate principal amount of 2027 Senior Secured Fixed Rate Notes remains outstanding immediately after each such redemption.
	Prior to March 1, 2023, the Issuer may, during each twelve month period commencing from the Issue Date, redeem up to 10% of the aggregate principal amount of the 2027 Senior Secured Fixed Rate Notes (calculated after giving effect to the issuance of any additional 2027 Senior Secured Fixed Rate Notes) at a redemption price equal to 103% of the principal amount redeemed, plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of redemption.

On or after March 1, 2023, the Issuer will be entitled at its option to redeem all or a portion of the 2027 Senior Secured Fixed Rate Notes at the applicable redemption prices set forth under the caption "*Description of the Notes—Optional Redemption—2027 Notes*," plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the redemption date.

2026 Senior Secured Floating Rate Notes . . . . Prior to March 1, 2021, the Issuer will be entitled at its option to redeem all or a portion of the 2026 Senior Secured Floating Rate Notes at a redemption price equal to 100% of the principal amount of such Notes redeemed plus the applicable "make whole" premium described in this Offering Memorandum plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the redemption date.

On or after March 1, 2021, the Issuer will be entitled at its option to redeem all or a portion of the 2026 Senior Secured Floating Rate Notes at the redemption price set forth under the caption "*Description of the Notes—Optional Redemption—Floating Rate Notes*," plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the redemption date.

Optional redemption for tax reasons . . . . In the event of certain developments affecting taxation, the Issuer may redeem each series of Notes in whole, but not in part, at any time, at a redemption price of 100% of the principal amount, plus accrued and unpaid interest and additional amounts, if any, to the date of redemption. See "*Description of the Notes—General Terms for Redemption—Redemption for Taxation Reasons*."

Change of Control . . . . . Upon the occurrence of certain events defined as constituting a change of control, the Issuer may be required to offer to repurchase all outstanding Notes at a purchase price in cash equal to 101% of the principal amount thereof on the date of purchase plus accrued and unpaid interest and additional amounts, if any, to the date of purchase. A change of control, will not be deemed to have occurred on one occasion if a specified consolidated total net leverage ratio is not exceeded in connection with such event. See "*Description of the Notes—Change of Control*."

Certain covenants . . . . . The Indenture relating to the Notes, among other things, will restrict the ability of the Parent and its restricted subsidiaries to:

- incur or guarantee additional indebtedness and issue certain preferred stock;
- create or incur certain liens;
- make certain payments, including dividends or other distributions, with respect to the shares of the Parent;
- prepay or redeem subordinated debt or equity;
- make certain investments;
- create encumbrances or restrictions on the payment of dividends or other distributions, loans or advances to and on the transfer of assets to the Issuer or the Parent;

	• sell, lease or transfer certain assets including stock of restricted subsidiaries; • engage in certain transactions with affiliates; • consolidate or merge with other entities; • impair the security interests for the benefit of the holders of the Notes; and • amend certain documents. Each of these covenants is subject to significant exceptions and qualifications. See "*Description of the Notes—Certain Covenants.*"
Transfer restrictions	The Notes and the Guarantees have not been registered under the U.S. Securities Act. You may only offer or sell the Notes in transactions that are exempt from, or not subject to, the registration requirements of the U.S. Securities Act, or pursuant to an effective registration statement. See "*Transfer Restrictions*." The Issuer has not agreed to, or otherwise undertaken, to register the Notes under the U.S. Securities Act.
No prior market	The Notes will be new securities for which there is currently no established trading market. Although the Initial Purchasers have advised the Issuer that they intend to make a market in the Notes, they are not obligated to do so and they may discontinue market making at any time without notice. Accordingly, there can be no assurance that an active trading market will develop for the Notes.
Listing	Application will be made to the Authority for the listing of the Notes on the Official List of the Exchange. There can be no assurances that the Notes will be listed on the Official List of the Exchange, that such permission to deal in the Notes will be granted, or that such listing will be maintained.
Use of proceeds	The Issuer intends to use the proceeds from this Offering, to (i) repay and cancel our Existing Facilities, (ii) repay a portion of existing shareholder loans and (iii) pay fees, costs and expenses related to the Transactions, as set forth under "*Use of Proceeds*."
Further issuance of Notes	Pursuant to the terms of the Indenture, the Issuer will be permitted to issue additional 2025 Senior Secured Fixed Rate Notes, additional 2027 Senior Secured Fixed Rate Notes or additional 2026 Senior Secured Floating Rate Notes, which shall have terms substantially identical to the 2025 Senior Secured Fixed Rate Notes, the 2027 Senior Secured Fixed Rate Notes or the 2026 Senior Secured Floating Rate Notes, respectively. For all purposes other than U.S. federal income tax purposes, the Initial 2025 Senior Secured Fixed Rate Notes and any Additional 2025 Senior Secured Fixed Rate Notes shall be deemed to form one series, the Initial 2027 Senior Secured Fixed Rate Notes and any Additional 2027 Senior Secured Fixed Rate Notes shall be deemed to form one series and the Initial 2026 Senior Secured Floating Rate Notes and any Additional 2026 Senior Secured Floating Rate Notes shall be deemed to form one series (in each case, as defined in the Indenture). In the event that

	any Additional Notes sold pursuant to Rule 144A of the Securities Act are not fungible with any Notes previously issued for U.S. federal income tax purposes, such non-fungible Additional Notes shall be issued with a separate ISIN, Common Code, CUSIP or other securities identification number, as applicable, so that they are distinguishable from such previously issued Notes. Additional 2025 Senior Secured Fixed Rate Notes, Additional 2027 Senior Secured Fixed Rate Notes and Additional 2026 Senior Secured Floating Rate Notes sold pursuant to Regulation S of the Securities Act from time to time may be issued with the same ISIN, Common Code, CUSIP or other securities identification number as the applicable series of initial Notes previously issued without being fungible with such series of initial Notes for U.S. federal income tax purposes. **If you are a U.S. holder considering the purchase of Regulation S Notes, you should consult your tax advisors concerning the particular U.S. federal income tax consequences to you of the purchase, ownership and disposition of such Notes, including with respect to the potential issuance of Additional 2025 Senior Secured Fixed Rate Notes, Additional 2027 Senior Secured Fixed Rate Notes and Additional 2026 Senior Secured Floating Rate Notes (each as defined in "*Description of the Notes*") that are not fungible with the applicable series of initial Notes for U.S. federal income tax purposes, but which nevertheless are not capable of being separately identified.**
Governing law	The Indenture, the Notes and the Guarantees will be governed by the laws of the State of New York. The Intercreditor Agreement will be governed by the laws of England and Wales. The Security Documents will be governed by the laws of The Netherlands, England and Wales, France and Germany (as applicable).
Security Agent	Wilmington Trust (London) Limited.
Trustee	BNY Mellon Trustee Services Limited.
Paying Agent and Calculation Agent	The Bank of New York Mellon, London Branch.
Registrar and Transfer Agent	The Bank of New York Mellon SA/NV, Luxembourg Branch.
Listing Agent	Carey Olsen Corporate Finance Limited.
Risk factors	Investing in the Notes involves a high degree of risk. See the "*Risk Factors*" section for a description of certain of the risks you should carefully consider before investing in the Notes.

Summary Historical Consolidated Financial and Other Information

The following tables set forth summary historical consolidated financial and other information of the Group as of and for the periods indicated.

The summary historical consolidated financial information presented below for the Group (except for the footnotes included below the tables) has been derived from:

- the audited consolidated annual accounts of Q Park B.V. as of and for the year ended December 31, 2016, prepared in accordance with IFRS, and audited by Deloitte, as set forth in their independent auditor's report, included elsewhere in this Offering Memorandum;
- the audited consolidated annual accounts of the Parent as of and for the period from May 22, 2017 to December 31, 2017, prepared in accordance with Dutch GAAP and audited by Deloitte, as set forth in their independent auditor's report, included elsewhere in this Offering Memorandum;
- the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018, prepared in accordance with Dutch GAAP and audited by Deloitte, as set forth in their independent auditor's report, included elsewhere in this Offering Memorandum. The audited consolidated annual accounts as of and for the year ended December 31, 2018 include a restated balance sheet as of December 31, 2017 in the comparative column; and
- the unaudited consolidated condensed interim financial statements of the Parent as of and for the nine months ended September 30, 2019, which have been prepared in accordance with Dutch GAAP, included elsewhere in this Offering Memorandum.

There are significant differences between Dutch GAAP and IFRS, meaning the financial information for these periods are not fully comparable. For a summary of significant differences between Dutch GAAP and IFRS, please see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Summary of Significant Differences between Dutch GAAP and IFRS*." Among other things, Dutch GAAP does not require the adoption of an accounting standard similar to IFRS 16 *Leases*.

In addition, our Dutch GAAP financial information for the period from May 22, 2017 to December 31, 2017 includes financial information of the Parent only from May 22, 2017, the date on which the Parent was incorporated. The consolidated financial information of the Parent includes the consolidated financial information of Q Park B.V. and its subsidiaries only for the period from October 11, 2017 to December 31, 2017.

The summary historical consolidated financial information presented below includes certain non-IFRS and non-Dutch GAAP measures that we use to evaluate our operating and financial performance. These measures are not identified as accounting measures under IFRS or Dutch GAAP and therefore should not be considered as alternative measures to evaluate the performance of the Group. See "*Presentation of Financial and Other Information*."

Therefore, in order to aid in the understanding of our financial information on a comparable basis, we also discuss selected financial data for the years ended December 31, 2016, 2017 and 2018, and the nine months ended September 30, 2018 and 2019, based on financial data derived from management accounts for such periods. Such "Underlying" financial data is based on our audited and unaudited actual results for the periods presented, as adjusted to better reflect our underlying performance as further described under "*—Underlying Financial Data Derived From Management Accounts.*" This information is referred to as "**Underlying Data**." This information has not been audited, and while Underlying Data is prepared on a basis that is consistent in all material respects as the basis on which our consolidated financial information is prepared, this Underlying Data is not comparable to the audited results due to adjustments and should not be regarded as a substitute for the audited financial data of the Group or financial data prepared in accordance with Dutch GAAP or IFRS.

The financial information presented herein as of and for the twelve months ended September 30, 2019 is derived from the Parent's unaudited consolidated condensed interim financial statements as of and for the nine months ended September 30, 2019 and the Parent's audited consolidated annual accounts as of and for the year ended December 31, 2018 (in each case included elsewhere herein) by adding together the financial information for the year ended December 31, 2018 and the financial information for the nine months ended September 30, 2019 and then subtracting the financial information for the nine months ended September 30, 2018.

In addition, certain summary unaudited adjusted consolidated financial data of the Group has been prepared to give effect to the Transactions. Such summary unaudited adjusted consolidated financial information has been prepared for illustrative purposes only and does not purport to represent what the actual consolidated financial position or financial information of the Group would have been had the Transactions actually occurred on October 1, 2018 or September 30, 2019, nor does such summary unaudited adjusted consolidated financial information purport to project the Group's consolidated financial position and financial information at any future date or for any future period. The summary unaudited adjusted consolidated financial information presented below includes non-IFRS and non-Dutch GAAP measures and is based on available information and certain assumptions and estimates that we believe are reasonable and may differ materially from the actual amounts.

The results of operations for the interim periods or prior years are not necessarily indicative of the results to be expected for the full year or any future period or our financial condition at any future date. The following summary historical consolidated financial, operating and other information should be read in conjunction with, and is qualified in its entirety by reference to, the consolidated financial statements of the Group and the accompanying notes included elsewhere in this Offering Memorandum, and should also be read together with the information set forth under the headings "*Presentation of Financial and Other Information*," "*Use of Proceeds*," "*Capitalization*," "*Selected Historical Consolidated Financial Information*," "*Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*."

Summary Consolidated Income Statement Information (Dutch GAAP)

The table below presents the summary consolidated income statement information of the Parent for the period from May 22, 2017 to December 31, 2017 and the year ended December 31, 2018, derived from the audited consolidated annual accounts of the Parent as of and for the period from May 22, 2017 to December 31, 2017 and of the Parent as of and for the year ended December 31, 2018, for the nine months ended September 30, 2018 and 2019, derived from the unaudited consolidated condensed interim financial statements of the Parent as of and for the nine months ended September 30, 2019, and for the twelve months ended September 30, 2019, derived from the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018 and the unaudited consolidated condensed interim financial statements of the Parent as of and for the nine months ended September 30, 2019.

	Dutch GAAP				
	Period from May 22, 2017 to December 31	Year ended December 31	Nine months ended September 30		Twelve months ended September 30
(€ in millions)	2017*	2018	2018	2019	2019
Net revenue	**231.6**	**877.9**	**640.9**	**558.9**	**795.9**
Other operating income	–	–	0.1	70.4	70.3
Lease expenses	(83.4)	(334.7)	(246.5)	(192.0)	(280.2)
Operating expenses parking facilities	(30.0)	(110.1)	(82.9)	(75.6)	(102.9)
Wages and salaries	(25.6)	(98.8)	(74.1)	(63.1)	(87.8)
Social security premiums	(4.8)	(17.7)	(13.0)	(10.7)	(15.4)
Pensions	(1.1)	(5.5)	(4.3)	(3.0)	(4.2)
Other operating expenses	(9.8)	(33.6)	(24.3)	(19.2)	(28.4)
Depreciation and amortization	(56.1)	(207.9)	(157.5)	(190.1)	(240.5)
Total operating expenses	**(210.8)**	**(808.3)**	**(602.5)**	**(553.6)**	**(759.4)**
Operating result	**20.8**	**69.6**	**38.3**	**75.7**	**107.0**
Financial result	(34.6)	(108.9)	(80.1)	(76.2)	(105.0)
Result before taxes	**(13.8)**	**(39.3)**	**(41.8)**	**(0.5)**	**2.0**
Taxes	(6.6)	37.3	(3.5)	0.5	41.3
Net result	**(20.4)**	**(2.0)**	**(45.4)**	**(0.1)**	**43.3**

* The financial information for the period from May 22, 2017 to December 31, 2017 includes (i) the financial information of the Parent from May 22, 2017, the date on which the Parent was incorporated, and (ii) the consolidated financial information of Q Park B.V. and its subsidiaries from October 11, 2017, the date on which the Acquisition was consummated, to December 31, 2017.

Summary Consolidated Balance Sheet Information (Dutch GAAP)

The table below presents (i) the summary consolidated balance sheet information of the Parent as of December 31, 2018, derived from the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018, (ii) the summary consolidated balance sheet information of the Parent as of December 31, 2017, derived from the restated comparative data in the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018, and (iii) the summary consolidated balance sheet information of the Parent as of September 30, 2019, derived from the unaudited consolidated condensed interim financial statements of the Parent as of and for the nine months ended September 30, 2019.

	Dutch GAAP		
	As of December 31		As of September 30
(€ in millions)	**2017**	**2018**	**2019**
Intangible fixed assets	1,400.8	1,326.1	1,053.5
Tangible fixed assets	2,956.4	2,942.9	2,881.1
Participating interests and prepaid expenses	4.2	8.0	7.7
Deferred tax assets	49.2	56.9	51.6
Financial instruments	2.6	0.4	–
Non-current assets	**4,413.2**	**4,334.3**	**3,993.9**
Receivables	118.9	109.1	104.0
Cash	98.2	61.6	50.7
Current assets	**217.1**	**170.7**	**154.7**
Total assets	**4,630.3**	**4,505.0**	**4,148.6**
Total equity	**1,210.5**	**1,113.3**	**1,110.4**
Deferred tax liabilities	350.6	293.4	269.8
Other provisions	34.2	27.2	31.3
Provision	**384.8**	**320.6**	**301.1**
Lease obligations	976.1	985.9	1,110.5
Shareholder loan	527.9	527.9	78.9
Loans	1,168.6	1,216.8	1,239.6
Other long-term liabilities	53.8	48.6	53.8
Non-current liabilities	**2,726.4**	**2,779.2**	**2,482.8**
Trade payable	66.1	54.7	31.2
Debt credit institutions	5.1	3.4	1.7
Lease obligations	56.4	58.0	64.4
Taxes and social insurance contributions	34.4	37.6	43.4
Other liabilities, accruals and deferred income	146.6	138.2	113.6
Current liabilities	**308.6**	**291.9**	**254.3**
Total equity and liabilities	**4,630.3**	**4,505.0**	**4,148.6**

Summary Consolidated Income Statement Information (IFRS)

The table below presents the summary consolidated income statement information of Q Park B.V. for the year ended December 31, 2016, derived from the audited consolidated annual accounts of Q Park B.V. as of and for the year ended December 31, 2016.

(€ in millions)	IFRS Year ended December 31, 2016
Net revenue	**825.0**
Variable rent component	(156.3)
Interest expenses related to rent obligations	(169.5)
Movement rent obligor component in leased properties	(45.4)
Expenses investment property operational and financial lease	**(371.2)**
Other operating expenses investment property	(113.7)
Wages and salaries	(100.4)
Social security premiums	(19.2)
General expenses	(25.6)
Operational result before depreciation	**194.9**
Depreciation and amortization	(11.1)
Operational result	**183.8**
Financial result	(44.3)
Result from participating interests	(0.2)
Direct result before taxes	**139.3**
Taxes	(53.9)
Direct result after taxes	**85.4**
Revaluation result investment property	61.9
Impairment other intangible fixed assets	–
Movement in fair value of interest derivatives	10.3
Amortization hedging reserve interest derivatives	(10.1)
Other valuation results	2.7
Indirect result before taxes	**64.8**
Taxes	(21.3)
Indirect result after taxes	**43.5**
Net result	**128.9**

Summary Consolidated Balance Sheet Information (IFRS)

The table below presents the summary consolidated balance sheet information of Q Park B.V. as of December 31, 2016, derived from the audited consolidated annual accounts of Q Park B.V. as of and for the year ended December 31, 2016.

	IFRS
(€ in millions)	**As of December 31, 2016**
Goodwill	88.5
Other intangible fixed assets	12.3
Investment property	5,671.2
Tangible fixed assets	35.3
Participating interests and prepaid expenses	2.6
Deferred tax assets	84.1
Financial instruments	4.2
Non-current assets	**5,898.2**
Fixed assets held for sale	16.0
Receivables	131.7
Cash and cash equivalents	24.6
Current assets	**172.3**
Total assets	**6,070.5**
Total equity	**1,353.2**
Deferred tax liabilities freehold property	375.2
Other deferred tax liabilities	116.6
Lease obligations	2,603.6
Loans	1,108.8
Other long-term liabilities	60.0
Non-current liabilities	**4,264.2**
Provisions	0.9
Trade payable	48.7
Debt credit institutions	11.6
Lease obligations	199.6
Taxes and social insurance contributions	33.0
Other liabilities, accruals and deferred income	159.3
Current liabilities	**453.1**
Total equity and liabilities	**6,070.5**

Summary Consolidated Statement of Cash Flows Information (IFRS and Dutch GAAP)

The table below presents the summary consolidated statement of cash flows information of the Q Park B.V. for the year ended December 31, 2016, derived from the audited consolidated annual accounts of Q Park B.V. as of and for the year ended December 31, 2016, of the Parent for the period from May 22, 2017 to December 31, 2017, derived from the audited consolidated annual accounts of the Parent as of and for the period from May 22, 2017 to December 31, 2017, and of the Parent for the year ended December 31, 2018, derived from the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018, and of the Parent for the nine months ended September 30, 2018 and 2019, derived from the unaudited consolidated condensed interim financial statements of the Parent as of and for the nine months ended September 30, 2019.

	IFRS	Dutch GAAP			
	Year ended December 31	Period from May 22, 2017 to December 31	Year ended December 31	Nine months ended September 30	
(€ in millions)	**2016**	**2017***	**2018**	**2018**	**2019**
Cash flow from operating activities . . .	202.8	110.6	249.3	163.4	154.6
Cash flow from investment activities . .	(74.5)	(1,850.0)	(109.0)	(83.5)	361.9
Cash flow from financing activities	(155.4)	1,784.3	(175.0)	(121.2)	(516.5)
Movement in cash and cash equivalents	**(27.1)**	**44.9**	**(34.7)**	**(41.3)**	**–**

* The financial information for the period from May 22, 2017 to December 31, 2017 includes (i) the financial information of the Parent from May 22, 2017, the date on which the Parent was incorporated, and (ii) the consolidated financial information of Q Park B.V. and its subsidiaries from October 11, 2017, the date on which the Acquisition was consummated, to December 31, 2017.

Summary Adjusted Financial Data (Non-IFRS and non-Dutch GAAP)

The summary unaudited adjusted consolidated financial data of the Group presented below has been prepared to give effect to the Transactions. The summary unaudited adjusted consolidated financial information presented below includes non-IFRS and non-Dutch GAAP measures and is based on available information and certain assumptions and estimates that we believe are reasonable and may differ materially from the actual amounts.

(€ in millions, except ratios)	**As of and for the twelve months ended September 30, 2019**
Adjusted Cash in bank(1)	30.0
Adjusted Gross Debt(2)	1,501.2
Adjusted Net Debt(3)	1,471.2
Adjusted Interest Expense(4)	32.6
Ratio of Adjusted Net Debt to Pro forma Underlying EBITDA	6.9x
Ratio of Pro forma Underlying EBITDA to Adjusted Interest Expense	6.6x

(1) Adjusted Cash in bank represents the cash amount as of September 30, 2019, after excluding an aggregate amount of €13.3 million of cash in machines and P1 cash as a result of the P1 Acquisition, which was completed on September 17, 2019. The Adjusted Cash in bank amount gives effect to certain events occurring after September 30, 2019 in order to more closely approximate the Adjusted Cash in bank amount of €30.0 million upon completion of the Transactions. Events affecting cash after September 30, 2019 include drawing additional borrowings under our Existing Facilities in December 2019, the repayment of amounts drawn under our Existing Revolving Facilities (which were partly drawn in connection with the P1 Acquisition in September 2019), estimated cash generation by our business after September 30, 2019 and distributions to our shareholders prior to the Issue Date.

(2) Adjusted Gross Debt represents the aggregate principal amount of our third-party financial indebtedness as of September 30, 2019 (excluding our financial leases which are long-term property leases that are classified as financial leases for the purposes of Dutch GAAP, but as to which there is no option to, or obligation to, purchase the asset at the conclusion of the lease), on an as adjusted basis after giving effect to the Transactions. Total financial debt as presented under "*Capitalization*" also excludes our financial lease obligations. Our obligations under our financial leases are recorded on the balance sheet as "Lease obligations under non-current liabilities in the balance sheet" and "Lease obligations under current liabilities in the balance sheet." See Note 10 of the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018. Operational leases are not recorded on the balance sheet. See Note 12 of the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018.

(3) Adjusted Net Debt represents the aggregate principal amount of Adjusted Gross Debt less Adjusted Cash in bank.

(4) Adjusted Interest Expense is calculated using the interest expense of the third-party financial indebtedness of the Group following the Transactions, including the issuance of the Notes offered hereby and the use of proceeds therefrom, as if the Transactions occurred on October 1, 2018, and excluding (i) any interest expense with respect to other indebtedness of the Group which has since been extinguished and (ii) any interest expense with respect to shareholder loans.

Underlying Financial Data derived from Management Accounts

As noted above, our Dutch GAAP financial information for the period from May 22, 2017 to December 31, 2017 includes (i) the financial information of the Parent from May 22, 2017, the date on which the Parent was incorporated, and (ii) the consolidated financial information of Q Park B.V. and its subsidiaries from October 11, 2017, the date on which the Acquisition was consummated, to December 31, 2017.

Therefore, in order to aid in the understanding of our financial information on a comparable basis, we also discuss selected financial data for the years ended December 31, 2016, 2017 and 2018, and the nine months ended September 30, 2018 and 2019, based on financial data derived from management accounts for such periods. Such "Underlying" financial data is based on our audited and unaudited actual results for the periods presented, as adjusted to better reflect our underlying performance as further described below under "*—Underlying Adjustments.*" This information is referred to as "**Underlying Data**." This information has not been audited, and while Underlying Data is prepared on a basis that is consistent in all material respects as the basis on which our consolidated financial information is prepared, this Underlying Data is not comparable to the audited results due to adjustments and should not be regarded as a substitute for the audited financial data of the Group or financial data prepared in accordance with Dutch GAAP or IFRS.

The Underlying Data we present below includes certain non-IFRS and non-Dutch GAAP measures that we use to evaluate our operating and financial performance. These measures are not identified as accounting measures under IFRS or Dutch GAAP and therefore should not be considered as alternative measures to evaluate the performance of the Group. See "*Presentation of Financial and Other Information*."

The Underlying Data as of and for the twelve months ended September 30, 2019 we present below is derived by adding together the Parent's Underlying Data for the year ended December 31, 2018 and the Parent's Underlying Data for the nine months ended September 30, 2019 and then subtracting the Parent's Underlying Data for the nine months ended September 30, 2018.

Underlying Adjustments

The following Underlying Data is based on our audited and unaudited actual results for the periods presented as adjusted to:

- include the consolidated financial information of Q Park B.V. and its subsidiaries derived from management accounts for the period from January 1, 2017 to October 10, 2017 prior to the Acquisition, prepared in accordance with Dutch GAAP (excluding accounting for financial leases), which does not appear in the audited consolidated annual accounts of the Parent as of and for the period from May 22, 2017 to December 31, 2017 (the "**Underlying 2017 Pre-Acquisition Results Adjustment**") in order to provide comparative financial data for 2017 on an annual basis;
- exclude the results with respect to SeNoFi, to give effect to the SeNoFi Disposal (which was completed on April 30, 2019) as if such disposal were completed on January 1, 2016 (the "**Underlying SeNoFi Adjustment**");
- exclude certain non-operating and non-recurring items as further described below (the "**Underlying Non-Operating and Non-Recurring Adjustments**");
- present results using a constant exchange rate with respect to our UK and Danish operations, which report their results in pounds sterling and Danish Kroner, respectively, as further described under "*Presentation of Financial and Other Information—Constant Exchange Rate Measures*" (together, the "**Underlying Constant Exchange Rate Adjustments**");

- give effect to the UK Sale and Leaseback, which took place over the course of 2019 as if such transactions were completed on January 1, 2016 (the "**Underlying UK Sale and Leaseback Adjustment**"); and/or

- add back the fixed component of lease expenses in connection with our financial leases (the "**Underlying Financial Lease Adjustment**" and, together with the Underlying 2017 Pre-Acquisition Results Adjustment, the Underlying SeNoFi Adjustment, the Underlying UK Sale and Leaseback Adjustment, the Underlying Non-Operating and Non-Recurring Adjustments and the Underlying Constant Exchange Rate Adjustments, the "**Underlying Adjustments**").

Underlying Financial Data (Non-IFRS and non-Dutch GAAP)

	Year ended December 31			Nine months ended September 30		Twelve months ended September 30
(€ in millions, except percentages)	**2016**	**2017**	**2018**	**2018**	**2019**	**2019**
Underlying Parking Revenues(1)	545.0	575.1	599.6	436.0	441.7	605.3
Underlying Short-Term Parking Revenues	435.8	456.5	473.5	342.2	341.0	472.3
Underlying Long-Term Parking Revenues	109.2	118.6	126.1	93.8	100.7	133.0
Underlying Rental Income(1)	12.5	12.9	11.9	8.9	9.5	12.4
Underlying Management and Consultancy Fees(1)	14.5	10.7	10.3	7.8	8.6	11.2
Underlying Control Fees(1)	11.7	12.9	14.5	10.5	11.2	15.2
Underlying Other Income(1)	12.7	14.7	14.2	10.5	10.6	14.5
Underlying Total Revenue(2)	**596.4**	**626.3**	**650.5**	**473.7**	**481.7**	**658.6**
Underlying EBITDA(3)	159.9	174.9	196.5	135.0	147.5	208.9
Underlying Gross Margin(4)	206.6	218.0	236.0	164.9	176.1	247.2
Underlying EBITDA Margin (%)(5)	26.8%	27.9%	30.2%	28.5%	30.6%	31.7%
Pro forma Underlying EBITDA(3)						214.7
Underlying Like-for-Like Parking Revenue Growth Rate (%)(6)	2.9%	2.2%	2.1%	2.2%	3.4%	N/A
Underlying Free Cash Flow(7)	126.4	131.4	160.0	114.8	122.6	167.7
Underlying FCF Cash Conversion Ratio (%)(8)	79.0%	75.1%	81.4%	85.0%	83.1%	80.3%
Underlying Existing Business Capex(9)	27.5	35.5	28.5	15.2	18.8	32.2
Underlying New Business Capex(10)	36.0	55.0	67.0	61.5	77.1	82.5
Underlying PaSS Hardware Capex(11)	–	–	1.0	0.2	3.9	4.7
Underlying LED Capex(12)	–	–	2.0	–	11.7	13.7
Underlying ICT & Other Capex(13)	6.0	8.0	8.0	5.0	6.1	9.1
Underlying Total Capex(14)	**69.5**	**98.5**	**106.5**	**81.9**	**117.6**	**142.2**
Underlying Cash Tax Expenses(15)	(5.1)	(8.9)	(9.4)	(3.6)	(9.2)	(15.0)

(1) Underlying Parking Revenues, Underlying Short-Term Parking Revenues, Underlying Long-Term Parking Revenues, Underlying Rental Income, Underlying Management and Consultancy Fees, Underlying Control Fees and Underlying Other Income each represent such respective component of Net revenue, as adjusted for the same Underlying Adjustments as Underlying Total Revenue, except for Underlying Non-Operating and Non-Recurring Adjustments, which apply to the applicable revenue stream. For further details, see "*Supplemental Underlying Financial Information*."

(2) Underlying Total Revenue represents Net revenue adjusted for the Underlying 2017 Pre-Acquisition Results Adjustment, the Underlying SeNoFi Adjustment, the Underlying Non-Operating and Non-Recurring Adjustments and the Underlying Constant Exchange Rate Adjustments.

The following table provides a reconciliation of Net Revenue to Underlying Total Revenue for the periods presented.

	Year ended December 31			Nine months ended September 30		Twelve months ended September 30
(€ in millions)	**2016**	**2017**	**2018**	**2018**	**2019**	**2019**
Net revenue	**825.0**	**231.6[(a)]**	**877.9**	**640.9**	**558.9**	**795.9**
Underlying 2017 Pre-Acquisition Results Adjustment	–	622.6[(a)]	–	–	–	–
Underlying SeNoFi Adjustment[(b)]	(215.5)	(223.3)	(225.0)	(165.4)	(75.8)	(135.4)
Underlying Non-Operating and Non-Recurring Adjustments[(c)]	(2.6)	(1.2)	–	–	0.7	0.7
Underlying Constant Exchange Rate Adjustments[(d)]	(10.5)	(3.4)	(2.4)	(1.9)	(2.1)	(2.6)
Underlying Total Revenue	**596.4**	**626.3**	**650.5**	**473.7**	**481.7**	**658.6**

(a) For 2017, Net revenue is calculated as the sum of: (i) Net revenue for the period from May 22, 2017 to December 31, 2017, as derived from the audited consolidated annual accounts of the Parent as of and for the period from May 22, 2017 to December 31, 2017, plus (ii) the Underlying 2017 Pre-Acquisition Results Adjustment, which represents the consolidated Net revenue of Q Park B.V. and its subsidiaries derived from management accounts for the period from January 1, 2017 to October 10, 2017 of Q Park B.V. and its subsidiaries.

(b) Underlying SeNoFi Adjustment represents the exclusion of Net revenue of SeNoFi for each of the periods presented. The SeNoFi Disposal was completed on April 30, 2019.

(c) Underlying Non-Operating and Non-Recurring Adjustments represents non-recurring revenue, contract termination compensation received and a negative non-cash impact due to a change in calculation of bad debt provision with respect to our control fees. In the year ended December 31, 2016, we received €2.6 million of compensation consisting of contract termination compensation in connection with a property in the United Kingdom that we had previously leased to a third party but the operations of which we re-took and for which we received a settlement, compensation in Denmark in connection with the sale of rights relating to parking spaces, the reversal of a provision with respect to credit card receivables in Denmark, the refund of utility fees paid in advance, as well as other non-recurring and incidental revenues. In the year ended December 31, 2017, we received €1.2 million of compensation in The Netherlands (in connection with the re-allocation of revenue generated from guaranteeing minimum availability of parking spaces received in 2017 and re-allocated to prior periods), France (in connection with compensation received in relation to the development of a project), Denmark (in connection with the sale of rights relating to certain parking spaces) and the United Kingdom (in connection with a property that we had previously leased to a third party but the operations of which we re-took and for which we received a settlement). In the nine months ended September 30, 2019, the adjustment of €0.7 million relates to an increase in our bad debt provision with respect to our control fees.

(d) Underlying Constant Exchange Rate Adjustments represents Net revenue using a constant exchange rate with respect to our UK and Danish operations, which report their results in pounds sterling and Danish Kroner, respectively, as further described under "*Presentation of Financial and Other Information—Constant Exchange Rate Measures*" to enhance the comparability of our historical financial information between 2016 and September 30, 2019.

(3) Underlying EBITDA represents Net result, adjusted for Other operating income, Taxes, Financial result, Depreciation and amortization and the Underlying Adjustments, or in the case of the year ended December 31, 2016, Net result, adjusted for Taxes, Financial result, Indirect result before taxes, Result from participating interests, Depreciation and amortization and the Underlying Adjustments, as further detailed below.

Pro forma Underlying EBITDA represents Underlying EBITDA adjusted for the P1 Acquisition as if such acquisition had occurred on October 1, 2018.

Underlying EBITDA and *Pro forma* Underlying EBITDA differ from "Consolidated EBITDA" contained in the section "*Description of the Notes*" and in the Indenture. We present Underlying EBITDA and *Pro forma* Underlying EBITDA for informational purposes only. This information does not represent the results we would have achieved had each of the transactions for which an adjustment is made occurred at the dates indicated.

The following table provides a reconciliation of (i) Net result to Underlying EBITDA for the periods presented and (ii) Underlying EBITDA to *Pro forma* Underlying EBITDA for the twelve months ended September 30, 2019.

	Year ended December 31			Nine months ended September 30		Twelve months ended September 30
(€ in millions)	**2016**	**2017**	**2018**	**2018**	**2019**	**2019**
Net result	**128.9**	**(20.4)[(a)]**	**(2.0)**	**(45.4)**	**(0.1)**	**43.3**
Other operating income	–	–	–	(0.1)	(70.4)	(70.4)
Taxes	75.2	6.6[(a)]	(37.3)	3.5	(0.5)	(41.3)
Financial result	44.3	34.6[(a)]	108.9	80.1	76.2	105.0
Indirect result before taxes	(64.8)	–	–	–	–	–
Result from participating interests	0.2	–	–	–	–	–
Depreciation and amortization	11.1	56.1[(a)]	207.9	157.6	190.1	240.5
Underlying 2017 Pre-Acquisition Results Adjustment	–	142.2[(a)]	–	–	–	–
Underlying SeNoFi Adjustment[(b)]	(27.8)	(28.9)	(31.2)	(21.5)	(8.7)	(18.3)
Underlying Non-Operating and Non-Recurring Adjustments[(c)]	2.5	7.2	16.6	10.3	11.7	18.0
Underlying Constant Exchange Rate Adjustments[(d)]	(2.1)	(0.6)	(0.4)	(0.2)	(0.3)	(0.4)
Underlying UK Sale and Leaseback Adjustment[(e)]	(7.7)	(7.7)	(7.7)	(5.7)	(5.7)	(7.7)
Underlying Financial Lease Adjustment[(f)]	–	(14.2)	(58.4)	(43.8)	(45.1)	(59.7)
Underlying EBITDA	**159.9**	**174.9**	**196.5**	**135.0**	**147.5**	**208.9**
Adjustment for P1 Acquisition[(g)]						5.8
***Pro Forma* Underlying EBITDA**						**214.7**

(a) For 2017, Net result minus Other operating income, plus Taxes, Financial result and Depreciation and amortization is calculated as the sum of: (i) Net result, Taxes, Financial result and Depreciation and amortization minus Other operating income for the period from May 22, 2017 to December 31, 2017, as derived from the audited consolidated annual accounts of the Parent as of and for the period from May 22, 2017 to December 31, 2017, plus (ii) the Underlying 2017 Pre-Acquisition Results Adjustment, which represents the consolidated Net result before Taxes, Financial result, Depreciation and amortization minus Other operating income of Q Park B.V. and its subsidiaries derived from management accounts for the period from January 1, 2017 to October 10, 2017 of Q Park B.V. and its subsidiaries.

(b) Underlying SeNoFi Adjustment represents the exclusion of Net result plus Taxes, Financial result and Depreciation and amortization, or in the case of the year ended December 31, 2016, Net result plus Taxes, Financial result, Indirect result before taxes, Result from participating interests, Depreciation and amortization, relating to SeNoFi. The SeNoFi Disposal was completed on April 30, 2019.

(c) Underlying Non-Operating and Non-Recurring Adjustments comprise non-recurring income and expense items that we consider exceptional or otherwise not related to our core business. We believe the separate reporting of exceptional items helps provide an indication of our underlying business performance.

Underlying Non-Operating and Non-Recurring Adjustments consist of the following items for the periods reported.

	Year ended December 31			Nine months ended September 30		Twelve months ended September 30
(€ in millions)	**2016**	**2017**	**2018**	**2018**	**2019**	**2019**
Underlying Non-Operating and Non-Recurring Revenue Adjustments[(i)]	(2.6)	(1.2)	–	–	0.7	0.7
Acquisition-related costs[(ii)]	4.0	4.3	–	–	–	–
Restructuring costs[(iii)]	0.2	1.5	1.8	0.7	1.0	2.1
Value Enhancement Program[(iv)]	–	–	3.7	3.0	2.7	3.4
SeNoFi Disposal[(v)]	–	–	2.8	1.7	0.3	1.4
UK Sale and Leaseback[(vi)]	–	–	–	–	1.6	1.6
Monitoring fees and holding expenses[(vii)]	–	1.4	6.0	4.2	4.7	6.5
Implementation of new pension scheme[(viii)]	0.8	–	–	–	–	–
Other non-operating and non-recurring costs[(ix)]	0.1	1.2	2.3	0.7	0.7	2.3
Underlying Non-Operating and Non-Recurring Adjustments	**2.5**	**7.2**	**16.6**	**10.3**	**11.7**	**18.0**

(i) In the year ended December 31, 2016, we received €2.6 million of compensation consisting of contract termination compensation in connection with a property in the United Kingdom that we had previously leased to a third party but the operations of which we re-took and for which we received a settlement, compensation in Denmark in connection with the sale of rights relating to certain parking spaces, the reversal of a provision with respect to credit card receivables in Denmark, the refund of utility fees paid in advance, as well as other non-recurring and incidental revenues. In the year ended December 31, 2017, we received €1.2 million of compensation in The Netherlands (in connection with the re-allocation of revenue generated from guaranteeing minimum availability of parking spaces received in 2017 and re-allocated to prior periods), France (in connection with compensation received in relation to the development of a project), Denmark (in connection with the sale of rights relating to certain parking spaces) and the United Kingdom (in connection with a property that we had previously leased to a third party but the operations of which we re-took and for which we received a settlement). In the nine months ended September 30, 2019, the adjustment of €0.7 million relates to an increase in our bad debt provision with respect to our control fees.

(ii) Reflects advsiory and consultancy costs we incurred in connection with the Acquisition in an amount of €4.0 million and €4.3 million in the years ended December 31, 2016 and 2017, respectively.

(iii) We recorded restructuring costs comprising of redundancy costs related to organizational restructuring in the amount of €0.2 million relating to Q Park B.V., €1.5 million (of which €1.1 million relates to Q Park B.V.) and €1.8 million (of which €0.1 million relates to Q Park B.V.) in the years ended December 31, 2016, 2017 and 2018, respectively. We incurred restructuring costs comprising of redundancy costs related to organizational restructuring of €0.7 million and €1.0 million in the nine months ended September 30, 2018 and 2019, respectively.

(iv) We introduced our Value Enhancement Program in the end of 2017. In connection with implementing initiatives under our Value Enhancement Program, we incurred advisory and consultancy costs of €3.7 million in the year ended December 31, 2018 and €3.0 million and €2.7 million in the nine months ended September 30, 2018 and 2019, respectively.

(v) During the year ended December 31, 2018, we recorded €2.8 million in professional and advisory costs related to the SeNoFi Disposal. We incurred €1.7 million and €0.3 million in professional and advisory costs related to the SeNoFi Disposal in the nine months ended September 30, 2018 and 2019, respectively.

(vi) The adjustment of €1.6 million in the nine months ended September 30, 2019 reflects lease expense incurred for this period, resulting from the staggered sale of various properties in the United Kingdom throughout the nine months ended September 30, 2019. This adjustment is made to prevent double-counting, since the Underlying UK Sale and Leaseback Adjustment of €7.7 million used to calculate Underlying EBITDA includes the anualized lease expense in connection with all 14 of our UK properties (three of which were completed after September 30, 2019), based on the contractual lease cost at the time of contract inception.

(vii) In the year ended December 31, 2017, we recognized monitoring fees payable to certain of our shareholders in an amount of €1.3 million and expenses in an amount of €0.1 million with respect to holding companies of Q Park B.V.

In the year ended December 31, 2018, we recognized monitoring fees payable to certain of our shareholders in an amount of €5.3 million and expenses in an amount of €0.7 million with respect to holding companies of Q Park B.V.

In the nine months ended September 30, 2018, we recognized monitoring fees payable to certain of our shareholders in an amount of €4.0 million and expenses in an amount of €0.2 million with respect to holding companies of Q Park B.V.

In the nine months ended September 30, 2019, we recognized monitoring fees payable to certain of our shareholders in an amount of €4.0 million and expenses in an amount of €0.7 million with respect to holding companies of Q Park B.V.

(viii) Represents a provision of €0.8 million in respect of costs relating to indexation of our new pension scheme as well as advisory and consultancy fees in connection with the implementation of such scheme for the year ended December 31, 2016.

(ix) In the year ended December 31, 2016, we recognized €0.1 million of other non-operating and non-recurring costs.

In the year ended December 31, 2017, we recognized €1.2 million of other non-operating and non-recurring costs, which included €0.4 million in connection with the relocation of the Group's treasury department and €0.7 million in connection with professional fees to address a cyber-attack.

In the year ended December 31, 2018, we recognized €2.3 million of other non-operating and non-recurring costs, which included €1.3 million of fees with respect to non-recurring tax and legal advice, €0.6 million in connection with a provision for bad debts arising from a dispute in relation to a contract in France and €0.4 million of other non-operating and non-recurring costs.

In the nine months ended September 30, 2018, we recognized €0.7 million of other non-operating and non-recurring costs, which included €0.5 million of fees with respect to non-recurring tax and legal advice and €0.2 million of other non-operating and non-recurring costs.

In the nine months ended September 30, 2019, we recognized €0.7 million of fees with respect to non-recurring tax and legal advice.

There is no assurance that items we have identified for adjustment as non-recurring will not recur in the future or that similar items will not be incurred in the future.

(d) Underlying Constant Exchange Rate Adjustments reflects a constant exchange rate with respect to our UK and Danish operations, which report their results in pounds sterling and Danish Kroner, respectively, as further described under "*Presentation of Financial and Other Information—Constant Exchange Rate Measures*" to enhance the comparability of our historical financial information from 2016 to September 30, 2019.

(e) Underlying UK Sale and Leaseback Adjustment gives effect to the UK Sale and Leaseback, which took place over the course of 2019 as if such transactions were completed on January 1, 2016. In particular, this adjustment reflects the anualized lease expense in connection with the sale and leaseback transactions completed with respect to all 14 of our UK properties (three of which were completed after September 30, 2019), based on the contractual lease cost at the time of contract inception. From the effective date of the sale and leaseback of each UK facility pursuant to the UK Sale and Leaseback, such UK facility will be classified as a financial lease, and the fixed component of such lease expense will be subject to the Underlying Financial Lease Adjustment going forward.

(f) Underlying Financial Lease Adjustment represents the fixed component of lease expenses paid in connection with our financial leases. Such financial leases are long-term property leases that are classified as financial leases for the purposes of Dutch GAAP, but as to which there is no option to, or obligation to, purchase the asset at the conclusion of the lease. In addition, these leases contain no residual liability or balloon payment associated with them at the end of the lease, and no obligation to make payments with respect to a purchase of the underlying property. Total financial debt as presented under "*Capitalization*" excludes our financial lease obligations.

(g) Represents the management's estimate of the earnings before interest, taxes, depreciation and amortization of P1 for the year ended December 31, 2019, as adjusted for (i) the proposed disposal of certain P1 operations following the P1 Acquisition and (ii) estimated cost savings and synergies that we expect to achieve through reduced personnel and shareholder costs, centralization of core functions, improved procurement measures and other operational efficiencies following the implementation of various integration initiatives.

(4) We define Underlying Gross Margin as Underlying Total Revenue less Underlying Operating Expenses less Underlying Lease Expenses.

The following table provides a reconciliation of (i) Underlying Total Revenue to Underlying Gross Margin and (ii) Underlying Gross Margin to Underlying EBITDA for the periods presented.

	Year ended December 31			Nine months ended September 30		Twelve months ended September 30
(€ in millions)	**2016**	**2017**	**2018**	**2018**	**2019**	**2019**
Underlying Total Revenue	**596.4**	**626.3**	**650.5**	**473.7**	**481.7**	**658.6**
Underlying Operating Expenses[(a)]	(148.6)	(156.0)	(155.0)	(117.0)	(113.6)	(151.6)
Underlying Lease Expenses[(b)]	(241.3)	(252.3)	(259.5)	(191.7)	(191.9)	(259.8)
Underlying Gross Margin	**206.6**	**218.0**	**236.0**	**164.9**	**176.1**	**247.2**
Underlying General Expenses[(c)]	(48.0)	(44.4)	(40.7)	(30.5)	(29.9)	(40.0)
Underlying Capitalized Personnel Expenses[(d)]	1.3	1.3	1.2	0.7	1.3	1.8
Underlying EBITDA	**159.9**	**174.9**	**196.5**	**135.0**	**147.5**	**208.9**

(a) Underlying Operating Expenses consist of expenses incurred with respect to the operation of our facilities including maintenance expenses, utilities, personnel required to operate our facilities, property taxes, money management fees such as credit card charges, ICT, parking management systems and other costs directly related to operating parking facilities, as derived from management accounts, adjusted to reflect the Underlying 2017 Pre-Acquisition Results Adjustment, Underlying SeNoFi Adjustment, Underlying Non-Operating and Non-Recurring Adjustments and Underlying Constant Exchange Rate Adjustments. In addition, we have made adjustments for the periods ended December 31, 2017 and 2018 and the nine months ended September 30, 2018 to reclassify some Certain Capitalized Personnel Expenses and Certain General Expenses as Certain Operating Expenses. This adjustment reflects that, from January 1, 2019, certain expenses which had previously been categorized as Certain Capitalized Personnel Expenses and Certain General Expenses in prior periods are now recorded as Certain Operating Expenses. For further details, see "*Supplemental Underlying Financial Information*."

(b) Underlying Lease Expenses consist of all lease expenses relating to our financial and operational leases, and including fixed and variable lease expenses as well as service charges and ground rent, as derived from management accounts, adjusted to reflect all of the Underlying Adjustments. For further details, see "*Supplemental Underlying Financial Information*."

(c) Underlying General Expenses consist of central and local overhead costs, including wages and salaries for centralized personnel, office lease expenses, ICT costs, advisory and consultancy costs and travel costs, as derived from management accounts, adjusted to reflect the Underlying 2017 Pre-Acquisition Results Adjustment, Underlying SeNoFi Adjustment, Underlying Non-Operating and Non-Recurring Adjustments and Underlying Constant Exchange Rate Adjustments. In addition, we have made adjustments for the periods ended December 31, 2017 and 2018 and the nine months ended September 30, 2018 to reclassify some Certain General Expenses as Certain Operating Expenses. This adjustment reflects that, from January 1, 2019, certain expenses which had previously been categorized as Certain General Expenses in prior periods are now recorded as Certain Operating Expenses. For further details, see "*Supplemental Underlying Financial Information*."

(d) Underlying Capitalized Personnel Expenses consist of personnel costs related to large capital projects, including construction, development and refurbishment of parking facilities, as well as costs relating to our acquisition personnel who acquire new facilities and/or contracts, and capitalized costs in connection with building, developing or expanding facilities, as derived from management accounts, adjusted to reflect the Underlying 2017 Pre-Acquisition Results Adjustment and Underlying Constant Exchange Rate Adjustments. In addition, we have made adjustments for the year ended December 31, 2018 and the nine months ended September 30, 2018 to reclassify some Certain Capitalized Personnel Expenses as Certain Operating Expenses. This adjustment reflects that, from January 1, 2019, certain expenses which had previously been categorized as Certain Capitalized Personnel Expenses in prior periods are now recorded as Certain Operating Expenses. For further details, see "*Supplemental Underlying Financial Information*."

(5) We define Underlying EBITDA Margin as Underlying EBITDA divided by Underlying Total Revenue.

(6) We define Underlying Like-for-Like ("**LFL**") Parking Revenue Growth Rate as the percentage change from period to period in the Underlying Parking Revenues generated from parking facilities that we categorize as LFL operations. A facility is included in LFL operations if it has a duration of five years or more and has operated for at least two full financial years, measured as

of the beginning of the current financial year, excluding any facilities which are due to expire in the current reporting period, facilities relating to an airport business and certain facilities that are not operational (for example, due to refurbishment). Given the foregoing, the number and identity of parking facilities making up our LFL operations for the periods shown changes every reporting period. For the periods prior to 2016, we have calculated the total Underlying LFL Parking Revenue Growth Rate based on the Underlying LFL Parking Revenue Growth Rate per country for such period, weighted by the Underlying Parking Revenues for such country for the twelve months ended September 30, 2019. For 2016 and periods thereafter, we have calculated the total Underlying LFL Parking Revenue Growth Rate based on the percentage change from period to period in the Underlying Parking Revenues generated by each parking facility that we categorize as LFL operations for such period, weighted by the Underlying Parking Revenues for such period.

(7) We define Underlying Free Cash Flow as Underlying EBITDA less Underlying Existing Business Capex less Underlying ICT & Other Capex.

The following table provides a reconciliation of Underlying EBITDA to Underlying Free Cash Flow for the periods presented.

	Year ended December 31			Nine months ended September 30		Twelve months ended September 30
(€ in millions)	**2016**	**2017**	**2018**	**2018**	**2019**	**2019**
Underlying EBITDA	**159.9**	**174.9**	**196.5**	**135.0**	**147.5**	**208.9**
Underlying Existing Business Capex[(a)]	(27.5)	(35.5)	(28.5)	(15.2)	(18.8)	(32.2)
Underlying ICT & Other Capex[(b)]	(6.0)	(8.0)	(8.0)	(5.0)	(6.1)	(9.1)
Underlying Free Cash Flow	**126.4**	**131.4**	**160.0**	**114.8**	**122.6**	**167.7**

(a) See note 9 for a description of Underlying Existing Business Capex.

(b) See note 13 for a description of Underlying ICT & Other Capex.

(8) We define Underlying FCF Cash Conversion Ratio as Underlying Free Cash Flow divided by Underlying EBITDA.

(9) Underlying Existing Business Capex consists of works to maintain the upkeep of our existing facilities as well as repairs on car park facilities to ensure they remain fully operational and compliant, adjusted to give effect to the Underlying SeNoFi Adjustment.

(10) Underlying New Business Capex consists of capital expenditure related to the development and construction of new or newly acquired parking facilities, adjusted to give effect to the Underlying SeNoFi Adjustment.

(11) Underlying PaSS Hardware Capex consists of capital expenditure on hardware for PaSS.

(12) Underlying LED Capex consists of capital expenditure in connection with our LED lighting initiative, whereby, as part of the Value Enhancement Program, we have replaced our traditional lighting with LED lighting on a Group-wide basis, across seven countries.

(13) Underlying ICT & Other Capex consists of investment and expenditure in relation to information technology and digital and mobility solutions, including PaSS software, incurred by our central and headquarter functions.

(14) Underlying Total Capex consists of cash flow from investment activities adjusted for divestments, the Acquisition, the Underlying 2017 Pre-Acquisition Results Adjustment and the Underlying SeNoFi Adjustment. For further details, see "*Supplemental Underlying Financial Information—Underlying Total Capex*."

(15) Underlying Cash Tax Expenses represents Taxes paid, adjusted to give effect to the Underlying SeNoFi Adjustment and the Underlying 2017 Pre-Acquisition Results Adjustment.

Underlying Financial Data by Country

Underlying Total Revenue in each jurisdiction for the periods indicated, as derived from management accounts, is as follows.

	Year ended December 31			Nine months ended September 30		Twelve months ended September 30
(€ in millions)	**2016**	**2017**	**2018**	**2018**	**2019**	**2019**
The Netherlands	183.0	190.6	199.1	144.8	148.7	203.0
France	109.7	122.6	125.9	94.0	97.8	129.7
United Kingdom	98.8	100.0	106.0	76.3	79.4	109.1
Germany	94.8	95.7	98.0	70.6	76.0	103.5
Belgium	51.8	56.7	57.8	42.5	31.1	46.4
Denmark	36.1	37.5	41.1	29.3	32.2	44.0
Ireland	22.2	23.2	22.6	16.4	16.6	22.8
Underlying Total Revenue	**596.4**	**626.3**	**650.5**	**473.7**	**481.7**	**658.6**

Underlying EBITDA in each jurisdiction for the periods indicated, as derived from management accounts, is as follows.

(€ in millions)	Year ended December 31			Nine months ended September 30		Twelve months ended September 30
	2016	2017	2018	2018	2019	2019
The Netherlands	64.8	68.3	75.9	53.1	58.6	81.4
France	53.7	59.3	65.7	48.2	51.7	69.1
United Kingdom	11.7	12.3	12.2	7.2	7.8	12.7
Germany	15.3	16.4	18.1	11.1	13.6	20.8
Belgium	14.7	17.6	19.9	13.3	13.5	20.1
Denmark	7.4	7.8	8.4	5.2	6.2	9.3
Ireland	5.6	6.5	6.9	4.8	4.9	7.0
Holding Costs[(a)]	(13.1)	(13.4)	(10.6)	(7.8)	(8.6)	(11.4)
Total Underlying EBITDA	**159.9**	**174.9**	**196.5**	**135.0**	**147.6**	**208.9**

(a) Holding Costs represents costs in connection with central, core and headquarter functions as well as other non-allocated costs including corporate overhead and central ICT costs.

RISK FACTORS

An investment in the Notes involves a high degree of risk. You should carefully consider the following risks, together with other information provided to you in this Offering Memorandum, in deciding whether to invest in the Notes. The occurrence of any of the events discussed below could materially adversely affect our business, results of operations or financial condition. If these events occur, the trading prices of the Notes could decline, and we may not be able to pay all or part of the interest or principal on the Notes, and you may lose all or part of your investment. Additional risks not currently known to us or that we now deem immaterial could also adversely affect our business, results of operations, or financial condition or our ability to fulfill our obligations under the Notes and affect your investment.

This Offering Memorandum contains "forward-looking" statements that involve risks and uncertainties. Our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include those discussed below and elsewhere in this Offering Memorandum. See "Forward-Looking Statements."

Risks relating to our Business and Industry

We operate parking facilities on certain properties legally owned by us which face several risks, including the risk of expropriation by the government in the public interest.

As of December 31, 2018, our portfolio consisted of 77 parking facilities located on properties legally owned by us and 49 parking facilities through ground leases. For the year ended December 31, 2018, 16% and 7% of our Underlying Total Revenue and 35% and 10% of our Underlying Gross Margin (excluding non-allocated and central operating costs) was generated from our legally owned parking facilities and ground leases, respectively. In relation to our legally owned properties, we face the risk of expropriation by the government in the public interest. In such circumstances, we are entitled to appropriate compensation from the government as specified under the relevant local laws. However, there can be no assurance that we will be paid sufficient compensation or at all. Further, in respect of our ground leases, while there is typically a protection mechanism whereby the municipality is required to pay compensation to us in the event that the municipality intends to terminate the ground lease or expropriate the property, we similarly cannot be certain that we will be able to recover such compensation. In the event of an expiration of one of our legally owned properties or ground leases, failure to obtain sufficient compensation from the relevant authorities may result in loss of our investment as well as the parking facility which could in turn materially adversely affect our business, results of operations or financial condition.

Further, in such situations, we may also incur additional legal and other costs if we initiate legal action contesting the government's decision to expropriate or the valuation of compensation.

In addition, our portfolio (mostly legally owned by us, but including, in some cases, certain ground lease properties), which had a property market value of €1.7 billion as of September 30, 2019, also faces risks related to under-valuation in any enforcement scenario, market fluctuations, encumbrances and legal action from third parties in the event of disputes relating to title and other property rights. Further, while we believe that our asset-based model provides downside protection given ability to convert legally owned facilities for alternative uses, given the specificity of our facilities, such alternative uses may require extensive and costly conversions, regulatory approvals or licenses or may not turn out to be profitable. If it is no longer profitable to operate a parking facility at one of the locations included in our portfolio of owned properties and we are not able to convert the space to an alternative use, we may not be able to recoup our investment in the facility which could in turn materially adversely affect our business, results of operations or financial condition.

Our lease contracts and concessions are granted for a limited period of time and are subject to termination by the granting authority under circumstances stipulated under public law or under the terms and conditions contractually agreed to.

Our long-term leases are typically long-term arrangements with a Weighted Average Remaining Duration of 50 years and our long-term concession agreements are typically long-term arrangements with an average remaining duration of 12 years. Moreover, while a majority of these contracts constitute long-term arrangements, some of our contracts will be subject to a public or private tender process at the end of their term. Out of our top 10 contracts by Underlying Gross Margin (excluding non-allocated and central operating costs), one will expire in the next five years representing 2.5% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018. The loss of, or the renewal on less commercially favorable terms of, a significant number of our existing facilities, or one or more of our largest facilities, could materially adversely affect our business, results of operations or financial condition.

We are also subject to the termination rights set forth in the terms and conditions in our agreements. For example, in France, a change of shareholding of the concessionaire may trigger the relevant authority's (*Conseil d'Etat*) right to terminate the concession agreement for reasons of public interest (*intérêt général*) due to this change in the shareholding structure. Such right may be exercised even if it is not expressly provided in the concession agreement. Generally, in the event of early termination of a lease or concession agreement where we are not at fault, we will be entitled to compensation from the municipality or the government for the amount of the investments we have made in carrying out the terms of the contract based on the degree to which the investments have been amortized. We may also attempt to seek compensation under applicable law or under the relevant contract to cover our anticipated profits for the remaining duration of the contract, although there can be no assurance that we will be successful. Additionally, public authorities generally have some discretion in interpreting the terms of these contracts, especially when determining whether we have complied with their terms. If we are unsuccessful in seeking compensation in the manner described above, our only recourse may be litigation, which involves additional expenses and an extended period of time to reach a resolution. Finally, even if we are ultimately successful, the public authorities may not have the resources available to satisfy any claim by us for compensation for lost investment or profit on a timely basis.

Additionally, certain of our contract management agreements allow the counterparty to remove some parking spaces from our management without compensation for public interest reasons. To the extent such rights are exercised, our rights to contest these actions may be limited.

The early termination by the relevant authorities of one or more of our lease or concession agreements or the early termination or reduction of one or more of our management contracts could materially adversely affect our business, results of operations or financial condition.

We are subject to competition that can constrain our ability to acquire new parking facilities, and win and renew long-term parking lease contracts and concessions which could in turn have a material adverse effect on our business, results of operations or financial condition.

The off-street parking sector in Western Europe is a competitive market, with a variety of competitors ranging from small, local single facility operators to large, regional, national and international operators with a significant number of parking spaces. While the largest owners and operators in the industry are the municipalities, some of these larger competitors are also divisions of diversified global corporations with substantial financial, management and other resources and capabilities.

In Western Europe, long-term parking lease contracts and concessions for parking facilities are generally awarded and renewed through competitive tenders. In the bidding phase of a parking facility, a significant number of competing bidders may participate. For example, in France, we face competition in the public tender process for our concessions. In Germany and other markets where a majority of our facilities are legally owned or subject to ground leases, we face competition from private companies in identifying and acquiring sites for new parking facilities. There also may be significant competition to renew existing leases. This risk is more pronounced where the contract is with a public authority and where a bidding process is required as opposed to with a private landlord where we can initiate bilateral discussions ahead of upcoming lease expirations. Finally, our inability to successfully compete to attract users of our parking spaces and facilities could have a material adverse effect on our business, results of operations or financial condition.

Changing consumer behavior may lead to a decline in parking demand, which could have a material adverse impact on our business, financial condition and results of operations.

A car parking service is an indirect service which depends on external factors, such as shopping centers, leisure amenities, hospitals, airports, offices, and housing, in the vicinity of a parking facility. New customer behavior, like online shopping and working from home, or changes in the popularity of certain stores or locations, poses a risk of a decreasing demand and, thus, may have an adverse effect on our business and revenue. Further, a variety of factors are contributing to changes in the transportation industry that could have a negative impact on our business, including changes in regulations, increased use of public transport by end customers and car sharing. Ride sharing services and alternative public or private transport providers, along with the development of autonomous vehicles, trends that are particularly pronounced in larger cities may lead to a decline in parking demand in cities and urban areas. While we devote considerable effort and resources to analyze and respond to consumer preferences and changes to consumer preferences and the markets in which we operate, consumer preferences cannot be predicted with certainty and can change rapidly. While we have invested in positioning ourselves to benefit from trends such as experience shopping and urbanization, these trends may turn out to be less resilient than expected, may decrease or reverse. Consumers may also increasingly drive less due to the convenience of online retail shopping and as a result of cities limiting cars or promoting other forms of transportation. Cities may increase regulations affecting price and availability of on-street car parking. Additionally, changes in consumer behavior, including increased use of mobile phone applications and on-line parking reservation services that help drivers reserve parking in garages, lots and from individual owners cannot be predicted with certainty and could change current customers' parking preferences. Our efforts to respond to these changes in order to develop new sources of income by optimizing pricing and utilization may prove ineffective or our competitors may develop more efficient and popular solutions, which could result in us ceding market share and revenue to such competitors. If we are unable to anticipate and respond to trends in the consumer marketplace and the industry, including but not limited to changing preferences resulting from the proliferation of delivery service companies, car sharing companies and other new technologies, it could constrain our growth and have a material and adverse impact on our business, financial condition and results of operations.

We may face complaints or litigation from season ticket holders with respect to our long-term parking facilities.

We offer season tickets to customers for long-term parking in certain of our parking facilities. From time to time, the pricing under such season tickets may increase significantly and as a result, we may be subject to complaints, or in some cases, litigation. For example, in 2019, we cancelled an existing discount scheme that we had granted one of our long-term parking customers under an agreement with them, which resulted in a tariff increase of 35% for such customer. The customer challenged the tariff increase in court. Although the court rejected the customer's claim and held that we were entitled to increase the tariffs under our agreement, there can be no assurance that we will not face such litigation in the future or that such litigation or complaints will be decided in our favor. Moreover, we may be required to divert management's time and attention in order to defend such claims. In addition, pricing changes for the provision of long-term parking may cause some of our business customers to seek alternative mobility solutions for their staff.

Disruptions and declines in the global economy and financial markets, including the European economy and financial markets, have had, and may in the future have, an adverse effect on our business, liquidity, financial condition and results of operations.

Our operations are located in Western Europe. Accordingly, our financial performance is particularly affected by economic and financial conditions in Europe, and our results of operations may be adversely affected if difficult macroeconomic circumstances in Europe cause a sustained or significant decrease in the demand for parking services, or the pricing of parking services.

Following the departure by the United Kingdom from the EU, which occurred on January 31, 2020 ("**Brexit**"), we operate in six countries that form part of the EU. As such, the EU is an important market for our business, and adverse economic effects within the EU could have a material adverse impact on our business, results of operations or financial condition. Continuing instability in the European markets, the stability of the euro and the EU and the uncertainty resulting from the recent refugee crisis have all contributed to weaker European economic performance. Future developments may continue to be dependent upon a number of political and economic factors. Conditions in Europe have in turn resulted in increased volatility in global capital markets, which could continue for the foreseeable future. The increased volatility may result in a reduction in automobile travel of a discretionary nature, which could adversely impact traffic levels in a number of locations where we operate parking facilities.

Economic and financial conditions in Europe and in the other principal markets in which we operate have a material effect on our business, liquidity, financial condition and results of operations. The global economy and financial markets have experienced severe disruptions in the last decade. For example, following Brexit on January 31, 2020, the EU treaties ceased to apply to the United Kingdom and the United Kingdom left the EU and entered into a transition period set to expire on December 31, 2020. Following the end of the transition period, there may be changes in the legal rights and obligations among commercial parties in the United Kingdom and the EU, including (among others) financial institutions, suppliers and service providers and their respective customers. The short- and long-term consequences of Brexit are uncertain. Brexit may lead to volatility in financial markets and may lead to liquidity disruptions or market dislocations.

Brexit may also have an adverse impact on our business, employees and customers in the United Kingdom (which represented 17% of our Underlying Total Revenue and 6% of our Underlying Gross Margin for the twelve months ended September 30, 2019). In addition, changes in laws and regulations after the end of the transition period, including import, tax and employment laws and regulations, could adversely impact the results of operations of our UK business. For example, a portion of our UK employees (or employees of some of our third-party contractors and suppliers) are likely to be citizens of other European countries and there is a risk that Brexit will adversely affect our and our contractors' and supplier's ability to retain and recruit employees from this wider European labor market, which may lead to labor shortages and higher costs. Similarly, our UK business imports from EU countries some of the fixtures and equipment (and related technology) that it uses in its parking facilities or to manage its business, and the cost of such imports could increase following the end of the transition period. There is a risk that Brexit, other political developments in the UK or developments otherwise affecting market confidence in the UK could negatively affect the UK economy and consumer behavior and, consequently, the demand for parking spaces in our parking facilities. We are still assessing the full impact of such risks and we cannot assure you that the materialization of any or all of them will not have an adverse effect on our business and results of operations, in the UK or of the Group as a whole.

The announcement of the Brexit vote caused significant volatility in global stock markets and currency exchange rate fluctuations that resulted in the weakening of the exchange rate of the

Pound Sterling. Uncertainty concerning the terms of Brexit during and following the transition period could cause further volatility in the Pound Sterling against the euro and thus heighten our foreign exchange risks. While we do not expect material transaction risk from any further weakening of the Pound Sterling, whether or when the exchange rates will stabilize or recover is unknown. See "*—We are subject to foreign exchange risk*" for more information.

In addition, general elections in numerous EU countries could lead to the exit of one or more other countries from the Eurozone or other potential developments. Any of these events or market perceptions concerning these and related issues, could undermine confidence in the overall stability of the EU, have adverse consequences for us with respect to our overall performance in the EU and, as a result, our business, results of operations or financial condition may be materially affected.

General business and economic conditions in the markets where we operate may decrease demand for parking and may have a material adverse effect on our business, financial condition and results of operations.

Our business, financial condition and results of operations are affected by general business and economic conditions in the markets in which we operate. A downturn in economic conditions resulting in increased short- or long-term interest rates, high inflation, fluctuations in the availability or cost of funding, high unemployment rates, a weakened parking services industry, increased bankruptcy filings or a decline in the strength of national and local economies in which we operate and other factors that negatively affect our customers' financial prospects could decrease demand for our services. These factors may in turn affect the mobility rates of our customers (for example, the number of people visiting shopping centers, restaurants and casinos generally reduces during periods of increased inflation and economic downturn).

If the rates of inflation in the markets in which we operate increase, or if the funding markets or the economies in which we operate weaken, or if use of parking services decline, we could be significantly and adversely affected, and it could become more expensive for us to conduct our business. For example, business and economic conditions that negatively affect corporates' financial prospects and customer behavior related to our businesses could lead to a decrease in demand for our parking facilities' leases as well as the service prices and fees of the off-site parking we own or lease to our customers.

In any particular period in which we experience a decrease in our Underlying Total Revenue, our operating expenses may not decrease at the same rate, which could have a material adverse effect on our net cash flows, margins and profits.

Many of the expenses associated with operating parking facilities are relatively fixed. These expenses include personnel costs, ICT costs, maintenance and repair costs, insurance and utilities. If we are unable to decrease our costs significantly or rapidly when demand for our parking spaces decreases, the decline in our Underlying Total Revenue can have a particularly adverse effect on our net cash flows and profits. This effect can be especially pronounced during periods of economic contraction or slow economic growth. Where cost cutting efforts are insufficient to offset declines in Underlying Total Revenue, in particular in respect of our leased car parking facilities, we could experience a material decline in margins and potentially negative cash flows which could have a material adverse effect on our business, results of operations or financial condition.

The tariff rates that we can charge our customers are typically governed by our long-term contracts or concession agreements and/or certain laws.

The net turnover that we generate from our parking contracts is dependent on our tariff rates. The tariff structure is established under our relevant contracts and we generally have limited or no ability to independently raise tariffs beyond the agreed contractual provisions (usually, based on the rate of inflation or defined in a contractually agreed formula based on various indices, such as the cost-of-construction index and/or civil engineering indices). Before bidding for any project, we conduct an analysis to determine the conditions under which we believe such parking facility can be operated profitably. If the assumptions underlying our analysis prove to be incorrect and our tariffs do not generate sufficient revenues to cover our costs, we may be unable to increase our tariffs or reduce our costs in order for the parking facility to remain profitable, which could materially adversely affect our business, results of operations or financial condition. This effect could be compounded with respect to our long-term business given that our long-term leases are typically long-term arrangements with a Weighted Average Remaining Duration of 50 years and our concession agreements are typically long-term arrangements with an average remaining duration of 12 years, and as a result, to the extent that our operations at the facilities subject to these long leases and concessions turn our to be less profitable than anticipated, the impact on our business, results of operations or financial condition would continue until the end of the contract term.

We may seek to renegotiate tariffs under our contracts in certain extenuating circumstances but any agreement to increase tariffs remains subject to approval by the relevant landlord or municipality and may also be subject to a maximum increase in a given period. In any event, we cannot guarantee that such negotiations to increase tariffs with respect to our contracts will be successful in achieving the full increase sought or at all.

In addition, in certain circumstances we may be required to adapt our pricing structures to comply with new regulations. For example, in France, we charge on a per-quarter of an hour basis rather than a per-hour basis as required under a 2014 legislation relating to consumer protection (*loi n° 2014-344 sur la consommation*) which has been in effect since 2015. As such, we are required to comply with such rules and regulations with respect the amount we charge our customers which may limit the total amount charged and therefore impact our profitability from such operations. If the pricing structures at facilities we operate restrict us from profitably operating such facilities and we are unable to adjust them due to contractual or regulatory limitations, we could experience a material decline in the profitability of or a loss with respect such facilities which could have a material adverse effect on our business, results of operations or financial condition.

Changes in the legal and regulatory framework for the management and operation of parking facilities may impose significant costs on us.

The management and operation of parking spaces and facilities in Western Europe is highly regulated. The legal framework applicable to administrative leases and other agreements under which we operate parking facilities is subject to changes which could affect the profitability of our leases and agreements. We must comply with a variety of laws and regulations relating to our leases, some of which impose substantial financial and other penalties for non-compliance, including the revocation of the lease under certain circumstances. In addition, we are exposed to the risk of changes in the regulatory regime, which could potentially impose additional costs on our business or subject us to more onerous operating requirements, and thus have an adverse impact on our business, results of operations or financial condition.

Changes in environmental and traffic control regulations could reduce demand for, and volumes in, our off-street parking facilities that could adversely affect our business, results of operations or financial conditions. National or local governments could implement measures which are potentially unfavorable to the parking sector as a result of pressure from public opinion, pressure groups, or election results. For example, proposals relating to banning traffic within city boundaries or the introduction of bans on driving of diesel vehicles in certain cities could adversely affect inner-city parking, resulting in lower revenue, and diminished profitability. As an example, a number of car parking spaces in Copenhagen are planned to be converted to flexible parking spaces for both bicycles and cars. The local authority in Copenhagen also introduced the "Cyclist Priority Plan for 2017-2025," which seeks to encourage 50% of commuting journeys to be completed by bicycle. Similar measures have been proposed or enacted in other cities where we operate parking facilities.

In addition, some municipalities may impose traffic congestion charges in urban areas, reduce the availability of on-street parking spaces or promote the use of public transportation in lieu of automobiles. Governments may also increase the tax levels on automobiles and petroleum for environmental reasons, which may reduce traffic. Social perception and pressure relating to environmental concerns over the use of private cars may similarly adversely impact the demand for our facilities. Furthermore, the government in certain cities may also reduce the tariffs of their parking facilities in order to compete with other cities and private companies. We may also be materially adversely affected by temporary or permanent changes to traffic routes or road closures, which may make it more difficult to access our parking facilities and have a material adverse effect on our business, results of operations or financial condition.

In the event of significant regulatory changes that impact our contracts with municipalities, we may request the awarding authority in certain circumstances to modify the terms of the contract in order to restore the economic and financial balance of the relevant contract. However, we can give no assurance that such an adjustment would be available, that it would apply to all relevant agreements or that it would be on terms satisfactory to us or that it could be made in a timely manner. If such adjustments are not made or do not provide for sufficient or timely increases in our revenues in respect of the impacted contracts, our business, results of operations or financial condition could be materially adversely affected. Even if such rebalancing is successful, it would not generally address all the losses we may have already incurred. Additionally, court proceedings to obtain an order for economic rebalancing of a contract may take a number of years to reach a conclusion and could result in costly and time-consuming litigation, regulatory action or otherwise materially adversely affect our business, results of operations or financial condition.

The financial difficulties faced by municipalities that grant us long-term contracts could materially adversely affect our business, results of operations or financial condition.

A significant portion of our contract arrangements are with municipalities in Western Europe. If the relevant municipality faces financial difficulties, we may be exposed to certain risks such as poor infrastructure in the areas surrounding and servicing such parking facilities, thereby decreasing the demand for those parking spaces. Furthermore, certain municipalities may be reluctant or unwilling to pay compensation amounts to which we are entitled under the relevant contract. As a result, we may be required to initiate legal proceedings to claim amounts owed. These risks may be exacerbated by the impact of a future economic downturn in Western Europe and potential austerity measures imposed by the national governments.

In the event that a municipality with whom we have a contract experiences financial difficulties, we are still obliged to continue providing services under our long-term contracts, regardless of outstanding revenues or compensation owed, which could materially adversely affect our business, results of operations or financial condition.

Certain transfers of our facilities, including indirect transfers are or may be subject to the prior approval of municipalities public authorities or a private entity, and, under certain of our long-term contracts with such authorities, insolvency proceedings or a change of control may result in the termination of the agreement.

Under the terms of certain of our long-term contracts and under applicable law, the municipality, public authority or private entity, as applicable, may have the right to terminate the agreement in the event that insolvency or winding-up proceedings are instituted or, upon the occurrence of certain events, when we are in breach of our obligations under such agreements. For example, in France, the opening of an insolvency or winding-up proceeding may not as such lead to the termination of the agreement, although insolvency could potentially result in other defaults which could in turn trigger termination of the contract, in which case such contracts will usually provide that no compensation is payable, except to the extent of the book value of the assets returned to the public authority (which may be compensated in whole or in part depending on the terms of the contract).

In France, the public authorities who grant our concessions have specific rights (*prérogatives de puissance publique*), including the ability to unilaterally modify the provisions of such contracts, subject to granting appropriate compensation to the contractor. However, this power is limited to instances of public interest (*intérêt général*). In addition, under French law, the public authority may also terminate an administrative contract prior to its agreed term for public interest reasons. Despite that such early termination could give rise to the payment of financial compensation payable to the concessionaire and the payment of indemnities as a compensation for loss of profits, these amounts may not be sufficient to cover all loss of revenue over the life of such contract. These rights are in addition to the right of the grantor to terminate the contract in case of a material breach by the contractor of its obligations.

Additionally, in certain cases, public authorities impose contractual restrictions on transfers of our rights, including change of control clauses, which prohibit the transfer of our rights without the relevant public authority's prior approval. In the event of an enforcement action under the terms of the Notes or the Guarantees that results in the transfer of ownership of the Issuer or any other Guarantor, or a change in the shareholding of the Issuer for other reasons, one or more relevant public authorities may argue that such an indirect transfer also requires their prior approval. As such, the local authority may attempt to cancel our contract if such change of control clauses exist in the relevant contract and such approval is not sought or granted. In addition, the uncertainty concerning the transferability of such contracts itself could reduce the value placed on such contracts by third parties and ultimately reduce the amount recovered in the event of an enforcement action.

In addition, direct assignments of certain leases or spaces are subject to the granting authority's prior approval. Indirect assignments may also be subject to this requirement, depending on the specific contractual documents governing the arrangement and their interpretation by the relevant granting authority. Enforcement of the Collateral may also trigger requirements for approval of the relevant municipal councils.

In France, in case of a change in the concessionaire's shareholding structure the relevant authority (*Conseil d'Etat*) can trigger the right for the public authority to validly terminate for reasons of public interest (intérêt *general*) due to this change in the shareholding structure. Even if such a possibility is not provided in the agreement, the termination may still be possible if the grantor can demonstrate that the concessionaire would no longer offer the same guarantees as those in existence at the time when the concession was granted.

We generate a substantial amount of revenues in the seven countries in which we operate and we have clusters of facilities concentrated in certain locations. Any adverse changes within these micro-markets may have an adverse affect on our business, results of operations or financial condition.

All of our operations are conducted in Western Europe, including The Netherlands, Belgium, the United Kingdom, Ireland, Germany, France and Denmark and are particularly concentrated in certain cities within these countries. Within certain of these cities, we own and operate parking facilities in clusters, which represent multiple locations in strategic locations within the cities, thereby increasing the risk of exposure to micro-markets. While this risk is most relevant at the local level (as we are more diversified at the country and regional levels), adverse events impacting a market where we have a cluster could impact multiple facilities. If policies of any of these countries or municipalities change with respect to traffic patterns, or these municipalities experience financial difficulties that affect the infrastructure surrounding parking facilities, or if the volume of traffic declines in these locations, it could adversely affect our business, results of operations or financial condition. While municipalities generally cannot unilaterally amend our agreements without compensating us for the damages we may suffer as a result, we may agree to such amendments in order to maintain our relationships with the municipalities.

We generate a substantial amount of revenues and cash flow from our parking facilities and long-term contracts granted by various municipalities and private entities. If we are unable to maintain our reputation as a quality operator, we may be unable to win bids to renew our existing contracts or enter into new contracts, and our business, results of operations or financial condition may be materially and adversely affected.

Since a large part of our revenue depends on cash flows from parking facilities and our long-term contracts, it is important that we maintain good relationships with the municipalities and private third parties in order to bid for, win and renew long-term contracts. In addition, our reputation as a reliable operator of parking facilities is important in winning and renewing contracts. We believe the experience of our management, the quality of our reputation in the key markets in which we operate and the rapport that we maintain with the municipalities and private real estate investors differentiates us from our competitors and are important factors for the generation of new business opportunities that support our growth. However, if we are unable to maintain good working relationships with the municipalities and other third parties, or if we do not meet or exceed their expectations, such parties may be unwilling to maintain or grow their business with us, in which case our business, results of operations or financial condition may be materially and adversely affected.

Risks relating to our acquisition strategy may adversely impact our results of operations.

The off-street car parking industry in Europe is highly fragmented with a limited number of large players. Most countries in Europe have between three and five large private companies in the car parking market. Accordingly, market dynamics make it possible for large private players to acquire small competitors at discounted multiples and as such, a significant portion of our growth in the past has been generated by acquisitions. A slowdown in the pace or volume of our new business could lead to a slower growth rate. Moreover, we expect to continue to evaluate opportunities to acquire businesses that complement our operations. However, there can be no assurance that any acquisition we make in the future will deliver the antiticpated benefits. In addition, the process of integrating an acquired business may create unforeseen difficulties, take longer than expected, result in the incurrence of unexpected costs and expenses or we may not realize the syngeries or operational advantages expected. The areas in which we may face risks in connection with any potential acquisition of a business include, but are not limited to:

- management time and focus may be diverted from operating our business to acquisition integration;
- clients or key employees of an acquired business may not remain, which could negatively impact our ability to grow that acquired business;
- integration of the acquired business's accounting, information technology, human resources, and other administrative systems may fail to permit effective management and expense reduction;
- implementing internal controls, procedures, and policies appropriate for a public company in an acquired business that lacked some of these controls, procedures, and policies may fail;
- additional indebtedness incurred as a result of an acquisition may impact our financial position, results of operations, and cash flows; and
- anticipated or unknown operational, commercial or technical issues or liabilities may arise relating to the acquired business.

Instances of fraud, bribery, corruption and privacy breaches involving our management, employees, business partners or agents could expose us to penalties and reputational damage and could hinder our ability to acquire or renew contracts or even continue our operating activities.

While we have a compliance program and internal policies in place to mitigate the risks of fraud, bribery, corruption and privacy breaches in the contracts tender processes we engage in and for our business as a whole, we cannot assure that we can detect or prevent every instance of fraud, bribery, corruption or breaches of privacy involving our employees, business partners or agents.

We may be subject to civil and criminal penalties and to reputational damage as a result of such incidents. Instances of fraud, bribery, corruption and breaches of privacy may also be taken into account as a negative factor by public authorities or private companies in evaluating our bids to acquire or renew contracts and could result in a prohibition to tender, or could otherwise prevent us from winning or renewing contracts, or make it more difficult for us to win or renew, contracts in the future. Any involvement or association of our senior management, employees, business partners, construction contractors, suppliers or agents with fraud, bribery, corruption and breaches of privacy, or allegations or rumors relating thereto, could negatively impact our reputation and materially adversely affect our business, results of operations or financial condition.

We are subject to stringent data privacy laws of each jurisdiction in which we operate and may be adversely affected by changes in the laws and regulations of each jurisdiction in which we operate and be exposed to increased compliance costs.

In connection with the performance of our business, we process (for example, collect, access, use, handle, retain, share and protect) personal data which we receive from, and which concern, our customers, as well as our personnel and third parties we deal with. We are subject to many laws and regulations related to the processing of personal data, which are subject to change, and new or additional requirements may require us to modify our business practices and develop new systems and processes, which may increase costs of operations. Any failure to comply with data protection laws may harm our reputation or lead to investigations, sanctions, penalties, proceedings or actions against us by governmental agencies, private individuals or companies, including privacy class action litigation in certain jurisdictions, requiring us to change our business practices and increasing the costs and complexity of compliance.

We are subject to Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (“**General Data Protection Regulation**” or “**GDPR**”). We are also subject to relevant national laws implementing the General Data Protection Regulation, notably the GDPR implementation acts of the countries in which we operate. In addition, we may be subject to other relevant privacy laws in countries outside the European Union and the United Kingdom. The General Data Protection Regulation contains, among other things, requirements with respect to providing information notices to individuals, on international data transfers and outsourcing, compulsory data protection impact assessments of certain processing operations, maintaining an internal data processing register, restrictions on the collection and use of sensitive personal data and mandatory notification of data security breaches. Under the General Data Protection Regulation the relevant data protection authorities have the power to impose administrative fines for data protection compliance violations, including fines of up to a maximum of €20 million or 4% of the Group’s global annual turnover of the preceding financial year in certain cases. As we develop into a more data-driven organization, we may come to process larger amounts of personal data, which may create higher compliance risks.

In addition, we are also subject to the relevant laws that implement Directive 2002/58/EC of the European Parliament and of the Council of July 12, 2002 concerning the processing of personal data and the protection of privacy in the electronic communications sector (“**ePrivacy Directive**”). The ePrivacy Directive regulates online targeting of consumers, confidentiality of communications and consumer terminal equipment (such as internet cookies), the processing of traffic and location data and unsolicited commercial communications. The ePrivacy Directive is expected to be replaced by a new Regulation (EU) on Privacy and Electronic Communications (the “**ePrivacy Regulation**”). It is uncertain when and in what form the ePrivacy Regulation will be adopted and how it will impact our business.

In addition, we face the possibility of security breaches, which themselves may result in a violation of these privacy laws. See "*—Our information technology systems may fail or be interrupted, which could materially adversely affect our business. Failure to maintain the integrity of internal and customer data could impact the models on which we make business related decisions, harm our reputation and subject us to costs, fines and lawsuits.*" Any failure on our part or on the part of third-party business partners or others to adequately protect personal or sensitive data could have a material and adverse effect on our reputation, business, financial condition, results of operations and prospects.

In addition, applicable national law may require us to release personal data to governmental authorities, such as tax authorities and law enforcement authorities. The number of such governmental requests may increase and impose additional burdens on us. Furthermore, any legally required release of personal information may result in negative publicity for us and our brand.

Our ability to expand our business with respect to our owned properties or concessions requiring large up-front investments will be dependent upon the availability and cost of capital.

The off-street parking space segment of the Western European car park industry is highly fragmented, and there are opportunities for continued consolidation. We intend to continue to expand our business through organic growth. Our ability to expand our business will depend in part upon the availability of adequate capital, which in turn requires cash flow generated by our business and the availability of debt and equity financing. Economic downturn in Western Europe, the effects of the credit crisis and negative developments with respect to Euro zone financial markets may have a negative impact on the availability and cost of bank financing. If we are unable to obtain the funds needed on acceptable terms, we will not be able to continue to expand our operations, which could materially adversely affect our business, results of operations or financial condition.

We may fail to successfully carry out construction works of new parking facilities and may not recover our investment.

When we acquire an owned property or are awarded a concession contract requiring investment in respect of a new parking site, we commence an investment phase in order to construct or update the facilities in order to bring them in line with our standards. We are thus exposed to a number of risks associated with large-scale construction projects, such as the failure of our contractors and subcontractors to perform, as well as delays and disruptions caused by technical or environmental problems, adverse weather conditions or other factors. Generally, pursuant to the terms of the relevant agreements, our contractors and subcontractors are required to indemnify us for delays in completing the project on time and any losses resulting therefrom. Further, under certain concession agreements where we agree to build the parking facility, we also agree with the municipality to indemnify us if they are reponsible for any delays in construction. However, our losses may exceed the amount of the performance bond or the maximum loss coverage under these agreements, in which case we would not be adequately compensated for losses derived from construction delays. We may also be required to engage in costly litigation or arbitration proceedings in order to receive compensation under these agreements. Further, our ability to obtain compensation under our development contracts is dependent on the solvency of our contractors and subcontractors. Construction delays will also postpone the time at which the parking facility will be operational and therefore the time from which we will begin to receive revenues from the parking facility. Such delays will shorten the revenue-generating term of the facilities under contract with public or private entities and may entitle the granting authority to impose sanctions or terminate the contract, any of which could materially adversely affect our business, financial conditions or results of operations.

Once the construction of a parking facility on a new site is completed, we are exposed to a variety of risks in connection with the opening and operation of the new facility, which could result in us failing to recover our investment in the new facility. For example, the actual demand for parking spaces at the new site may not meet our expectations, and we may experience lower than expected volumes and revenues. Further, there is an assimilation risk when a new parking facility is opened; the public must be made aware to be able to find it and use it, which means our ramp up time may exceed expectations, thereby reducing our volumes and revenues from those anticipated and budgeted at the time of construction.

Contractual and other disagreements with awarding entities and counterparties could result in liability and litigation costs or other expenses, which could lower our profits. Under the terms of some of our contracts, the awarding entity and counterparties may terminate such agreements if we do not successfully comply with our obligations.

From time to time, we are involved in contractual and other disagreements with municipalities and other third parties relating to our parking facilities and agreements and our operations under such agreements. Such disagreements are more likely to occur during periods of challenging economic conditions. For operations under contract, we are required to maintain the relevant infrastructure asset in satisfactory condition throughout the term of the contract, and upon the expiration of each agreement and to surrender substantially all assets related to such agreement to the relevant municipality or other third parties without financial compensation. If municipalities claim that we have failed to comply with the terms of our agreements, the contract may be revoked or we may not be successful in extending the agreement at the end of its term, or we may have to compensate the municipality as a result. Any such disputes or delays could materially adversely affect our business, financial condition or results of operations.

If a governmental authority decides to terminate or amend our space agreements due to a serious violation of our contractual or regulatory obligations, such as a failure to maintain the facility creating serious danger to users or a persistent failure to make payments to the awarding authority, we may not be entitled to full compensation for our initial investment or loss of anticipated profits. In addition, upon a serious breach of the terms of the space, the awarding authority could call due any performance bonds granted by us under the space agreement, in which case we would be required to immediately repay any such performance bonds and indemnify the local authority for any damages claimed in excess of such performance bond amounts. In agreements entered into with private entities, breach of contractual obligations may also lead to the termination of such agreements. If any of our existing significant spaces or other agreements are unilaterally terminated or amended by the relevant awarding authorities or counterparties, our revenues in the future may be reduced, and our business, results of operations or financial condition may be materially adversely affected.

We may incur higher than expected costs as a result of unforeseen maintenance requirements or investments.

Generally, our maintenance costs are relatively stable once our parking facilities have been built and are operational. However, we may experience unforeseen problems such as, among other things, water damage, cracks in the walls or foundation or sinking. In addition, under the terms of certain of our agreements in respect of parking facilities that we do not legally own, we are responsible for maintenance and upkeep, including structural repairs. If we were to experience a significant problem requiring repairs, our maintenance costs may be higher than expected or we may be forced to suspend or reduce operations at the affected facility until such time as the issue is resolved. Such increased expenses or any reduction in revenue due to unexpected facility closures may have a material adverse effect on our business, results of operations or financial condition.

Labor disputes and other labor matters could lead to loss of revenues or higher costs.

We may experience labor disputes in certain situations resulting in strikes, work slowdowns or other actions that may cause the effective closure of our facilities, the need to offer free parking on a temporary basis or other events that disrupt us from providing services, all of which would result in reduced revenues. While we do not currently have any collective bargaining arrangements in place, if we are made to negotiate one with our work force, it could result in a substantial increase in labor costs that we may be unable to recover through our existing contractual arrangements. Further, under applicable law, we have works councils in The Netherlands, France, Belgium, Germany and Denmark and we are required to seek their advice and consider any recommendations regarding certain business decisions we made from time to time. While we currently have good relationships with all works councils in these jurisdictions, we cannot assure you that disputes will not arise in the future. Additionally, we may incur expenses in resolving disputes and complying with local laws relating to overtime, social security and pension contributions, occupational risk matters and other labor related issues. We may also incur increased labor costs due to competition, increased minimum wage, employee benefit costs, medical benefits costs or otherwise, which could adversely impact our business, results of operations or financial condition. Although we have not experienced any material collective labor disputes in the past, there can be no assurance that labor disputes will not arise in the future, which could have a material adverse effect on our business, results of operations or financial condition.

If we fail to stay current with developments in technology necessary for our business, our operations could be harmed and our ability to compete effectively could be diminished.

Competition from new technologies is also disrupting the current parking market, resulting in an increased focus on ICT developments. Sophisticated information technology and other systems, including systems for the efficient collection and management of revenue are integral to our business. In order to maintain the quality of our operations, we refine, update or replace our information technology and other systems with more advanced systems on a regular basis. Developing and maintaining our systems may require significant capital. If we are unable to replace or introduce information technology and other systems as quickly as our competitors or within budgeted costs or on schedule when these systems become outdated or need replacing, or if we are unable to realize the intended benefits of any new information technology or other systems, our operations could be harmed and our ability to compete effectively could be diminished, which could have a material adverse effect on our business, results of operations or financial condition. Further, if we fail to keep up with technological advances in our industry, including advances to maintain or improve our cost-effectiveness or that add value to the services we can offer to customers, we may not be eligible to participate in or we may not win competitive tenders.

Additionally, drivers increasingly use mobile phone applications and on-line parking reservation services that allow them to reserve parking at garages, lots and directly with individual owners. The popularity of such services cannot be predicted with certainty and could change our current customers' parking preferences. As a result, we constantly upgrade our information technology to adapt to changing preferences, to keep up with market demand for new services and to match services offered by our competitors. Further, the introduction and popularity of electric cars requires investment in infrastructure, including technology infrastructure, such as charging points and plug-ins, which may lead to increased infrastructure and energy costs. Our efforts to respond to these changes in order to develop new technology may prove ineffective or our competitors may develop more efficient and popular solutions, which could affect our business, operations and revenues.

Our information technology systems may fail or be interrupted, which could materially adversely affect our business. In addition, cyber-attacks on our information systems and any failure to maintain the integrity of customer data could harm our reputation and subject us to costs, fines and lawsuits.

We rely on numerous information technology systems that allow us to monitor and manage our parking spaces and facilities, maintain our financial records, manage our employees and gather information upon which our management makes decisions regarding our business, including technical information that we use to formulate bids for spaces or contracts. The operation of our business is increasingly dependent on the use of these systems. As a result, system failures or disruptions resulting from computer viruses, cyber-attacks, cyber terrorism, security breaches or other causes could have a material adverse effect on our business, results of operations or financial condition. For example, in 2017, we were subject to a cyber-threat in which certain of our customers' personal data was at risk of being compromised. While we have installed new internal systems following such incident, there can be no assurance that such cyber-attacks or events will not occur in the future.

We also collect and retain large volumes of internal and customer data, including credit card numbers and other personally identifiable information during the normal course of business. Using our various information technology systems, we enter, process, summarize and report such data. We also maintain personally identifiable information about our employees. The integrity and protection of our customer, employee and company data is critical to our business. Our customers and employees expect that we will adequately protect their personal information, and the regulations applicable to security and privacy are increasingly demanding in the jurisdictions where we operate. Theft, loss, fraudulent or unlawful use of customer, employee or company data could harm our reputation and result in remedial and other costs, fines and lawsuits, which may be material.

Natural disasters, acts of terrorism and other unexpected events could disrupt our services.

Natural disasters, such as storms, earthquakes or floods, acts of terrorism and other unexpected events, such as large-scale electrical power supply outages, fires and vandalism, may result in reduced revenues for our parking businesses. Natural disasters may also cause economic dislocations throughout an urban area, region or country. In addition, terrorist attacks have resulted in, and may continue to result in, heightened security and traffic control measures in urban areas and increased government regulation of airport facilities. For example, the recent terrorist attacks in the United Kingdom, France (including Paris and Nice), Germany and Brussels airport in Belgium could have a negative impact on consumer travel and traffic levels in a number of locations where we operate parking facilities. The occurrence and consequences of such events are unpredictable, and further attacks could temporarily reduce traffic levels and decreased volumes for our parking facilities, and thus cause a reduction in revenues, and our insurance may not be sufficient to cover claims arising from such events. Significant damage to or destruction of one of our facilities may also result in the termination of the contract, and we may be obligated to rebuild the facility without compensation where such damage is not covered by insurance or any insurance we have is inadquate to cover the full extent of damage done. Additionally, such events could cause interruptions in our monitoring or other information technology systems, which could materially adversely affect our business, results of operations or financial condition.

Adverse litigation judgments or settlements resulting from legal proceedings in which we may be involved in the normal course of our business could materially adversely affect our business, results of operations or financial condition.

In the normal course of business, we are involved in various legal proceedings. Such litigation includes litigation in relation to our permits, planning and construction activities, and may also result from injuries or property damage to our customers or their property while using our facilities, from claims arising against us relating to construction at our facilities or breach of applicable laws and regulations, including laws relating to personal data protection obligations. In addition, we enter into partnerships with various business partners and are members of trade associations and we may be jointly and severally liable for judgments or claims made against such partners or trade associations. We may face litigation by competitors challenging the award of a contract to us, and we may also litigate against our competitors in connection with the bidding process. In addition, we may face litigation during the liquidation of a contract. We provision for such claims in the ordinary course of business, however, in the event we are ordered to pay more than this amount, our reserves may not be sufficient. It is possible that an unfavorable outcome of some or all such matters could cause us to incur significant liabilities. Likewise, we may incur significant legal and other costs in connection with defending our interests in ongoing legal proceedings. Any significant adverse litigation judgments or settlements could have a material adverse effect on our business, results of operations or financial condition.

We conduct business in multiple jurisdictions and are exposed to changes in tax laws, tax rates and their application and interpretation in the markets in which we operate, and we have been (and may continue to be) subject to significant claims related to tax disputes and audits.

We are subject to tax laws and regulations in the countries in which we operate. Tax laws and regulations are subject to change and may be subject to different interpretations (including, but not limited to, changes in applicable tax rates and requirements relating to deductibility of interest, withholding taxes on remittances and other payments by subsidiaries, associates and joint ventures). Modifications to the tax regime by the competent authorities in those countries may have a significant effect on our financial condition and results of operations. For example, (i) the Base Erosion and Profit Shifting project ("**BEPS**") which is currently being undertaken by the G20 and the Organization for Economic Cooperation and Development ("**OECD**") reflects certain concerns about what is considered to be the inappropriate shifting of profits from high tax jurisdictions to low tax jurisdictions, (ii) a seven-part Anti-Tax Avoidance Package ("**ATAP**") as issued by the European Commission in early 2016 which resulted in two anti-tax avoidance directives, being Council Directive (EU) 2016/1164 of July 12, 2016, prescribing rules against tax avoidance practices that directly affect the functioning of the internal market ("**ATAD I**"), and Directive 2017/952/EU of May 29, 2017, amending ATAD I in relation to hybrid mismatches with third countries ("**ATAD II**"), and (iii) the "Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting" ("**MLI**") as published by the OECD on November 24, 2016 that will update international tax rules and reduce opportunities for tax avoidance by transposing results from BEPS into more than 2,000 double tax treaties worldwide. The structures of intra-group transactions and of our international operations, as well as judgments we make or positions we take relating to tax matters, are based on our own interpretations of applicable tax laws and regulations, generally relying on rulings or specific guidance from competent tax authorities. We cannot guarantee that our interpretations of such laws will be accepted by the relevant authorities and there can be no assurance that the tax authorities will not seek to challenge or dispute such interpretations, and the current political climate and recent political and media focus on tax optimization schemes and austerity generally increases the risk of discussions or disputes with tax authorities. Any failure to comply with the tax laws or regulations applicable to us may result in reassessments, settlement amounts, late payment interest, fines and penalties and have a material adverse effect on our business, results of operations and financial condition.

Further, our operations that are profit making are subject to profit and income tax and other applicable taxes, such as property tax. There is no guarantee that tax laws or tax rates may not be changed in the future. Any change in tax laws or tax rates may increase our tax expenses and liabilities and could have a material adverse effect on our business, results of operations or financial condition. We may be subject to various tax proceedings and audits with tax authorities in respect of our operations.

In addition, we cannot assure you that we will not become subject to tax investigations in the future and that the applicable tax authority may seek to proceed with an investigation. If we were to become subject to such investigations, we may be held liable for additional tax payments, including penalties and interest for late payments, which may have a material adverse effect on our business, financial condition, results of operations or cash flows in the period or periods for which that assessment is made. Any adverse findings of the relevant tax authorities could also result in unfavorable tax treatment for the transactions in question and could have a material adverse effect on our business, liquidity, results of operations and financial condition. In addition, regardless of the outcome of any such investigations or challenges, such proceedings could result in substantial costs and may require that we devote substantial time and resources to defend ourselves. Also, a material change in applicable laws and regulations (including, but not limited to, changes in applicable tax rates), or in their interpretation or enforcement, could force us to alter our business strategy, leading to additional costs or loss of revenue, which could materially and adversely affect our business, results of operations and financial condition.

We are subject to foreign exchange risk.

We use the euro as our functional and reporting currency. While most of our revenues are denominated in euro, a portion of our revenues are denominated in Pound Sterling and Danish Kroner. For the twelve months ended September 30, 2019, our operations in the United Kingdom accounted for approximately 17% and 6%, respectively, of our Underlying Gross Margin and Underlying Total Revenue, and our operations in Denmark accounted for approximately 5% and 6%, respectively, of our Underlying Gross Margin and Underlying Total Revenue. We are subject to currency translation risk when the accounts of our businesses denominated in the respective local currencies, are translated into our consolidated accounts, denominated in euros. We cannot predict movements in such non-euro currencies and there can be no assurance that our efforts to mitigate the effects of currency exchange rate fluctuations will be successful or that our risk management procedures will operate successfully.

Although we currently do not hedge our foreign currency risk, we have done so in the past and we may choose to do so again in the future. Such hedges may not be effective, and our hedging decisions may change at any time. Unfavorable currency fluctuations could also result in lower revenues and earnings for us, on a euro basis, from our parking facilities outside the eurozone. Furthermore, foreign-sourced dividends by our subsidiaries may be subject to unfavorable currency fluctuations when converted into euros, reducing the distribution received by us on a euro basis. In addition, we may choose not to hedge the euro value of foreign currencies. Accordingly, there can be no assurance that our results of operations will not be affected by fluctuations in exchange rates. Any of the foregoing could have a material adverse effect on our business, financial condition and results of operations.

Our insurance coverage may not be adequate to cover all possible losses that we could suffer and our insurance costs may increase.

We maintain a portfolio of insurance policies to help protect us against loss or damage incurred from a wide variety of insurable risks. For instance, we have insurance coverage in respect of our customers and parked cars provided by local and central agencies. Further, in every country where we operate, we also have local general liability insurance coverage. Each year, we review, together with our professional insurance advisors, whether the insurance policies and associated coverage that we maintain are sufficient to adequately protect us from the various types of risk to which we are exposed. That analysis takes into account various pertinent factors, such as the likelihood that we would incur a material loss from any given risk, as well as the cost of obtaining insurance coverage against any such risk. Notwithstanding our insurance coverage for all or any of these risks, we may experience one or more material losses for which we do not maintain any or adequate insurance coverage that could materially adversely affect our business, results of operations or financial condition.

Our business is dependent upon key personnel.

Our success has been, and will continue to be, substantially dependent upon the continued services of our senior management team. The loss of the services of one or more of the members of our senior management team could have a material adverse effect on our business, results of operations or financial condition. We have entered into employment agreements with, and historically have been successful in retaining the services of, our senior management, however there can be no assurance that we will be able to retain them in the future and any failure to do so could have a material adverse effect on our business, results of operations or financial condition. We do not have any key man life insurance in place. In addition, our continued growth depends upon our ability to attract and retain skilled operating managers and employees. An inability to attract and retain qualified members or key personnel in due time could have a material adverse effect on our business, prospects, operating results and financial position.

Significant differences exist between Dutch GAAP and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, and certain financial information in this Offering Memorandum is derived from unaudited management accounts, which are not comparable to audited financial information.

The historical consolidated financial information of the Group as of and for the period from May 22, 2017 to December 31, 2017 and the year ended December 31, 2018 and the nine months ended September 30, 2018 and 2019 has been prepared in accordance with Dutch GAAP, and the historical consolidated financial information of the Group as of and for the year ended December 31, 2016 has been prepared in accordance with IFRS. No attempt has been made to reconcile any such historical consolidated financial information given in this Offering Memorandum to any other accounting principles or to base the information on any other accounting standards. There are significant differences between Dutch GAAP and IFRS, meaning the financial information for these periods are not fully comparable. For a summary of significant differences between Dutch GAAP and IFRS, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Summary of Significant Differences between Dutch GAAP and IFRS*." Among other things, companies reporting and preparing financial statements in accordance with Dutch GAAP are not required to adopt an accounting standard similar to IFRS 16 *Leases*. Accordingly, the degree to which the financial statements included in this Offering Memorandum will provide meaningful information is dependent on the reader's level of familiarity with Dutch GAAP and IFRS.

In addition, our Dutch GAAP financial information for the period from May 22, 2017 to December 31, 2017 includes financial information of the Parent only from May 22, 2017, the date on which the Parent was incorporated. The consolidated financial information of the Parent includes the consolidated financial information of Q Park B.V. and its subsidiaries only for the period from October 11, 2017 to December 31, 2017. As such, our financial information for this period are not fully comparable with our results for the year ended December 31, 2016 or the year ended December 31, 2018.

We also present selected financial data for the years ended December 31, 2016, 2017 and 2018, and the nine months ended September 30, 2018 and 2019, based on financial data derived from management accounts for such periods. Such "Underlying" financial data is based on our audited and unaudited actual results for the periods presented, as adjusted to better reflect our underlying performance as further described under "*Summary—Summary Historical Consolidated Financial and Other Information—Underlying Financial Data Derived From Management Accounts*." Underlying Data has not been audited, and while it is prepared on a basis that is consistent in all material respects as the basis on which our consolidated financial information is prepared, it is not comparable to the audited results due to adjustments and should not be regarded as a substitute for the audited financial data of the Group or financial data prepared in accordance with Dutch GAAP or IFRS.

Certain adjusted, underlying and *pro forma* consolidated financial information included in this Offering Memorandum is presented for illustrative purposes only and our actual results of operations may differ.

We have presented in this Offering Memorandum certain summary unaudited adjusted consolidated financial data of the Group that has been prepared to give effect to the Transactions as well as Underlying Data, which gives effect to the Underlying Adjustments. Such summary unaudited adjusted consolidated financial information and Underlying Data has been prepared for illustrative purposes only and does not purport to represent what the actual consolidated financial position or financial information of the Group would have been had the Transactions or the Underlying Adjustments actually occurred as of the dates indicated, nor does such summary unaudited adjusted consolidated financial information or the Underlying Data purport to project the Group's consolidated financial position and financial information at any future date or for any future period. The summary unaudited adjusted consolidated financial information and Underlying Data presented in this Offering Memorandum includes non-IFRS and non-Dutch GAAP measures and is based on available information and certain assumptions and estimates that we believe are reasonable and may differ materially from the actual amounts.

In addition, we present *Pro Forma* Underlying EBITDA, which gives effect to the P1 Acquisition as if such acquisition had occurred on October 1, 2018. The adjustments made to calculate the summary unaudited adjusted consolidated financial measures and to calculate *Pro Forma* Underlying EBITDA are based upon available information and assumptions that we believe are reasonable in the circumstances. This adjusted and *pro forma* data has been prepared for illustrative purposes only and has not been prepared in accordance with the requirements of Regulation S-X of the U.S. Securities Act or any generally accepted accounting standards. The adjustments have not been audited by any independent auditors, should not be considered indicative of actual results that would have been achieved had the events for which we have made the adjustment been completed as the dates stated and do not purport to indicate our future consolidated results of operations or financial position. The actual results may differ significantly from those presented for a number of reasons, including, but not limited to, differences in assumptions used.

In addition, the *pro forma* adjustments made to calculate *Pro Forma* Underlying EBITDA do not reflect future events that may occur after the Transactions, including the potential non-realization of revenue synergies, cost savings, expense reductions and contribution from the P1 Acquisition, or the incurrence of implementation and investment costs related to the realization of such revenue synergies, cost savings, expense reductions and contribution from the P1 Acquisition. The *pro forma* adjustments made to calculate *Pro Forma* Underlying EBITDA also do not consider potential negative impacts of market conditions on revenue or expenses. Such actual events may have a material adverse effect on our business, results of operations, financial condition and prospects.

Risks related to the Notes, the Guarantees and our Structure

Our substantial leverage and debt service obligations could adversely affect our business and prevent us from fulfilling our obligations with respect to the Notes and the Guarantees.

We are, and following the issuance of the Notes we will continue to be, highly leveraged. As of September 30, 2019, after giving effect to the Transactions, we would have had Adjusted Gross Debt, which is third-party financial indebtedness (excluding our financial leases which are long-term property leases that are classified as financial leases for the purposes of Dutch GAAP, but as to which there is no option to, or obligation to, purchase the asset at the conclusion of the lease), of €1,501.2 million, including the Notes. The Indenture and the Revolving Credit Facility Agreement will allow us to incur substantial additional indebtedness, including (without limitation) Operating Facilites in an amount equal to the greater of €57 million and 25% of Consolidated EBITDA (as defined under "*Description of the Notes*") and committed borrowings of up to €250 million under the Revolving Credit Facility. Although the Indenture and the Revolving Credit Facility Agreement will contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of significant qualifications and exceptions, and under certain circumstances, the amount of indebtedness that could be incurred in compliance with those restrictions could be substantial. In addition, the Indenture and the Revolving Credit Facility Agreement will not prevent us from incurring obligations that do not constitute indebtedness under those agreements, including under operational leases and financial leases for parking facilities.

The degree to which we will be leveraged following the issuance of the Notes could have important consequences to holders of the Notes offered hereby, including, but not limited to:

- making it difficult for us to satisfy our obligations with respect to the Notes;
- increasing our vulnerability to, and reducing our flexibility to respond to, general adverse economic and industry conditions;
- requiring the dedication of a substantial portion of our cash flow from operations to the payment of interest on our indebtedness and the repayment of principal, thereby reducing the availability of such cash flow to fund working capital, capital expenditures, joint ventures or other general corporate purposes;
- limiting our flexibility in planning for, or reacting to, changes in our business and the competitive environment and the industry in which we operate;
- restricting us from exploiting business opportunities or making acquisitions or investments;
- placing us at a competitive disadvantage as compared to our competitors, to the extent that they are not as highly leveraged; and
- limiting our ability to borrow additional funds and increasing the cost of any such borrowing.

Any of these or other consequences or events could have a material adverse effect on our ability to satisfy our debt obligations, including the Notes.

We are subject to restrictive debt covenants that may limit our ability to finance our future operations and capital needs and to pursue business opportunities and activities.

The Indenture and the Revolving Credit Facility Agreement contain covenants that impose significant operating and financial restrictions on us. These agreements limit our ability to, among other things:

- incur or guarantee additional indebtedness and issue certain preferred stock;
- create or incur certain liens;
- make certain payments, including dividends or other distributions, with respect to the shares of the Parent;
- prepay or redeem subordinated debt or equity;
- make certain investments;
- create encumbrances or restrictions on the payment of dividends or other distributions, loans or advances to and on the transfer of assets to the Issuer or its restricted subsidiaries;
- sell, lease or transfer certain assets including stock of restricted subsidiaries;
- engage in certain transactions with affiliates;
- consolidate or merge with other entities;
- impair the security interests granted for the benefit of the holders of the Notes; and
- amend certain documents.

All these limitations will be subject to significant exceptions and qualifications. The covenants to which we are subject could limit our ability to finance our future operations and capital needs and our ability to pursue business opportunities and activities that may be in our interest.

In addition, we will be subject to the affirmative and negative covenants contained in the Revolving Credit Facility Agreement. In particular, if the loans under the Revolving Credit Facility (less the amount of cash and cash equivalents held by the Group) exceed 40% of the Revolving

Credit Facility on the applicable quarter date, the Revolving Credit Facility Agreement requires us to maintain a specified net senior secured leverage ratio. Our ability to meet this financial ratio can be affected by events beyond our control, and we cannot assure you that we will meet them. A breach of any of these provisions could result in a drawstop under the Revolving Credit Facility Agreement. Upon the occurrence of any event of default under the Revolving Credit Facility Agreement, subject to applicable cure periods and other limitations on acceleration or enforcement, the lenders could cancel the availability of the Revolving Credit Facility and elect to declare all amounts outstanding under the Revolving Credit Facility, together with accrued interest, immediately due and payable. In addition, any default under the Revolving Credit Facility Agreement could lead to an event of default and acceleration under other debt instruments that contain cross-default or cross-acceleration provisions, including the Notes. If our creditors, including the creditors under the Revolving Credit Facility, accelerate the payment of those amounts, we cannot assure you that our assets would be sufficient to repay in full those amounts, to satisfy all other liabilities which would be due and payable and to make payments to enable the Issuer to repay the Notes, in full or in part. In addition, if we are unable to repay those amounts, our creditors could proceed against any Collateral granted to them to secure repayment of those amounts. See "*Description of Indebtedness—Revolving Credit Facility.*"

We will require a significant amount of cash to service our debt and sustain our operations, which we may not be able to generate or raise. Our ability to generate sufficient cash depends on many factors beyond our control.

Our ability to make payments on and to refinance our debt, and to fund working capital and capital expenditures, will depend on our future operating performance and ability to generate sufficient cash. This depends, to some extent, on the success of our business strategy and on general economic, financial, competitive, market, legislative, regulatory and other factors, as well as the other factors discussed in these "*Risk Factors,*" many of which are beyond our control.

We cannot assure you that our business will generate sufficient cash flows from operations, that we will realize revenue growth and operating improvements that we anticipate or that future debt and equity financing will be available to us in an amount sufficient to enable us to pay our debts when due, including the Notes, or to fund our other liquidity needs.

If our future cash flows from operations and other capital resources (including borrowings under the Revolving Credit Facility) are insufficient to pay our obligations as they mature or to fund our liquidity needs, we may be forced to:

- reduce or delay our business activities and capital expenditures;
- sell assets;
- obtain additional debt or equity capital; or
- restructure or refinance all or a portion of our debt, including the Notes, on or before maturity.

The type, timing and terms of any future financing will depend on our cash needs and the prevailing conditions in the financial markets. We cannot assure you that we would be able to accomplish any of these alternatives on a timely basis or on satisfactory terms, if at all. In addition, the terms of our Revolving Credit Facility Agreement and the Indenture and any future debt may limit our ability to pursue any of these measures, all of which could have a material adverse effect on our business, results of operations or financial condition.

Any failure to make payments on our indebtedness, including the Notes, on a timely basis would likely result in a reduction of our credit rating, which could also harm our ability to incur additional indebtedness. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business, results of operations or financial condition. There can be no assurance that any assets which we could be required to dispose of could be sold or that, if sold, the timing of such sale and the amount of proceeds realized from such sale will be on a timely basis or in a sufficient amount.

The Issuer is a holding company and has no material assets or any revenue generating operations of its own and will depend on cash received from its subsidiaries in order to be able to make payments on the Notes.

The Issuer is a holding company with no business operations of its own and no assets. As the Issuer has no material assets other than its shares in Q Park B.V., the Issuer will be dependent upon payments from other members of the Group in the form of dividends or other payments to meet its obligations, including its obligations under the Notes. The amounts available to the Issuer from the other relevant members of the Group will depend on the profitability and cash flows of such other members and the ability of such other members to make payments or distributions under applicable law or regulation or the terms of any financing agreements or other contracts that may limit or restrict their ability to pay or distribute such amounts. The obligations of the Guarantors under any intercompany loans will be subordinated in right of payment to certain existing and future senior indebtedness of such Guarantors, including obligations under the Revolving Credit Facility Agreement. If the Guarantors or other subsidiaries do not distribute cash to the Issuer to make scheduled payments on the Notes, the Issuer will not have any other source of funds that would allow it to make payments to the holders of the Notes. The Guarantors (and other subsidiaries) may not, however, be able to, or may not be permitted under applicable law to make upstream payments or advance upstream loans to their shareholders (including the Issuer) to make payments in respect of our indebtedness, including the Notes. The subsidiaries of the Issuer that do not guarantee the Notes have no obligation to make payments with respect to the Notes.

The Notes will be structurally subordinated to the liabilities of non-Guarantor subsidiaries.

Some, but not all, members of the Group will guarantee the Notes and some Guarantees will be granted following the Issue Date. It is anticipated that the Issuer and the Guarantors would account for approximately 85.8% of the Consolidated EBITDA and 83.7% of the total assets of the Group for the year ended December 31, 2018, as adjusted to give effect to the SeNoFi Disposal and the UK Sale and Leaseback (and for the purposes of the calculation, disregarding the EBITDA of any Guarantor if negative, and utilizing the statutory financial figures of each Guarantor).

Unless a company is a Guarantor, such company will not have any obligation to pay amounts due under the Notes or to make funds available for that purpose. Generally, holders of indebtedness of, and trade creditors of, non-guarantor subsidiaries, including lenders under our finance facilities and bank financing agreements, are entitled to payments of their claims from the assets of such subsidiaries before these assets are made available for distribution to any Guarantor, as a direct or indirect shareholder. As of September 30, 2019, the non-Guarantor Subsidiaries had €37.9 million of third-party financial indebtedness (excluding our financial leases which are long-term property leases that are classified as financial leases for the purposes of Dutch GAAP, but as to which there is no option to, or obligation to, purchase the asset at the conclusion of the lease), which would be structurally senior to the Notes.

Accordingly, in the event that any non-Guarantor subsidiary becomes insolvent, is liquidated, reorganized or dissolved or is otherwise wound up other than as part of a solvent transaction:

- the creditors of the Issuer (including the holders of the Notes) and the Guarantors will have no right to proceed against the assets of such subsidiary; and
- creditors of such non-Guarantor subsidiary, including trade creditors, will generally be entitled to payment in full from the sale or other disposal of the assets of such subsidiary before any Guarantor, as a direct or indirect shareholder, will be entitled to receive any distributions from such subsidiary.

As such, the Notes and each Guarantee will be structurally subordinated to the creditors (including trade creditors) and any preferred stockholders of non-Guarantor subsidiaries.

Creditors under the Revolving Credit Facility, any Operating Facilities and certain hedging liabilities are entitled to be repaid in full with the proceeds of the Collateral sold in any enforcement sale in priority to the Notes.

The Notes and the Guarantees will be secured initially on a first-priority basis by the same Collateral securing the obligations under the Revolving Credit Facility Agreement, any Operating Facilities and certain hedging obligations. In addition, under the terms of the Indenture, we will be permitted to incur significant additional indebtedness and other obligations that may be secured by the same Collateral on a *pari passu* basis with the Notes and, in certain circumstances receive proceeds from enforcement of Collateral prior to the Notes. The Indenture and the Intercreditor Agreement will not limit the amount of hedging that can be given priority with respect to the proceeds from the enforcement of the Collateral.

In the event of enforcement of the Collateral securing the Notes, pursuant to the Intercreditor Agreement, creditors under the Revolving Credit Facility Agreement, any Operating Facilities and certain hedging liabilities will be entitled to be repaid with the proceeds of the Collateral sold in any enforcement sale in priority to the Notes. As such, in the event of a foreclosure of the Collateral, holders of the Notes may not be able to recover on the Collateral if the then outstanding claims under the Revolving Credit Facility Agreement, any Operating Facilities and such hedging obligations are greater than the proceeds realized. Any proceeds from an enforcement sale of the Collateral will, after all obligations under the Revolving Credit Facility Agreement, any Operating Facilities and such hedging obligations have been discharged from such recoveries, be applied pro rata in repayment of the Notes and any other obligations secured by the Collateral that are permitted to rank pari passu and are secured on a pari passu basis with the Notes. As a result, proceeds from the sale of Collateral in connection with any enforcement action may be insufficient to pay claims under the Notes.

In addition, claims of our secured creditors that are secured by assets that do not also secure the Notes will have priority with respect to such assets over the claims of holders of the Notes.

The Intercreditor Agreement will provide that the common Security Agent, who will also serve as the security agent for the lenders under the Revolving Credit Facility Agreement, any Operating Facilities, our hedging obligations, the Notes and any additional debt secured by the Collateral permitted to be incurred by the Indenture, will act only as provided for in the Intercreditor Agreement. The Intercreditor Agreement will regulate the ability of the Trustee or the holders of the Notes to instruct the Security Agent to take enforcement action. The Security Agent will not be required to take enforcement action unless instructed to do so by an Instructing Group (as defined in "*Description of Other Indebtedness—Intercreditor Agreement*") that comprises (i) creditors holding more than $66^2/_3$% of the Indebtedness and commitments under the Revolving Credit Facility and the priority hedging obligations (the "**Majority Super Senior Creditors**") and/or (ii) the holders of the required principal amount of the then outstanding Notes as set out in the Indenture (or if the required amount is not specified, the holders holding at least the majority of the principal amount of the then outstanding Notes) and the holders of the required principal amount of the then outstanding indebtedness ranking pari passu with the Notes as set out in the relevant documents governing such debt ranking pari passu with the Notes (or if the required amount is not specified, the holders holding at least the majority of the principal amount of the then outstanding amount of such indebtedness) whose principal amount outstanding under the Notes and such indebtedness ranking pari passu with the Notes (the "**Senior Secured Credit Participations**") at that time aggregate more than 662/3% of the total Senior Secured Credit Participations at that time (the "**Majority Notes/Pari Passu Required Holders**") (in each case acting through their respective creditor representative). If, before the super senior discharge date, the Security Agent has received conflicting enforcement instructions from the relevant creditor representatives then, to the extent the instructions from the Majority Notes/Pari Passu Required Holders (to the extent given) comply with the initial consultation requirements, the Intercreditor Agreement and the Security Documents, the Security Agent will comply with the instructions from the Majority Notes/Pari Passu Required Holders, provided that if the super senior liabilities have not been fully discharged within six months of the date on which the first such enforcement instructions were first issued, or no steps have been taken in relation to the commencement of enforcement action within three months of the date of the end of the first consultation period, or an insolvency event has occurred and no steps have been taken in relation to the commencement of enforcement action, then the instructions of the Majority Super Senior Creditors will prevail. To the extent we incur additional indebtedness that is secured by the Collateral on a pari passu basis with the Notes, your voting interest in an instructing group will be diluted commensurate with the amount of indebtedness we incur.

The enforcement of the Collateral may be restricted by local law.

The Collateral is, and will be, subject to any and all limitations, exceptions, defects, encumbrances, liens, loss of legal perfection and other imperfections permitted under the Indenture and the Revolving Credit Facility and accepted by other creditors that have the benefit of a *pari passu* security interest in the relevant Collateral from time to time, whether on or after the date the Notes are first issued. The existence of any such exceptions, defects, encumbrances, liens and other imperfections could adversely affect the value of the Collateral, as well as the ability of the Security Agent to realize or foreclose on such Collateral.

The obligations under the Notes and the Guarantees are secured on a first-ranking basis with security interests over Collateral which also secures our obligations under the Revolving Credit Facility and certain hedging obligations on a *pari passu* basis. The Indenture and the Revolving Credit Facility Agreement also permit the Collateral to be pledged to secure additional indebtedness in accordance with the terms thereof and the Intercreditor Agreement.

The Issuer is incorporated under the laws of The Netherlands; the Guarantors are incorporated or organized under the laws of The Netherlands, England and Wales, France and Germany. Further, the Notes will be secured by security interests over the Collateral, which will be governed by the laws of The Netherlands, England and Wales, France and Germany, respectively. In the event of a bankruptcy, insolvency or similar event, proceedings could be initiated in the jurisdictions in which the Issuer and the Guarantors are located. Such multi-jurisdictional proceedings are likely to be complex and costly for creditors and otherwise may result in greater uncertainty and delay regarding the enforcement of your rights. Your rights under the Notes, the Guarantees and the Security Documents will be subject to the insolvency and administrative laws of several jurisdictions and there can be no assurance that you will be able to effectively enforce your rights in such complex, multiple bankruptcy, insolvency or similar proceedings. Furthermore, in certain cases, in certain jurisdictions, courts may stay or decline proceedings where concurrent proceedings are commenced.

In addition, the enforcement, foreclosure, bankruptcy, insolvency, administrative and other laws of the Issuer's and the Guarantors' jurisdictions of organization may be less favorable than, materially different from, or in conflict with, those of the United States, including in the areas of rights of creditors, priority of governmental and other creditors, the ability to obtain post-petition interest and duration of the proceeding. The application of these laws, or any conflict among them, could call into question whether any particular jurisdiction's law should apply, adversely affect your ability to enforce your rights under the Notes and the Guarantees in those jurisdictions or limit any amounts that you may receive.

Enforcement of the Guarantees and the Collateral will also be subject to certain defenses available to Guarantors in the relevant jurisdiction. Although laws differ among these jurisdictions, these laws and defenses generally include those that relate to corporate purpose or benefit, fraudulent conveyance or transfer, voidable preference, insolvency or bankruptcy challenges, financial assistance, preservation of share capital, thin capitalization, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally. If one or more of these laws and defenses are applicable, the Guarantors may have no liability or decreased liability under their respective Guarantees or the security interest in the Collateral may be void or may not be enforceable depending on the amounts of its other obligations and applicable law. For example, among other limitations applicable to French Guarantors, the

Guarantees granted by French Guarantors will be limited to the amount of the proceeds of the Notes that have been directly or indirectly made available to such French Guarantor (or any of its subsidiaries) via intercompany loans that are outstanding and owed by such French Guarantor (or any of its subsidiaries) on the date a payment is requested to be made by such French Guarantor. The amount of the guarantee for the Notes and the value of the security granted for the Guarantee provided by the French Guarantors will be limited to the amount of Notes proceeds provided to the French Guarantors. For more information, see "*Limitations on Validity and Enforceability of the Guarantees and the Collateral and Certain Insolvency Law Considerations*."

The insolvency laws of The Netherlands, England and Wales, France and Germany may differ from and be less favorable than the bankruptcy laws or insolvency law of other jurisdictions.

The Issuer is incorporated under the laws of The Netherlands and the Guarantors are incorporated under the laws of The Netherlands, England and Wales, France and Germany. In addition, the assets pledged as part of the Collateral are or will be located in or in existence under the laws of The Netherlands, England and Wales, France and Germany. Accordingly, insolvency proceedings with respect to these entities and/or the Collateral would be likely to proceed under, and be governed by, The Netherlands, England and Wales, France and Germany insolvency laws, as applicable. The Netherlands, England and Wales, France and Germany insolvency laws may not be as favorable to investors as the laws of the United States or other jurisdictions with which investors are familiar. See "*Limitations on Validity and Enforceability of the Guarantees and the Collateral and Certain Insolvency Law Considerations*."

In the event that the Issuer, the Guarantors or any other of our subsidiaries experience financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings. The insolvency and other laws of each of these jurisdictions may be materially different from, or in conflict with, each other, including in the areas of rights of secured and other creditors, the ability to void preferential transfer, priority of governmental and other creditors, ability to obtain post-petition interest and duration of the proceeding. The application of these laws, or any conflict among them, could call into question whether any particular jurisdiction's laws should apply, adversely affect your ability to enforce your rights under the Guarantee or the Collateral in these jurisdictions and limit any amounts that you may receive. See "*—The Guarantees and the Collateral will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defenses that may limit their validity and enforceability*."

Enforcement of the Collateral across multiple jurisdictions may be difficult.

The Collateral will be governed by the laws of The Netherlands, England and Wales, France and Germany. In the event of bankruptcy, insolvency or a similar event, proceedings could be initiated in any of these jurisdictions. The rights under the Collateral will thus be subject to the laws of the respective jurisdiction, and it may be difficult to effectively enforce such rights in multiple bankruptcy, insolvency and other similar proceedings. Moreover, such multi-jurisdictional proceedings are typically complex and costly for creditors and often result in substantial uncertainty and delay in the enforcement of creditors' rights. The application of these various laws in multiple jurisdictions could trigger disputes over which jurisdiction's law should apply and could adversely affect the ability to enforce the Collateral and to realize any recovery under the Notes and the Guarantees. See "*Enforcement of Civil Liabilities*," and "*Limitations on Validity and Enforceability of the Guarantees and the Collateral and Certain Insolvency Law Considerations*."

The insolvency, administration and other laws of the jurisdiction of organization of the Issuer and the Guarantors may be materially different from, or conflict with, each other and with the laws of the United States, including in the areas of rights of creditors, priority of governmental and other creditors, the ability to obtain post-petition interest, the duration of proceeding and preference periods. The application of these laws, and any conflict between them, could call into question whether, and to what extent, the laws of any particular jurisdiction should apply, adversely affect your ability to enforce your rights under the Security Documents in these jurisdictions or limit any amounts that you may receive.

The Notes will not be initially secured by the Collateral and the Additional Guarantors will not initially guarantee the Notes.

The Notes will not be secured as of the Issue Date. Subject to the operation of the Agreed Security Principles, certain perfection requirements and any Permitted Collateral Liens, the Notes will be secured (i) within five business days of the Issue Date, by first-ranking security interests over (a) certain bank accounts of the Issuer and the Parent, (b) intercompany receivables owing to the Parent from the Issuer and (c) shares of capital stock of the Issuer and Q Park B.V. and (ii) within 120 days of the Issue Date, by first-ranking security interests over shares of capital stock (or partnership interests, as applicable) of the other Initial Guarantors (other than the Parent) and the Additional Guarantors as well as Q-Park Verwaltungs GmbH. See "*Description of the Notes—Security*."

Furthermore, the Additional Guarantors are only required to guarantee the Notes within 120 days of the Issue Date. There can be no assurance that we will be successful in procuring the grant of the above liens and guarantees within the time periods specified, and any grant of security will be subject to certain Agreed Security Principles and perfection requirements, as well as any other liens permitted under the Indenture to be granted on the same Collateral. The security interests will be limited as set forth under "*Limitations on Validity and Enforceability of the Guarantees and the Collateral and Certain Insolvency Law Considerations*," which limitations could be significant. It should be noted that if a guarantee or a security interest granted by a Guarantor in certain jurisdictions is granted or perfected after the secured obligation arose, such guarantee or security interest may be subject to claw back provisions under applicable local insolvency laws. See "*Limitations on Validity and Enforceability of the Guarantees and the Collateral and Certain Insolvency Law Considerations*."

The Notes will be secured only up to the extent of the value of the Collateral that has been granted as security for the Notes and the Guarantees and such security may not be sufficient to satisfy the obligations under the Notes and the Guarantees.

If there is an event of default on the Notes, the holders of the Notes will be secured only to the extent of the value of the Collateral granted as security for the Notes and the guaranteed or secured amount as a consequence of legal limitations such as capital maintenance, financial assistance or corporate benefit amongst others. In France, the enforcement of the Guarantees is limited to the maximum amount that can be guaranteed under the applicable laws of France, to the extent that the granting of such a Guarantee is not in the grantor's corporate interests, or the burden of such security interest exceeds the benefit to the relevant grantor, or such guarantee would be in breach of capital maintenance or thin capitalization rules or any other general statutory laws and would cause the directors of such subsidiary grantor, in certain jurisdictions, to contravene their fiduciary duties and incur civil or criminal liability. For more information, see "*Limitations on Validity and Enforceability of the Guarantees and the Collateral and Certain Insolvency Law Considerations*."

Not all our assets will secure the Notes. In the future, the obligations to provide additional guarantees and grant additional security over assets, or a particular type or class of assets, whether as a result of the acquisition or creation of future assets or subsidiaries, the designation of a previously unrestricted subsidiary as a restricted subsidiary or otherwise, is subject to the Indenture, the Agreed Security Principles and the Intercreditor Agreement. The Agreed Security Principles (as set out in the Revolving Credit Facility Agreement) set out a number of limitations on the rights of the holders of the Notes to require granting of, or payment or enforcement under, a guarantees or security in certain circumstances. Accordingly, the Agreed Security

Principles may affect the value of the guarantees and security to be provided by us and our subsidiaries. The terms of the Security Documents securing obligations under the Notes and applicable guarantee limitations may result in, among other things, the amount recoverable under any guarantee or security provided by any subsidiary being limited or security not being granted over a particular type or class of assets. Accordingly, the Agreed Security Principles may affect the value of the guarantees and security provided by us and our subsidiaries. The validity and enforceability of the guarantees and security may also be affected by local law limitations. See "*—The Guarantees and the Collateral will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defenses that may limit their validity and enforceability.*"

On the Issue Date, the Notes will not be secured. See "*—The Notes will not be initially secured by the Collateral and the Additional Guarantors will not initially guarantee the Notes*" and "*Description of the Notes—Security.*" No appraisals of any Collateral have been prepared, and there is no requirement to provide funds to enhance the value of the Collateral if it is insufficient. The proceeds of any sale of the Collateral following an event of default with respect to the Notes may not be sufficient to satisfy, and may be substantially less than, amounts due on the Notes.

If the proceeds of any sale of Collateral are not sufficient to repay all amounts due on the Notes and the Guarantees, holders of the Notes (to the extent not repaid from the proceeds of the sale of the Collateral) would have only an unsecured claim against the Issuer's and the Guarantors' remaining assets. Each of these factors or any challenge to the validity of the Collateral or the intercreditor arrangements governing our creditors' rights could reduce the proceeds realized upon enforcement of the Collateral. In addition, there can be no assurance that the Collateral could be sold in a timely manner, if at all. Proceeds from enforcement sales of the Collateral must be applied in satisfaction of certain priority obligations under the Revolving Credit Facility, any Operating Facilities and certain hedging obligations (and any other future indebtedness that is entitled to such priority under the terms of the Indenture and the Intercreditor Agreement) before being applied to repay on a *pari passu* basis the obligations of the Issuer and the Guarantors under the Notes and any other *pari passu* debt. In addition, the Indenture and the Revolving Credit Facility Agreement will allow the incurrence of certain additional permitted debt in the future that is secured by the Collateral on a priority or *pari passu* basis.

The granting of the Guarantees and security interests in connection with the issuance of the Notes, or the incurrence of permitted debt in the future, may create or be subject to hardening or voidance periods for such security interests in accordance with the laws applicable in certain jurisdictions.

The granting of the Guarantees and security interests to secure the Notes may create hardening or voidance periods for such Guarantees and security interests in certain jurisdictions. The granting of shared security interests to secure future permitted debt may restart or reopen such hardening or voidance periods in particular, as the Indenture permits the release and retaking of security granted in favor of the Notes in certain circumstances including in connection with the incurrence of future debt. The applicable hardening or voidance period for these new security interests can run from the moment each new security interest has been granted or perfected. At each time, if the security interest granted or recreated were to be enforced before the end of the respective hardening or voidance period applicable in such jurisdiction, it may be declared void or ineffective and/or it may not be possible to enforce it. See "*Limitations on Validity and Enforceability of the Guarantees and the Collateral and Certain Insolvency Law Considerations*."

The same rights also apply following the issuance of the Notes in connection with the accession of further subsidiaries as Additional Guarantors and the granting of security interest over their relevant assets and equity interests for the benefit of holders of the Notes, as applicable.

The Guarantees and the Collateral will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defenses that may limit their validity and enforceability.

The Indenture will include language to the effect that the Guarantees and each security interest granted, as well as any other obligation under the Security Documents, will be limited so as to ensure compliance with local law. The Guarantees, security interests and other obligations will also be subject to applicable corporate and other laws. In general, these laws may prohibit companies from providing financial assistance to anyone for the purpose of acquiring their shares and may limit the circumstances in which companies can transfer economic benefits to their shareholders outside the payment of properly declared dividends. They also provide for limitations that affect the rights of creditors generally in case an entity becomes insolvent. Although laws differ among the applicable jurisdictions, in general, applicable fraudulent transfer and conveyance laws, equitable principles and insolvency laws and limitations on the enforceability of judgments obtained in New York courts in such jurisdictions could also limit the enforceability of the Guarantees and the Collateral against the Guarantors or a security provider. Courts may also avoid the Collateral or the Guarantees in certain circumstances where the security provider or any of the Guarantors is close to or in the vicinity of insolvency.

The following discussion of fraudulent transfer, conveyance and insolvency law, although an overview, describes generally applicable terms and principles, which are defined under the relevant jurisdiction's fraudulent transfer and insolvency statutes. See "*Limitations on Validity and Enforceability of the Guarantees and the Collateral and Certain Insolvency Law Considerations*" for more details regarding limitations on the Guarantees and security interests under the laws of The Netherlands, England and Wales, France and Germany.

In insolvency proceedings, it is possible that creditors of the Guarantors, the security providers or the appointed insolvency administrator may challenge the Guarantees and Collateral, and intercompany obligations generally, as fraudulent transfers or conveyances or on other grounds. If so, such laws may permit a court, if it makes certain findings, to avoid or invalidate all or a portion of the Issuer's or the Guarantors' obligations under the Guarantees or the Collateral; direct that the Issuer and/or the holders of the Notes return any amounts paid under the Guarantees or any Security Document to the Guarantors or to the respective security provider or to a fund for the benefit of the Guarantors' creditors or the security provider; and take other action that is detrimental to holders of the Notes.

There can be no assurance as to which standard a court would apply in determining whether each of the Guarantors or a security provider was "insolvent" as of the date the Guarantees was issued or Collateral was created or that, regardless of the method of valuation, a court would not determine that the Issuer or each of the Guarantors was insolvent on that date, or that a court would not determine, regardless of whether or not each of the Guarantors or a security provider was insolvent on the date the Guarantees was issued or security was created, that payments to holders of the Notes constituted fraudulent transfers on other grounds.

If the Issuer cannot satisfy its obligations under the Notes, and the Guarantees or Collateral is found to be a fraudulent transfer or conveyance or is otherwise set aside, the Issuer cannot assure the holders of the Notes that it can ever repay in full any amounts outstanding under the Notes. In addition, the liability of each of the Guarantors under the Guarantees and the liability of each security provider will be limited to the amount that will result in such guarantee or security not constituting a fraudulent conveyance or improper corporate distribution or otherwise being set aside. The amount recoverable from each of the Guarantors or a security provider under the Security Documents will also be limited. However, there can be no assurance as to what methodology a court would apply in making a determination of the maximum liability of the Guarantors or each security provider and whether a court would give effect to such attempted limitation. Also, there is a possibility that the entire Guarantees or security may be set aside, in which case the applicable Guarantor's or applicable security provider's entire liability may be extinguished and, in the case of the Guarantees, you may cease to have any claim in respect of the Guarantors and would be a creditor solely of the Issuer.

Moreover, certain transaction documents are governed by U.S. law, and judgments rendered by a U.S. court will generally not be directly enforceable in the jurisdictions in which the assets by which the Notes are secured are located. Instead, in many of these jurisdictions, as a pre-condition to enforcing a U.S. judgment, a local court will subject the judgment to a multi-factor test. See "*Enforcement of Civil Liabilities.*" Several of the factors the court will consider involve a considerable amount of discretion, and even if the court ultimately finds that the judgment is enforceable, the process may take a significant amount of time to complete. If any of these risks materializes, your ability to collect payments of principal and interest under the Notes may be materially adversely affected.

The rights of holders of the Notes in the Collateral may be adversely affected by the failure to perfect the security interests in the Collateral.

Under applicable law, a security interest in certain tangible and intangible assets can only be properly perfected, and its priority retained, through certain actions undertaken by the secured party or the grantor of the security. The liens in the Collateral may not be perfected with respect to the claims of the Noteholders if we fail or are unable to take, or are not required under the Agreed Security Principles to take, the actions required to be taken in order to perfect any of these liens. Such failure may result in the invalidity and/or the unenforceability against third parties of the relevant security interest in the Collateral and/or adversely affect the priority of such security interest in favor of the Notes against third parties (as the case may be), including a trustee in bankruptcy and other creditors who claim a security interest in the same collateral. Furthermore, it should be noted that neither the Trustee nor the Security Agent has any obligation to take any steps or action to perfect any of the liens in the Collateral to secure the Notes. In particular, perfection of Collateral over certain bank accounts requires certain steps to be taken.

It may be difficult to realize the value of the Collateral.

The value of the Collateral and the amount to be received upon an enforcement of such Collateral will depend upon many factors, including, among others, general market and economic conditions, the condition of the market for the Collateral, the ability to sell Collateral in an orderly sale, the fair value of the Collateral, the timing and manner of the sale, whether or not our business is sold as a going concern, the ability to readily liquidate the Collateral, the availability of buyers and exchange rates. By its nature, some or all of the Collateral may not have a readily ascertainable market value or may not be saleable or, if saleable, there may be substantial delays in its disposal. Further, there may not be any buyer willing and able to purchase our business as a going concern, or willing to buy a significant portion of its assets in the event of an enforcement action. The Collateral may be illiquid and may have no readily ascertainable market value.

The Collateral securing the Notes will be subject to exceptions, defects, encumbrances, liens, loss of legal perfection and other imperfections permitted under the Indenture and the Intercreditor Agreement. The existence of any such exception, defect, encumbrance, lien, loss of legal perfection or other imperfection could adversely affect the value of the Collateral securing the Notes, as well as the ability of the Security Agent to realize or foreclose on such Collateral. Furthermore, the ranking of security interests can be affected by a variety of factors, including, among others, the timely satisfaction of perfection requirements, statutory liens or re-characterization under the laws of certain jurisdictions. There can be no assurance that the assets comprising the Collateral are, or will be, free and clear from third-party prior ranking security rights or other interests, such as security interests arising under standard contract terms or by operation of law. Any such rights or interests would adversely affect the value of the Collateral and the ability of the Security Agent to realize or foreclose on the Collateral.

By its nature, some or all the Collateral may not have a readily ascertainable market value or may not be saleable or, if saleable, there may be substantial delays in its disposal. To the extent that other first-priority security interests, pre-existing liens, liens permitted under the Indenture, the Revolving Credit Facility, any Operating Facilities, certain hedging obligations and other rights encumber the Collateral securing the Notes, those parties may have or may exercise rights and remedies with respect to the Collateral that could adversely affect the value of the Collateral and the ability of the Security Agent to realize or foreclose on the Collateral. There may also be other practical problems generally associated with the realization of security interests in the Collateral. For example, under German law, the enforcement of share pledges is subject to certain specific requirements, including a formal disposal process that involves a public auction. For further details, see "*Limitations on Validity and Enforceability of the Guarantees and the Collateral and Certain Insolvency Law Considerations*."

In addition, the shares and ownership interests of an entity may be of no value if that entity is subject to an insolvency or bankruptcy proceeding because all or part of the obligations of the entity must first be satisfied, leaving little or no remaining assets in the entity.

The security interests of the Security Agent will be subject to practical problems generally associated with the realization of security interests over personal property such as the Collateral. For example, the Security Agent may need to obtain the consent of a third party to enforce a security interest. We cannot assure you that the consents of any third parties will be given when required to facilitate a foreclosure on such assets. Accordingly, the Security Agent may not have the ability to foreclose upon those assets, and the value of the Collateral may decline significantly.

Each of these factors or any challenge to the validity of the Collateral or the Intercreditor Agreement governing our creditors' rights could reduce the proceeds realized upon enforcement of the Collateral. If the proceeds of any sale of Collateral are not sufficient to repay all amounts due on the Notes and the Guarantees, Noteholders (to the extent not repaid from the proceeds of the sale of the Collateral) would have only an unsecured claim against the Issuer's and the Guarantors' remaining assets.

There are circumstances other than the repayment or discharge of the Notes under which the Collateral securing the Notes and the Guarantees will be released automatically, without your consent or the consent of the Trustee.

Under various circumstances, the Collateral securing the Notes and the Guarantees will be released automatically, including:

- upon payment in full of all principal, interest and all other obligations in respect of the Notes issued under the Indenture or discharge or defeasance thereof in accordance with the Indenture;
- upon release of a Guarantee in accordance with the Indenture, the release of the property and assets and Capital Stock of such Guarantor;
- in connection with any disposition of Collateral, directly or indirectly, to (a) any Person other than the Parent or any of its Restricted Subsidiaries (but excluding any transaction subject to the covenant described under "*Description of the Notes—Certain Covenants—Merger and Consolidation—The Parent and the Issuer*") that is permitted by the Indenture (with respect to the Lien on such Collateral) or (b) the Parent or any Restricted Subsidiary consistent with the Intercreditor Agreement;
- as described under "*Description of the Notes—Amendments and Waivers*;"
- automatically without any action by the Trustee, if the Lien granted in favor of the Revolving Credit Facility Agreement, public debt or such other Indebtedness that gave rise to the obligation to grant the lien over such Collateral is released (other than pursuant to the repayment and discharge thereof); *provided* that such release would otherwise be permitted by another clause described hereunder;

- as otherwise provided for in the Intercreditor Agreement;
- in order to effectuate a merger, consolidation, conveyance or transfer conducted in compliance with the covenant described under "*Description of the Notes—Certain Covenants—Merger and Consolidation*;"
- with respect to assets held by or the capital stock of any Restricted Subsidiary, in connection with a solvent liquidation of such Restricted Subsidiary, pursuant to which substantially all of the assets of such Restricted Subsidiary remain owned by the Issuer or a Guarantor; and
- in connection with an IPO Pushdown, as specified in the Indenture.

In addition, under various circumstances, the Guarantees will be released automatically, including:

- except for the Parent Guarantee, a sale or other disposition (including by way of consolidation or merger) of ownership interests in the Guarantor (directly or through a parent company) such that the Guarantor does not remain a Restricted Subsidiary, or the sale or other disposition of all or substantially all the assets of the Guarantor (other than to the Issuer or a Restricted Subsidiary), in each case, otherwise permitted by the Indenture;
- except for the Parent Guarantee, the designation in accordance with the Indenture of the Guarantor as an Unrestricted Subsidiary;
- the defeasance or discharge of the Notes, as provided in "*Description of the Notes—Defeasance*" and "*Description of the Notes—Satisfaction and Discharge*;"
- with respect to a Guarantor that is not the Parent or a Significant Subsidiary, so long as no Event of Default has occurred and is continuing, to the extent that such Guarantor is unconditionally released and discharged from its liability with respect to the Revolving Credit Facility Agreement;
- in accordance with the provisions of the Intercreditor Agreement or any Additional Intercreditor Agreement;
- as described under "*Description of the Notes—Amendments and Waivers*;"
- with respect to any Guarantor which is not the continuing or surviving Person in the relevant consolidation or merger, as a result of a transaction permitted by the covenant described under "*Description of the Notes—Certain Covenants—Merger and Consolidation—Guarantors*" and the Indenture;
- with respect to any Guarantor except the Parent, in connection with a solvent liquidation of such Guarantor pursuant to which substantially all of the assets of such Guarantor remain owned by the Issuer or a Guarantor; or
- in connection with an IPO Pushdown, as specified in the Indenture.

In addition, the Guarantees and Collateral will each be subject to release upon an enforcement sale as contemplated under the Intercreditor Agreement.

See "*Description of Other Indebtedness—Intercreditor Agreement*" and "*Description of the Notes.*"

Upon an IPO Pushdown, material Collateral and the Guarantee may be released, any retaken Collateral may be subject to hardening periods, and U.S. holders may have U.S. federal income tax consequences.

Under certain circumstances, we may undertake an IPO Pushdown (as defined in "*Description of the Notes*"). See "*Description of the Notes—IPO Pushdown*." The Indenture will provide that upon consummation of an IPO Pushdown, references to the Parent and Restricted Subsidiaries (and all related provisions) in the Indenture shall apply only to the IPO Pushdown Entity (as defined in "*Description of the Notes*") and its Restricted Subsidiaries from time to time (which may not constitute all or substantially all of the Parent's assets). Upon such substitution, any Holding Company (as defined in "*Description of the Notes*") of the IPO Pushdown Entity will be irrevocably and unconditionally released from all obligations under the Indenture and the Intercreditor Agreement and the Guarantees and any Collateral provided by such entities will also be released, which could materially reduce the Collateral securing the Notes. Moreover, we may elect to, but are under no obligation to, revoke or otherwise reverse an IPO Pushdown undertaken in contemplation of an IPO Event (as defined in "*Description of the Notes*"), or to replace any Guarantees or Collateral released pursuant thereto, in the event that such IPO Event is not consummated. To the extent that new security documents in respect of any collateral to be retaken (including a pledge over the shares of the Issuer) are entered into, such collateral may be subject to new hardening periods. In addition, the IPO Pushdown may result in a deemed exchange of the Notes for United States federal income tax purposes, depending upon the specific circumstances of the IPO Pushdown, and may have tax consequences for U.S. holders (as defined in "*Tax Considerations—Certain United States federal income tax considerations*"), including recognition of gain or loss on such deemed exchange. See "*Tax Considerations—Certain United States federal income tax considerations—IPO Pushdown*."

The security interests in the Collateral will be granted to the Security Agent rather than directly to the holders of the Notes. The ability of the Security Agent to enforce certain of the Collateral may be restricted by local law.

The security interests in the Collateral that will secure the obligations under the Notes and the obligations of the Guarantors under the Guarantees will not be granted directly to the holders of the Notes but will be granted in favor of the Security Agent. The Indenture and the Intercreditor Agreement will provide that only the Security Agent (in respect of the Collateral governed by Dutch, French, English and German law, as security agent and Parallel Debt creditor) has the right to enforce the security interests under the Security Documents. As a consequence, holders of the Notes will not have direct security interests and will not be entitled to take enforcement action in respect of the Collateral securing the Notes, except through the Trustee, who will (subject to the provisions of the Indenture) provide instructions to the Security Agent in respect of the Collateral.

In respect of Collateral governed by French, Dutch and German law, in order to permit the beneficial holders of the Notes to benefit from a secured claim, the Intercreditor Agreement will provide for the creation of "parallel debt" obligations in favor of the Security Agent (the "**Parallel Debt**") mirroring the obligations of the Issuer and the Guarantors (as principal obligors) towards the holders of the Notes under or in connection with the Indenture (the "**Principal Obligations**"). Any payment in respect of the Principal Obligations shall discharge the corresponding Parallel Debt and any payment in respect of the Parallel Debt shall discharge the corresponding Principal Obligations. The Security Agent will have, pursuant to the Parallel Debt, a claim against the Issuer and the Guarantors for the full principal amount of the Notes. The Collateral governed by French, Dutch and German law will be granted only in favor of the Security Agent under the parallel debt mechanism to secure directly the Parallel Debt and will not directly secure the Notes. In certain jurisdictions, including The Netherlands and Gerrmany, the parallel debt concept has not yet been tested in court. Therefore, the ability of the Security Agent to enforce the Collateral may be restricted, or the parallel debt structure might not be capable of creating a valid security interest on the part of the Security Agent. In addition, holders of the Notes will bear the risks associated with the possible insolvency or bankruptcy of the Security Agent as the beneficiary of the Parallel Debt. See "*Limitations on Validity and Enforceability of the Guarantees and the Collateral and Certain Insolvency Law Considerations*.

The Issuer and the Guarantors will have control over the Collateral securing the Notes, and the sale of particular assets could reduce the pool of assets securing the Notes.

The Security Documents and Guarantees will allow the Issuer and the Guarantors to remain in possession of, retain exclusive control over, freely operate, and collect, invest and dispose of any income from the Collateral securing the Notes. So long as no default or event of default under the Indenture would result therefrom, the Issuer and the Guarantors may, among other things, without any release or consent by the Security Agent, conduct ordinary course activities with respect to the Collateral, such as selling, factoring, abandoning or otherwise disposing of the Collateral and making ordinary course cash payments, including repayments of indebtedness, provided that they do not conduct any act or omission that may jeopardize the rights that arise from the Collateral.

The loans under our Revolving Credit Facility and the 2026 Senior Secured Floating Rate Notes will bear interest at floating rates that could rise significantly, increasing our financing costs and reducing our cash flow.

A portion of our debt bears interest at a variable rate, and we will be exposed to the risk of fluctuations in interest rates. These interest rates could rise significantly in the future, increasing our interest expense associated with these obligations, reducing cash flow available for capital expenditures and hindering our ability to make payments on the Notes. In particular, the 2026 Senior Secured Floating Rate Notes and any borrowings under the Revolving Credit Facility will bear interest at a variable rate which is based on EURIBOR or LIBOR (as applicable) (with a 0% floor) plus an applicable margin. Fluctuations in EURIBOR or the occurrence of a market disruption event may increase our overall interest burden and could have a material adverse effect on our ability to service our debt obligations. As of the issue date, we do not plan to hedge the floating rate interest exposure in relation to the 2026 Senior Secured Floating Rate Notes or any borrowings under the Revolving Credit Facility, however, we will continue to monitor such exposures and may enter into interest hedging arrangements in the future. As such, to the extent that EURIBOR increases, our interest expense would also correspondingly increase, thereby adversely affecting our cash flow.

The Revolving Credit Facility and the 2026 Senior Secured Floating Rate Notes may be impacted by applicable regulations governing interbank lending rates and may bear interest that could rise significantly, thereby increasing our costs and reducing our cash flow.

Following allegations of manipulation of LIBOR, a measure of interbank lending rates, regulators and law enforcement agencies from a number of governments and the European Union are conducting investigations into whether the banks that contribute data in connection with the calculation of daily Euro Interbank Offered Rate ("**EURIBOR**") or the LIBOR may have been manipulating or attempting to manipulate EURIBOR and LIBOR. As a result, EURIBOR, LIBOR and other interest rates are indices which are deemed to be "benchmarks" are the subject of recent and ongoing national, international and other regulatory guidance and proposals for reform, including the implementation of the IOSCO Principles for Financial Market Benchmarks (July 2013) and Regulation (EU) 2016/1011 (the "**Benchmarks Regulation**") which was published in the Official Journal of the EU on June 29, 2016, and applies since January 1, 2018. Some of these reforms are already effective while others are still to be implemented. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU. It will, among other things (i) require benchmark administrators to be authorized or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognized or endorsed) and (ii) prevent certain uses by EU supervised entities of benchmarks of administrators that are not authorized or registered (or, if non-EU based, not deemed equivalent or recognized or endorsed).

These reforms, including the Benchmarks Regulation, may cause such benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the 2026 Senior Secured Floating Rate Notes, the Revolving Credit Facility or our debt linked to such a "benchmark." The Benchmarks Regulation could have a material impact on the 2026 Senior Secured Floating Rate Notes, the Revolving Credit Facility and our other debt linked to such a "benchmark" in particular, if the methodology or other terms of the EURIBOR benchmark are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the EURIBOR benchmark. In addition, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of "benchmarks," could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark," including EURIBOR and LIBOR, and complying with any such regulations or requirements.

Such factors may have the following effects on certain "benchmarks" such as EURIBOR: (i) discourage market participants from continuing to administer or contribute to such "benchmark;" (ii) trigger changes in the rules or methodologies used in the "benchmarks" or (iii) lead to the disappearance of the "benchmark." On July 27, 2017, the UK Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the "**FCA Announcement**"). The FCA Announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. The potential elimination of the LIBOR benchmark or any other benchmark, changes in the manner of administration of any benchmark, or actions by regulators or law enforcement agencies could result in changes to the manner in which LIBOR is determined, which could require an adjustment to the terms and conditions, or result in other consequences, in respect of any debt linked to such benchmark. Any of the above changes or any other consequential changes as a result of international, national or other proposals for reform or other initiatives or investigations, as well as manipulative practices or the cessation thereof, may result in a sudden or prolonged increase in reported LIBOR, which could have a material adverse effect on the value of and return on any floating rate debt linked to LIBOR and on our ability to service debt that bears interest at floating rates of interest.

Any elimination of the EURIBOR benchmark, or changes in the manner of administration of EURIBOR, could require an adjustment to the terms and conditions of the 2026 Senior Secured Floating Rate Notes or the Revolving Credit Facility. Any such consequence could have a material adverse effect on the value of and return on any such 2026 Senior Secured Floating Rate Notes.

Investors should consult their own independent advisors and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms, investigations and licensing issues in making any investment decision with respect to the 2026 Senior Secured Floating Rate Notes.

Investors should be aware that, if EURIBOR were discontinued or otherwise unavailable, the rate of interest on the 2026 Senior Secured Floating Rate Notes will be determined for the relevant period by the fallback provisions applicable to the 2026 Senior Secured Floating Rate Notes. This may in certain circumstances (i) be reliant upon the provision by reference banks of offered quotations for the EURIBOR benchmark which, depending on market circumstances, may not be available at the relevant time, (ii) result in the effective application of a fixed rate based on the rate which applied in the previous period when EURIBOR was available or (iii) permit the Issuer to replace EURIBOR with any alternative rate which has replaced EURIBOR in customary market usage for purposes of determining floating rates of interest in respect of euro-denominated securities, as identified by the Issuer in consultation with an independent financial advisor. See *"Description of the Notes—Interest—Floating Rate Notes."* Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, the 2026 Senior Secured Floating Rate Notes.

We may not be able to obtain the funds required to repurchase Notes upon a Change of Control.

The Indenture will contain provisions relating to certain events constituting a Change of Control. Upon the occurrence of a Change of Control, we will be required to offer to repurchase all outstanding Notes at a price equal to 101% of their principal amount thereof, plus accrued and unpaid interest and additional amounts, if any, to the date of repurchase. If a Change of Control were to occur, we cannot assure you that we would have sufficient funds available at such time, or that we would have sufficient funds to provide to the Issuer to pay the repurchase price of the outstanding Notes or that the restrictions in our Revolving Credit Facility Agreement, the Intercreditor Agreement or our other than existing contractual obligations would allow us to make such required repurchases. A Change of Control may result in a prepayment event or an event of default under, and the acceleration of, our Revolving Credit Facility and other indebtedness. The repurchase of the Notes pursuant to such an offer could cause a default under such indebtedness, even if the Change of Control itself does not. The ability of the Issuer to receive cash from other members of the Group to allow the Issuer to pay cash to the holders of the Notes following the occurrence of a Change of Control may be limited by our existing financial resources. In addition, under the terms of our Revolving Credit Facility Agreement, under certain circumstances, we are required to repay at least a pro rata amount of debt under our Revolving Credit Facility if we repay all or a portion of the principal under the Notes prior to its scheduled repayment date. Sufficient funds may not be available when necessary to make any required repurchases. If an event constituting a Change of Control occurs at a time when the Group is prohibited from providing funds to the Issuer for the purpose of repurchasing the Notes, we may seek the consent of the lenders under such indebtedness to the purchase of the Notes or may attempt to refinance the borrowings that contain such prohibition. If such consent to repay such borrowings is not obtained, the Issuer will remain prohibited from repurchasing any Notes. In addition, we expect that we would require third-party financing to make an offer to repurchase the Notes upon a Change of Control. We cannot assure you that we would be able to obtain such financing. Any failure by the Issuer to offer to purchase the Notes would constitute a default under the Indenture which would, in turn, could constitute a default under the Revolving Credit Facility. See "*Description of the Notes—Change of Control.*"

Further, if pursuant to a Change of Control Offer, holders of not less than 90% of the aggregate principal amount of the then outstanding series of Notes validly tender and do not withdraw such Notes, the Indenture will permit the Issuer, at its option, to redeem the remaining outstanding series of Notes at a price of 101% of the principal amount of such Notes plus accrued and unpaid interest. As a consequence, holders of the relevant series of such Notes may be required to surrender the Notes against their will at a price equivalent to that paid to tendering holders and may not receive the return expected.

The Change of Control provision contained in the Indenture may not necessarily afford you protection in the event of certain important corporate events, including a reorganization, restructuring, merger or other similar transaction involving us that may adversely affect you, because such corporate events may not involve a shift in voting power or beneficial ownership or, even if they do, may not constitute a "*Change of Control*" as defined in the Indenture. Additionally, there are certain exceptions to the definition of "*Change of Control*" which allow changes in the ownership of the Issuer if certain conditions are satisfied, including if a specified consolidated total net leverage ratio is not exceeded in connection with such Change of Control on one occasion. Except as described under "*Description of the Notes—Change of Control,*" the Indenture will not contain provisions that would require the Issuer to offer to repurchase or redeem the Notes in the event of a reorganization, restructuring, merger, recapitalization or similar transaction.

The definition of "*Change of Control*" in the Indenture will include a disposition of all or substantially all the assets of the Parent and the Restricted Subsidiaries, taken as a whole, to any person. Although there is a limited body of New York case law interpreting the phrase "all or substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances, there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "all or substantially all" the Parent's assets and the Restricted Subsidiaries taken as a whole. As a result, it may be unclear as to whether a change of control has occurred and whether the Issuer is required to make an offer to repurchase the Notes.

The interests of holders of the 2025 Senior Secured Fixed Rate Notes, the 2027 Senior Secured Fixed Rate Notes and the 2026 Senior Secured Floating Rate Notes may be inconsistent.

The 2025 Senior Secured Fixed Rate Notes, the 2027 Senior Secured Fixed Rate Notes and the 2026 Senior Secured Floating Rate Notes will be issued pursuant to a single indenture and will vote as a single class with respect to amendments, waivers or other modifications of the Indenture other than with respect to amendments, waivers or other modifications that will only affect the relevant series of Notes. Each series of Notes will have a different interest rate, call schedule and call protection and will have other features that will differ from the other series of Notes. As a result of these differences, the interests of holders of each series of Notes could conflict. In addition, the holders of one series of Notes may be in a position to agree to certain terms in a consent solicitation that would be beneficial to such series of Notes but adverse to the economic interest of the other series of Notes; however, to the extent the relevant amendment or waiver is approved by the holders of a majority in aggregate principal amount of the Notes then outstanding (subject to the limited exceptions described above), all holders of the Notes will be bound by such amendment.

There may not be an active trading market for the Notes, in which case your ability to sell the Notes may be limited.

We cannot assure you as to the liquidity of any market in the Notes, your ability to sell your Notes or the prices at which you would be able to sell your Notes. Future trading prices for the Notes will depend on many factors, including, among other things, prevailing interest rates, our operating results and the market for similar securities. Historically, the market for non-investment grade securities has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Notes. The liquidity of a trading market for the Notes may be adversely affected by a general decline in the market for similar securities and is subject to disruptions that may cause volatility in prices. The trading market for the Notes may attract different investors and this may affect the extent to which the Notes may trade. It is possible that the market for the Notes will be subject to disruptions. Any such disruption may have a negative effect on you, as a holder of the Notes, regardless of our prospects and financial performance. As a result, there is no assurance that there will be an active trading market for the Notes. If no active trading market develops, you may not be able to resell your Notes at a fair value, if at all.

Although an application has been made for the Notes to be listed on the Official List of the Exchange, we cannot assure you that the Notes will be or will remain listed and traded. Although no assurance is made as to the liquidity of the Notes as a result of the listing, the failure to be approved for listing or the delisting (whether or not for an alternative admission to listing on another stock exchange) of the Notes from the Official List of the Exchange may have a material effect on a holder's ability to resell the Notes, as applicable, in the secondary market.

Credit ratings may not reflect all risks, are not recommendations to buy or hold securities and may be subject to revision, suspension or withdrawal at any time.

One or more independent credit rating agencies may assign credit ratings to the Notes. The credit ratings address our ability to perform our obligations under the terms of the Notes and credit risks in determining the likelihood that payments will be made when due under the Notes. The ratings may not reflect the potential impact of all risks related to the structure, market and other factors that may affect the value of the Notes, including the additional risk factors discussed above. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal by the rating agency at any time. No assurance can be given that a credit rating will remain constant for any given period of time or that a credit rating will not be lowered or withdrawn entirely by the credit rating agency if, in its judgment, circumstances in the future so warrant. A suspension, reduction or withdrawal at any time of the credit rating assigned to the Notes by one or more of the credit rating agencies may adversely affect the cost and terms and conditions of our financings and could adversely affect the value and trading of the Notes.

The transfer of the Notes is restricted, which may adversely affect their liquidity and the price at which they may be sold.

The Notes and the Guarantees have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or any other jurisdiction and, unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or any other jurisdiction. We have not agreed to or otherwise undertaken to register any of the Notes or the Guarantees, and do not have any intention to do so. See "*Notice to U.S. Investors.*" It is the obligation of holders of the Notes to ensure that their offers and sales of the Notes within the United States and other countries comply with applicable securities laws.

You may be unable to recover in civil proceedings for U.S. securities laws violations.

The Issuer and certain Guarantors are organized under the laws of the Dutch Civil Code. The majority of the directors and executive officers of the Issuer and Guarantors are non-residents of the United States and the majority of their assets are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer, the Guarantors or their respective directors and executive officers, or to enforce any judgments obtained in U.S. courts predicated upon civil liability provisions of the U.S. securities laws. In addition, we cannot assure you that civil liabilities predicated upon the federal securities laws of the United States will be enforceable in The Netherlands, England and Wales, France and Germany. See "*Enforcement of Civil Liabilities.*"

The Notes will initially be held in book-entry form, and therefore you must rely on the procedures of the relevant clearing systems to exercise any rights and remedies.

Owners of the book-entry interests will not be considered owners or holders of the Notes unless and until definitive notes are issued in exchange for book-entry interests. Instead, the common depositary (or its nominee) for Euroclear and Clearstream will be the sole registered holder of the Notes in global form.

Payments of principal, interest and other amounts owing on or in respect of the Notes in global form will be made to The Bank of New York Mellon, London Branch, the Paying Agent, which will make payments to Euroclear and Clearstream. Thereafter, such payments will be credited to Euroclear and Clearstream participants' accounts that hold book-entry interests in the Notes in global form and credited by such participants to indirect participants. After payment to Euroclear and Clearstream, none of the Issuer, the Guarantors, the Trustee, the Security Agent, the Registrar, the Transfer Agent or any Paying Agent will have any responsibility or liability for any aspect of the records relating to or payments of interest, principal or other amounts to Euroclear and Clearstream, or to owners of book-entry interests. Accordingly, if you own a book-entry interest in the relevant Notes, you must rely on the procedures of Euroclear and Clearstream and, if you are not a participant in Euroclear and/or Clearstream, on the procedures of the participant through which you own your interest, to exercise any rights and obligations of a holder of the Notes under the Indenture.

Owners of book-entry interests will not have the direct right to act upon our solicitations for consents or requests for waivers or other actions from holders of the Notes, including enforcement of security for the Notes. Instead, if you own a book-entry interest, you must rely on the common depositary (as registered holder of the Notes) to act on your instructions and will be permitted to act directly only to the extent you have received appropriate proxies to do so from Euroclear and Clearstream or, if applicable, from a participant. We cannot assure you that procedures implemented for the granting of such proxies will be sufficient to enable you to vote on any requested actions or to take any other action on a timely basis.

The introduction of a Dutch conditional withholding tax on interest payments may reduce the amounts that we are obliged to pay under the Notes.

Payments under the Notes are currently not subject to withholding tax in The Netherlands. On September 17, 2019 the Dutch Ministry of Finance published the 2020 Tax Package (*Belastingpakket* 2020) which includes the "**Dutch Withholding Tax Act 2021**" (*Wet bronbelasting 2021, Kamerstuk* 35.305). The Dutch Withholding Tax Act 2021 was adopted by the Dutch Parliament on December 18, 2019 (*Staatsblad* 2019, 513), introducing a conditional withholding tax that will become due as from January 1, 2021 on direct or indirect (deemed) interest (and royalty) payments (including guarantee payments) by a paying entity (*inhoudingsplichtige*) that is (i) (deemed) resident (*gevestigd*) in The Netherlands or (ii) has a permanent establishment in The Netherlands to which the (deemed) payment of interest and/or royalties is allocated, to a related (*gelieerd*) recipient entity entitled to such (deemed) payment (*voordeelgerechtigde*) that is (i) (deemed) resident in a low tax jurisdiction (*laagbelastende jurisdictie*), or (ii) has a permanent establishment in such low tax jurisdiction to which the interest and/or royalties are allocated and in certain other cases at a rate similar to the highest corporate income tax rate (21.7%; rate for 2021).

A low tax jurisdiction is a jurisdiction (a) with a profit tax applying a general statutory rate of less than 9%, or (b) included on the EU list of non-cooperative jurisdictions, and designated as such by ministerial decree (updated periodically). Entities are considered to be related to one another if (a) the recipient entity has directly or indirectly a qualifying interest in the paying entity, or (b) the paying entity has directly or indirectly a qualifying interest in the recipient entity or, (c) a third party has directly or indirectly a qualifying interest in both the recipient entity as well as the paying entity, or (d) the recipient entity has an interest in the paying entity and is considered part of a cooperating group (*samenwerkende groep*) that jointly, directly or indirectly has a qualifying interest in the paying entity, or (e) the paying entity has an interest in the recipient entity and is considered part of a cooperating group that jointly, directly or indirectly has a qualifying interest in the recipient entity or if (f) a third party cooperating group has jointly, directly or indirectly a qualifying interest in the recipient entity as well as the paying entity. An interest in an entity is considered a qualifying interest (*kwalificerend belang*) if directly or indirectly the influence in the decision making is such that the decisions of an entity (and thus its activities) can be determined. In any case, an interest is qualifying if it represents more than 50% of the statutory voting rights in an entity. In addition, if the related recipient entity is not (deemed) resident in a low tax jurisdiction, the aforementioned withholding tax nevertheless applies in case such entity (a) is entitled to the (deemed) payment of interest and/or royalties with the main purpose or one of the main purposes of avoiding withholding tax in the hands of another person or entity and (b) there is an artificial arrangement or transaction, or a series of artificial arrangements or transactions. An arrangement or transaction, or series of arrangements or transactions, shall be regarded as artificial to the extent that it is not put into place for valid commercial reasons, which reflect economic reality. The aforementioned withholding tax may further apply if a related entity is from a Dutch tax perspective regarded the recipient of the (deemed) payment of interest and/or royalties, whereas such related recipient entity is not regarded as the recipient (*gerechtigde*) thereof pursuant to the laws of the country in which such entity is (deemed) resident or pursuant to the laws of which such entity is established (*opgericht*).

Payments of interest (deemed to be) made by the Issuer or any Guarantor to entities that are considered to be related to the Issuer and/or such Guarantor, could therefore fall within the scope of this withholding tax. It is possible that the conditional withholding tax could be applicable to payments made by the Issuer and/or such Guarantor under the Notes. If such payments become subject to withholding tax under the Dutch Withholding Tax Act 2021, we will not be required to pay Additional Amounts (see "*Description of the Notes—Withholding Taxes*"). Prospective investors in the Notes should consult their own tax advisers as to whether this conditional withholding tax could be relevant to them.

Upon enforcement of a share pledge over a Guarantor that qualifies as a real property legal entity, Dutch real property transfer tax may become payable by the acquirer of the shares.

Generally, Dutch real estate transfer tax (*overdrachtsbelasting*) may become due (rate for 2020: 6%, rate for 2021: 7%) by the acquirer of (legal or economic beneficial ownership of) real estate situated in The Netherlands or an interest of at least one-third (together with interests already held by the acquirer, or already held or acquired by parties related to the acquirer) in a real property legal entity (*onroerende zaakrechtspersoon*) if the assets (on a fair market value basis) of such entity at the time of acquisition consist, or at any point in time in the year preceding the acquisition have consisted (i) for more than 50% of real estate as defined in the Real Estate Transfer Tax Act 1970 (*Wet op belastingen van rechtsverkeer*) and (ii) for at least 30% of real estate situated in The Netherlands, provided that at least 70% of the activities of such entity consist of the acquisition, disposition or exploitation of such real estate.

Consequently, to the extent that any of the Guarantors qualify as a real property legal entity, upon enforcement of a share pledge over the shares of such Guarantor, Dutch real estate transfer tax may become payable by a person who (alone or together with related parties) increases or acquires an interest of at least one-third in such Guarantor.

Risk related to Ownership

The interests of the Issuer's indirect principal shareholders may conflict with your interests.

The interests of the Issuer's indirect principal shareholders, in certain circumstances, may conflict with your interests as holders of the Notes. The Issuer is indirectly controlled by KKR. See "*Principal Shareholders*." The general meeting of shareholders controlled by KKR is able to appoint the Executive Board of Q Park B.V. (the direct subsidiary of the Issuer) and thus indirectly determine corporate strategy, management and policies. In addition, KKR has control over decisions to enter into any corporate transaction and has the ability to prevent any transaction that, in each case, requires the approval of shareholders regardless of whether holders of the Notes believe that any such transactions are in their own best interests. For example, the shareholder of the Issuer could instruct the board of the Issuer to incur additional indebtedness, sell certain material assets or make dividends, which instruction must be followed by the board unless such instruction is contrary to the interests of the Issuer, in each case, so long as the Indenture, the Revolving Credit Facility Agreement and the Intercreditor Agreement so permit. The incurrence of additional indebtedness would increase the Issuer's debt service obligations and the sale of certain assets could reduce its ability to generate revenue or, if the assets distributed or sold are Collateral, could reduce the amount of the asset sale proceeds available to repay the Notes, each of which could adversely affect holders of the Notes.

Additionally, KKR is in the business of making investments in companies and may from time to time acquire and hold interests in businesses that compete directly or indirectly with the Issuer. KKR may also pursue acquisition opportunities that may be complementary to the Issuer's business and, as a result, those acquisition opportunities may not be available to the Issuer. So long as KKR continues to control the Issuer, KKR will continue to be able to influence or effectively control the Issuer's decisions. The interests of KKR may not coincide with your interests.

USE OF PROCEEDS

The gross proceeds of the Notes offered hereby are estimated to be approximately €1,455 million and will be used to:

- repay and cancel our Existing Facilities;
- repay a portion of existing shareholder loans; and
- pay fees, costs and expenses related to the Transactions.

The estimated sources and uses of the funds in connection with the Transactions are shown in the table below. Actual amounts are subject to adjustments and may vary from estimated amounts depending on several factors, including the amount of outstanding indebtedness to be repaid on the Issue Date and actual fees, costs and expenses.

Sources	€ in millions	Uses	€ in millions
Notes offered hereby(1)	1,455	Repayment and cancellation of Existing Facilities(2)	1,398
		Repayment of shareholder loans(3)	37
		Transaction fees, costs and expenses(4)	20
Total sources	**1,455**	**Total uses**	**1,455**

(1) Represents estimated gross proceeds from the issuance of €1,455 million aggregate principal amount of Notes offered hereby, comprising: €425 million aggregate principal amount of 2025 Senior Secured Fixed Rate Notes, €630 million aggregate principal amount of 2027 Senior Secured Fixed Rate Notes and €400 million aggregate principal amount of 2026 Senior Secured Floating Rate Notes.

(2) The amount shown excludes accrued and unpaid interest with respect to the Existing Facilities. As part of the Transactions, the outstanding indebtedness under the Existing Facilities will be repaid in full with the proceeds from the Offering on the Issue Date. Following their repayment in full, the Existing Facilities will be cancelled and discharged as part of the Transactions.

(3) As part of the Transactions, we intend to repay €37 million of shareholder loans owed by the Parent to Byzantium Acquisition MidCo 1 B.V. on or about the Issue Date.

(4) Reflects our estimate of certain fees, costs and expenses associated with the Transactions to be paid using the sources set forth in the table above, including discounts, fees and other commissions, advisory and other professional fees and other costs in connection with the Transactions.

CAPITALIZATION

The following table sets forth the consolidated capitalization of the Parent:

- on an actual basis as of September 30, 2019; and
- as adjusted to give effect to the Transactions and certain other events occurring after September 30, 2019 as described below, as if they had occurred on September 30, 2019.

You should read this table in conjunction with "*Summary—Summary Financial, Operating and Other Information*," "*Use of Proceeds,*" "*Management's Discussion and Analysis of Financial Condition and Results of Operations,*" "*Description of Other Indebtedness,*" "*Description of the Notes*" and the financial statements and related notes of the Parent included elsewhere in this Offering Memorandum.

The adjusted information below is illustrative only and does not purport to be indicative of the cash position and consolidated capitalization of the Parent following the completion of the Transactions.

	As of September 30, 2019	
(€ in millions)	**Actual**	**Adjusted**
Cash in bank(1)	**37.4**	**30.0**
Existing Facilities(2)	1,213.2	–
Bilateral facilities(3)	46.2	46.2
Notes offered hereby(4)	–	1,455.0
Total financial debt(5)	**1,259.4**	**1,501.2**
Shareholder loans(6)	78.9	41.9
Total Equity(7)	**1,110.4**	**875.1**
Capitalization:	**2,448.7**	**2,418.2**

(1) As of September 30, 2019, this amount represents €50.7 million of cash after excluding an aggregate amount of €13.3 million of cash in machines and P1 cash as a result of the P1 Acquisition, which was completed on September 17, 2019. The Adjusted Cash in bank amount gives effect to certain events occurring after September 30, 2019 in order to more closely approximate the Adjusted Cash in bank amount of €30.0 million upon completion of the Transactions. Events affecting cash after September 30, 2019 include drawing additional borrowings under our Existing Facilities in December 2019, the repayment of amounts drawn under our Existing Revolving Facilities (which were partly drawn in connection with the P1 Acquisition in September 2019), estimated cash generation by our business after September 30, 2019 and distributions to our shareholders prior to the Issue Date.

(2) The amount of our Existing Facilities as of September 30, 2019 does not include (i) an increase of €250.0 million in our Existing Facilities, which was drawn in December 2019, and (ii) the repayment of amounts drawn under our Existing Revolving Facilities (which were partly drawn in connection with the P1 Acquisition in September 2019), which in each case occurred after September 30, 2019. As part of the Transactions, the full amount of outstanding indebtedness under the Existing Facilities (including the increased amount described above) will be repaid in full with the proceeds from the Offering on the Issue Date, together with accrued interest, if any. Following their repayment in full, the Existing Facilities will be cancelled and discharged as part of the Transactions.

(3) Represents secured and unsecured bilateral facilities, local lines, project facilities and governmental loans with certain of our local lenders in Germany, France and Denmark. Following this Offering and the use of proceeds therefrom, we expect these bilateral facilities to remain in place. As of the date of this Offering Memorandum, none of the facilities are secured by the Collateral. See "*Description of Other Indebtedness—Bilateral Facilities*."

(4) Represents €1,455 million aggregate principal amount of Notes offered hereby comprising of: €425 million aggregate principal amount of 2025 Senior Secured Fixed Rate Notes, €630 million aggregate principal amount of 2027 Senior Secured Fixed Rate Notes and €400 million aggregate principal amount of 2026 Senior Secured Floating Rate Notes.

(5) Total financial debt excludes (i) an aggregate amount of €1,174.9 million of our financial leases as of September 30, 2019, which are long-term property leases that are classified as financial leases for the purposes of Dutch GAAP, but as to which there is no option to, or obligation to, purchase the asset at the conclusion of the lease, (ii) the write-off of unamortized debt issuance costs, in relation to the repayment, cancellation and discharge of the Existing Facilities in connection with the Transactions, and (iii) estimated unamortized debt issuance costs in connection with the Notes and the Revolving Credit Facility. The Actual Total financial debt as of September 30, 2019 presented above can also be calculated by adding: (i) loans (non-current) of €1,239.6 million and (ii) debt credit institutions (current) of €1.7 million, as derived from our unaudited consolidated balance sheet as of September 30, 2019 and capitalized transaction costs of €18.1 million as derived from our management accounts.

(6) The adjusted shareholder loan amount gives effect to the repayment of €37.0 million of shareholder loans as part of the Transactions.

(7) The adjusted total equity amount gives effect to distributions to our shareholders in an aggregate amount of €235.3 million made following September 30, 2019.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

The following tables set forth selected historical consolidated financial information of the Group as of and for the periods indicated.

The selected historical consolidated financial information presented below for the Group (except for the footnotes included below the tables) has been derived from:

- the audited consolidated annual accounts of Q Park B.V. as of and for the year ended December 31, 2016, prepared in accordance with IFRS, and audited by Deloitte, as set forth in their independent auditor's report, included elsewhere in this Offering Memorandum;
- the audited consolidated annual accounts of the Parent as of and for the period from May 22, 2017 to December 31, 2017, prepared in accordance with Dutch GAAP and audited by Deloitte, as set forth in their independent auditor's report, included elsewhere in this Offering Memorandum;
- the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018, prepared in accordance with Dutch GAAP and audited by Deloitte, as set forth in their independent auditor's report, included elsewhere in this Offering Memorandum. The audited consolidated annual accounts as of and for the year ended December 31, 2018 include a restated balance sheet as of December 31, 2017 in the comparative column; and
- the unaudited consolidated condensed interim financial statements of the Parent as of and for the nine months ended September 30, 2019, which have been prepared in accordance with Dutch GAAP, included elsewhere in this Offering Memorandum.

There are significant differences between Dutch GAAP and IFRS, meaning the financial information for these periods are not fully comparable. For a summary of significant differences between Dutch GAAP and IFRS, please see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Summary of Significant Differences between Dutch GAAP and IFRS*." Among other things, Dutch GAAP does not require the adoption of an accounting standard similar to IFRS 16 *Leases*.

In addition, our Dutch GAAP financial information for the period from May 22, 2017 to December 31, 2017 includes financial information of the Parent only from May 22, 2017, the date on which the Parent was incorporated. The consolidated financial information of the Parent includes the consolidated financial information of Q Park B.V. and its subsidiaries only for the period from October 11, 2017 to December 31, 2017.

The results of operations for the interim periods or prior years are not necessarily indicative of the results to be expected for the full year or any future period or our financial condition at any future date. The following selected historical consolidated financial, operating and other information should be read in conjunction with, and is qualified in its entirety by reference to, the consolidated financial statements of the Group and the accompanying notes included elsewhere in this Offering Memorandum, and should also be read together with the information set forth under the headings "*Presentation of Financial and Other Information*," "*Use of Proceeds*," "*Capitalization*," "*Summary—Summary Historical Consolidated Financial and Other Information*," "*Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*."

Consolidated Income Statement Information (Dutch GAAP)

The table below presents the consolidated income statement information of the Parent for the period from May 22, 2017 to December 31, 2017 and the year ended December 31, 2018, derived from the audited consolidated annual accounts of the Parent as of and for the period from May 22, 2017 to December 31, 2017 and of the Parent as of and for the year ended December 31, 2018 and for the nine months ended September 30, 2018 and 2019, derived from the unaudited consolidated condensed interim financial statements of the Parent as of and for the nine months ended September 30, 2019.

	Dutch GAAP			
	Period from May 22, 2017 to December 31	Year ended December 31	Nine months ended September 30	
(€ in millions)	2017*	2018	2018	2019
Net revenue	**231.6**	**877.9**	**640.9**	**558.9**
Other operating income	–	–	0.1	70.4
Lease expenses	(83.4)	(334.7)	(246.5)	(192.0)
Operating expenses parking facilities	(30.0)	(110.1)	(82.9)	(75.6)
Wages and salaries	(25.6)	(98.8)	(74.1)	(63.1)
Social security premiums	(4.8)	(17.7)	(13.0)	(10.7)
Pensions	(1.1)	(5.5)	(4.3)	(3.0)
Other operating expenses	(9.8)	(33.6)	(24.3)	(19.2)
Depreciation and amortization	(56.1)	(207.9)	(157.5)	(190.1)
Total operating expenses	**(210.8)**	**(808.3)**	**(602.5)**	**(553.6)**
Operating result	**20.8**	**69.6**	**38.3**	**75.7**
Financial result	(34.6)	(108.9)	(80.1)	(76.2)
Result before taxes	**(13.8)**	**(39.3)**	**(41.8)**	**(0.5)**
Taxes	(6.6)	37.3	(3.5)	0.5
Net result	**(20.4)**	**(2.0)**	**(45.4)**	**(0.1)**

* The financial information for the period from May 22, 2017 to December 31, 2017 includes (i) the financial information of the Parent from May 22, 2017, the date on which the Parent was incorporated, and (ii) the consolidated financial information of Q Park B.V. and its subsidiaries from October 11, 2017, the date on which the Acquisition was consummated, to December 31, 2017.

Consolidated Balance Sheet Information (Dutch GAAP)

The table below presents (i) the consolidated balance sheet information of the Parent as of December 31, 2018, derived from the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018, (ii) the consolidated balance sheet information of the Parent as of December 31, 2017, derived from the restated comparative data in the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018, and (iii) the consolidated balance sheet information of the Parent as of September 30, 2019, derived from the unaudited consolidated condensed interim financial statements of the Parent as of and for the nine months ended September 30, 2019.

	Dutch GAAP		
	As of December 31		As of September 30
(€ in millions)	2017	2018	2019
Intangible fixed assets	1,400.8	1,326.1	1,053.5
Tangible fixed assets	2,956.4	2,942.9	2,881.1
Participating interests and prepaid expenses	4.2	8.0	7.7
Deferred tax assets	49.2	56.9	51.6
Financial instruments	2.6	0.4	–
Non-current assets	**4,413.2**	**4,334.3**	**3,993.9**
Receivables	118.9	109.1	104.0
Cash	98.2	61.6	50.7
Current assets	**217.1**	**170.7**	**154.7**
Total assets	**4,630.3**	**4,505.0**	**4,148.6**
Total equity	**1,210.5**	**1,113.3**	**1,110.4**
Deferred tax liabilities	350.6	293.4	269.8
Other provisions	34.2	27.2	31.3
Provision	**384.8**	**320.6**	**301.1**
Lease obligations	976.1	985.9	1,110.5
Shareholder loan	527.9	527.9	78.9
Loans	1,168.6	1,216.8	1,239.6
Other long-term liabilities	53.8	48.6	53.8
Non-current liabilities	**2,726.4**	**2,779.2**	**2,482.8**
Trade payable	66.1	54.7	31.2
Debt credit institutions	5.1	3.4	1.7
Lease obligations	56.4	58.0	64.4
Taxes and social insurance contributions	34.4	37.6	43.4
Other liabilities, accruals and deferred income	146.6	138.2	113.6
Current liabilities	**308.6**	**291.9**	**254.3**
Total equity and liabilities	**4,630.3**	**4,505.0**	**4,148.6**

Consolidated Income Statement Information (IFRS)

The table below presents the consolidated income statement information of Q Park B.V. and its subsidiaries for the year ended December 31, 2016, derived from the audited consolidated annual accounts of Q Park B.V. as of and for the year ended December 31, 2016.

(€ in millions)	IFRS Year ended December 31, 2016
Net revenue	**825.0**
Variable rent component	(156.3)
Interest expenses related to rent obligations	(169.5)
Movement rent obligor component in leased properties	(45.4)
Expenses investment property operational and financial lease	**(371.2)**
Other operating expenses investment property	(113.7)
Wages and salaries	(100.4)
Social security premiums	(19.2)
General expenses	(25.6)
Operational result before depreciation	**194.9**
Depreciation and amortization	(11.1)
Operational result	**183.8**
Financial result	(44.3)
Result from participating interests	(0.2)
Direct result before taxes	**139.3**
Taxes	(53.9)
Direct result after taxes	**85.4**
Revaluation result investment property	61.9
Impairment other intangible fixed assets	–
Movement in fair value of interest derivatives	10.3
Amortization hedging reserve interest derivatives	(10.1)
Other valuation results	2.7
Indirect result before taxes	**64.8**
Taxes	(21.3)
Indirect result after taxes	**43.5**
Net result	**128.9**

Consolidated Balance Sheet Information (IFRS)

The table below presents the consolidated balance sheet information of Q Park B.V. and its subsidiaries as of December 31, 2016, derived from the audited consolidated annual accounts of Q Park B.V. as of and for the year ended December 31, 2016.

(€ in millions)	IFRS As of December 31, 2016
Goodwill	88.5
Other intangible fixed assets	12.3
Investment property	5,671.2
Tangible fixed assets	35.3
Participating interests and prepaid expenses	2.6
Deferred tax assets	84.1
Financial instruments	4.2
Non-current assets	**5,898.2**
Fixed assets held for sale	16.0
Receivables	131.7
Cash and cash equivalents	24.6
Current assets	**172.3**
Total assets	**6,070.5**
Total equity	**1,353.2**
Deferred tax liabilities freehold property	375.2
Other deferred tax liabilities	116.6
Lease obligations	2,603.6
Loans	1,108.8
Other long-term liabilities	60.0
Non-current liabilities	**4,264.2**
Provisions	0.9
Trade payable	48.7
Debt credit institutions	11.6
Lease obligations	199.6
Taxes and social insurance contributions	33.0
Other liabilities, accruals and deferred income	159.3
Current liabilities	**453.1**
Total equity and liabilities	**6,070.5**

Consolidated Statement of Cash Flows Information (IFRS and Dutch GAAP)

The table below presents the consolidated statement of cash flows information of the Q Park B.V. and its subsidiaries for the year ended December 31, 2016, derived from the audited consolidated annual accounts of Q Park B.V. as of and for the year ended December 31, 2016, of the Parent for the period from May 22, 2017 to December 31, 2017, derived from the audited consolidated annual accounts of the Parent as of and for the period from May 22, 2017 to December 31, 2017, and of the Parent for the year ended December 31, 2018, derived from the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018, and of the Parent for the nine months ended September 30, 2018 and 2019, derived from the unaudited consolidated condensed interim financial statements of the Parent as of and for the nine months ended September 30, 2019.

	IFRS	Dutch GAAP			
	Year ended December 31	Period from May 22, 2017 to December 31	Year ended December 31	Nine months ended September 30	
(€ in millions)	**2016**	**2017***	**2018**	**2018**	**2019**
Cash flow from operating activities . . .	202.8	110.6	249.3	163.4	154.6
Cash flow from investment activities . .	(74.5)	(1,850.0)	(109.0)	(83.5)	361.9
Cash flow from financing activities	(155.4)	1,784.3	(175.0)	(121.2)	(516.5)
Movement in cash and cash equivalents	**(27.1)**	**44.9**	**(34.7)**	**(41.3)**	**–**

* The financial information for the period from May 22, 2017 to December 31, 2017 includes (i) the financial information of the Parent from May 22, 2017, the date on which the Parent was incorporated, and (ii) the consolidated financial information of Q Park B.V. and its subsidiaries from October 11, 2017, the date on which the Acquisition was consummated, to December 31, 2017.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Historical and Underlying Data

The following is a discussion and analysis of our historical financial condition and results of operations with respect to the following periods:

- the year ended December 31, 2016, as derived from the audited consolidated annual accounts of Q Park B.V. as of and for the year ended December 31, 2016, prepared in accordance with IFRS;

- the period from May 22, 2017 to December 31, 2017, as derived from the audited consolidated annual accounts of the Parent as of and for the period from May 22, 2017 to December 31, 2017, prepared in accordance with Dutch GAAP. This period reflects (i) the financial information of the Parent from May 22, 2017, the date on which the Parent was incorporated, and (ii) the consolidated financial information of Q Park B.V. and its subsidiaries from October 11, 2017, the date on which the Acquisition was consummated, to December 31, 2017;

- the year ended December 31, 2018, as derived from the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018, prepared in accordance with Dutch GAAP; and

- the nine months ended September 30, 2019 as derived from the unaudited consolidated condensed interim financial statements of the Parent as of and for the nine months ended September 30, 2019, which have been prepared in accordance with Dutch GAAP.

There are significant differences between Dutch GAAP and IFRS, meaning the financial information for these periods are not fully comparable. For a summary of significant differences between Dutch GAAP and IFRS, see "*—Summary of Significant Differences between Dutch GAAP and IFRS*."

In order to aid in the understanding of our financial information on a comparable basis, we also present a discussion and analysis of selected financial data for the years ended December 31, 2016, 2017 and 2018, and the nine months ended September 30, 2018 and 2019, based on financial data derived from management accounts for such periods. Such "Underlying" financial data is based on our audited and unaudited actual results for the periods presented, as adjusted to better reflect our underlying performance as further described under "*—Discussion and Analysis of Underlying Data.*" This information is referred to as "**Underlying Data**." This information has not been audited, and while Underlying Data is prepared on a basis that is consistent in all material respects as the basis on which our consolidated financial information is prepared, this Underlying Data are not comparable to the audited results due to adjustments and should not be regarded as a substitute for the audited financial data of the Group or financial data prepared in accordance with Dutch GAAP or IFRS.

You should read this discussion in conjunction with the sections entitled "*Presentation of Financial and Other Information,*" "*Summary—Summary Historical Consolidated Financial and Other Information,*" "*Selected Historical Consolidated Financial Information*" and "*Capitalization*" as well as the consolidated financial statements and the accompanying notes included elsewhere in this Offering Memorandum.

This discussion includes forward-looking statements, which, although based upon assumptions that we consider to be reasonable, are subject to risks and uncertainties which could cause actual results to differ materially from those expressed or implied by the forward-looking statements. For a discussion of the risks and uncertainties which we face, see "*Forward-Looking Statements*" and "*Risk Factors*."

Overview

We are a leading parking infrastructure owner and operator in the Western European market, with a large and diversified portfolio of owned, leased and managed parking facilities across seven Western European countries. We mainly operate off-street parking spaces owned by us as well as parking spaces under concessions and long-term leases from public and private landlords, with a focus on off-street purpose-built parking facilities at strategic locations. We operate approximately 2,500 parking facilities comprising over 454,000 parking spaces as of December 31, 2018 in The Netherlands, France, the United Kingdom, Germany, Belgium, Denmark and Ireland. As of December 31, 2018, our long-term business portfolio included 77 legally owned facilities, 49 ground lease facilities and four protected lease facilities, 174 concession facilities and 349 long-term lease facilities, which together comprised over 281,000 parking spaces. As of December 31, 2018, our short-term business comprised approximately 1,800 facilities and 173,000 parking spaces.

We generate revenues across seven countries. Our scale in each of these geographies allows us to address the car parking market more effectively in a number of ways:

- we are able to use a single task force for servicing multiple locations, helping to drive our margins;
- we are a strong and dependable partner of local governments and municipalities, as they seek to cope with urbanization and congestion, and look for parking solutions that meet their goals; and
- we are able to use our knowledge of the market to manage pricing and inventory on a holistic level for a cluster of locations together and to use our technology as a means to provide better services to our customers, implement strategic pricing and efficiently manage our operations.

Facilities that are owned, leased or on concession under long-term contracts contributed the majority of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018, and our extensive portfolio of facilities is often located in prime destinations in or near city centers, business districts, and other destinations such as hospitals, train stations and airports. We believe this portfolio gives us a competitive advantage due to the limited opportunities available to others to replicate it, due to the high cost of prime real estate, a lack of suitable sites in desirable areas, and regulatory limitations, allowing us to benefit from a degree of captive demand with limited competition in some areas.

Factors Affecting Results of Operations

Asset Base and Facility Contract Type

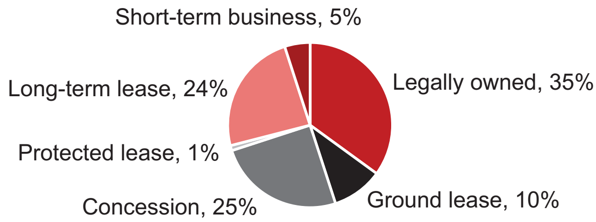
Within the industry and across different geographies, the type of contract underlying a parking facility impacts the level of revenue, cash flow stability, typical Underlying EBITDA Margin, and capital requirements of the facility.

Our long-term business accounted for 95% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018. As a result, our portfolio is more heavily weighted towards high-margin facilities, with a corresponding benefit to our Underlying EBITDA and profitability. In addition, because of these long-term arrangements, we are less exposed to circumstances in which contracts or leases come up for renewal on a regular basis, and where they may not be renewed, or renewed only at re-negotiated prices following a tender process. As a result, we benefit from stable and highly visible revenues and operating margins over lengthy periods.

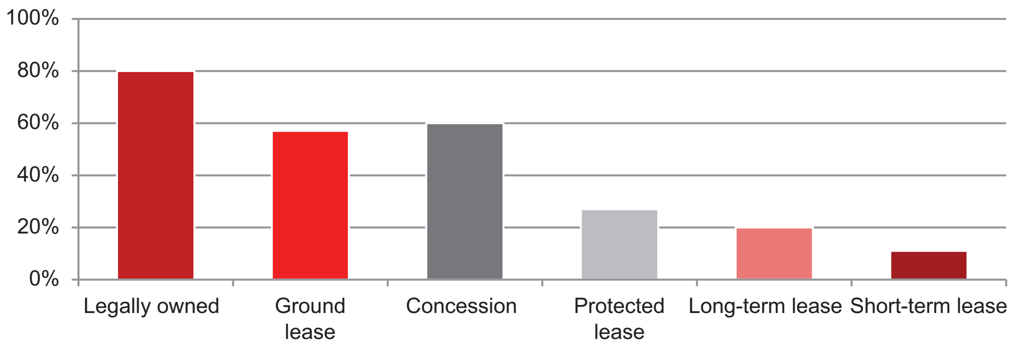
Profitability per country is driven by contract mix as the Underlying Gross Margin for each type of contract varies. For example, our legally owned properties typically require high upfront capital expenditure investment as compared to other contract types, but involve lower costs during the life of the parking facility (since we are not required to make any lease payments on our legally owned properties), thereby resulting in higher Underlying Gross Margin (excluding non-allocated and central operating costs), expressed as a percentage of our Underlying Total Revenue from legally owned properties. In contrast, lease contracts usually require relatively low upfront investments as compared to other contract types, but due to lease payments and costs incurred during the term of the lease, generally result in lower Underlying Gross Margin (excluding non-allocated and central operating costs), expressed as a percentage of our Underlying Total Revenue from lease contracts.

The charts below illustrate a breakdown of contribution to our Underlying Gross Margin (excluding non-allocated and central operating costs) by contract type and a breakdown of our Underlying Gross Margin (excluding non-allocated an central operating costs) by contract type as a percentage of Underlying Total Revenue from the relevant contract type, for the year ended December 31, 2018.

Underlying Gross Margin[1] Contribution by Contract Type:



Underlying Gross Margin[1] by Contract Type (as a percentage of Underlying Total Revenue from contract type):



1 Underlying Gross Margin excludes non-allocated and central operating costs.

Demand and Trends

Our revenues and our profitability, are driven by the demand for parking at our locations. Given our well invested portfolio of facilities in attractive and convenient locations, we are well positions to benefit from demand based on such factors. As they apply to our own financial history, we have noted the following features. During the period under review, our financial performance demonstrates the resilience of our underlying revenue and the diversified sources of demand for our portfolio parking facilities:

- *Resilience*: The resilience of our Underlying Total Revenue over time, including through periods of economic downturn, has been driven by the correlation of parking demand to the total size of the car fleet, rather than GDP. Factors including location and proximity to various activities generate parking demand. See "*Business—Strengths—Highly Predictable Business and Resilient Business Model, with Strong Cash Conversion.*"
- *Employment, physical shopping and leisure, functional parking*: Demand for our parking facilities is generated from a range of activities, rather than being concentrated on one particular sector, such as the retail store customers. Demand is driven by the need for commuters to park near their place of employment, or near the place where they embark on mass transit. It is also driven by the need to use essential services such as hospitals and to park

in locations where there is only a single operator permitted, such as airports. Finally, it is driven by demand for a variety of leisure activities, such as physical shopping, and entertainment or cultural events. Each of these demand drivers in turn is driven by the overall trend in many of our geographic markets of increased urbanization, and hence demand for parking. Other factors including location, lighting and security, followed by price, drive customer demand.

Within our portfolio of facilities, we observe differentiated trends where the facility is a "functional purpose" facility, typically associated with rail, hospital or airport usage. Demand in respect of railway and hospital-related traffic tends to be generally stable, while demand related to airport traffic is more volatile. For the year ended December 31, 2018, 68% of our Underlying Gross Margin (excluding non-allocated and central operating costs) was generated from multi-functional parking facilities, which serve multiple urban needs, whereas 32% was generated from mono-functional parking facilities, which predominantly serve a single urban purpose.

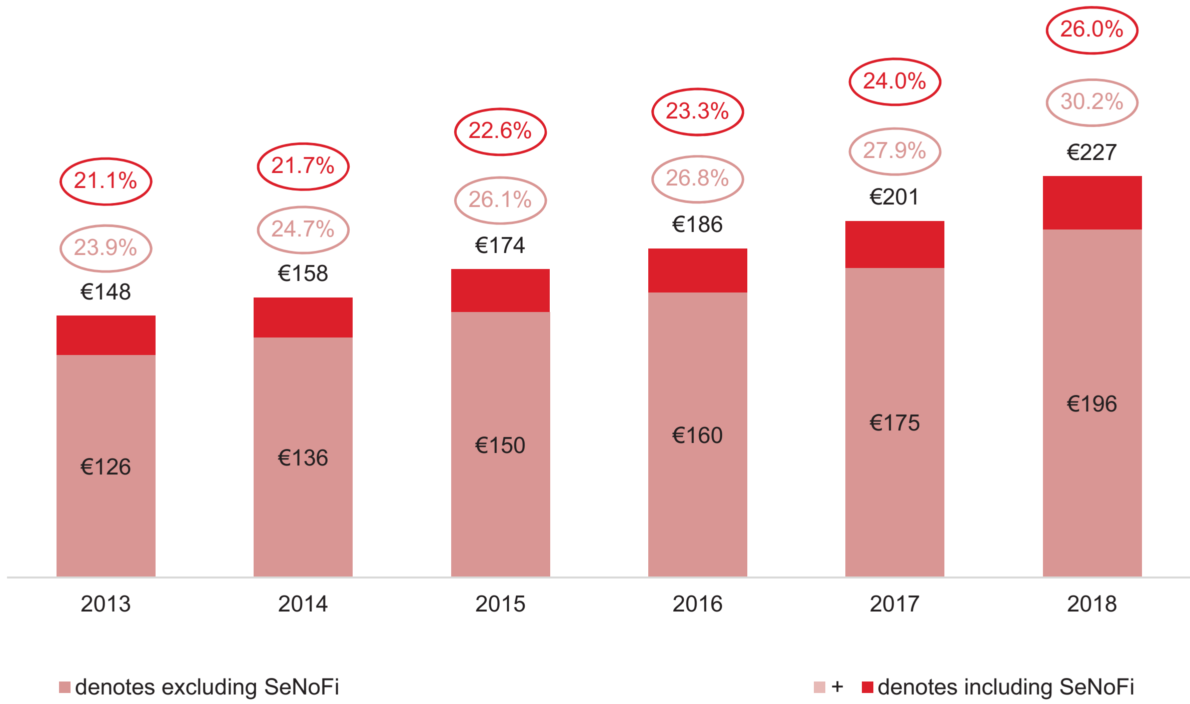
Underlying Like-for-Like Parking Revenue Growth Rate, Changes to Portfolio of Facilities and Strategic Transactions

Our Underlying Total Revenue and Underlying EBITDA are impacted by both the Underlying Like-for-Like ("**LFL**") Parking Revenue Growth Rate and the changes to our portfolio of parking facilities. Our Underlying Like-for-Like Parking Revenue Growth Rate for the years ended December 31, 2016, 2017 and 2018 and the nine months ended September 30, 2019 was 2.9%, 2.2%, 2.1% and 3.4%, respectively. Our Underlying Like-for-Like Parking Revenue Growth Rate has been primarily driven by pricing. Further, we anticipate that the Group-wide implementation of PaSS will contribute to the improvement of Underlying Like-for-Like Parking Revenue Growth Rate in the future.

Our portfolio changes over time are due to the addition of new contracts and the reduction in existing contracts due to expiring contracts, as well as the effects of acquisitions and disposals of parking facilities. Changes to our portfolio of facilities, including the size and mix of our facilities, impacts our financial performance. As of December 31, 2018, we had approximately 2,500 car parks, with over 454,000 parking spaces. From 2016 to September 30, 2019, we signed 55 new contracts for new business including for the operation of facilities at our legally owned properties and under long-term leases, which are expected to contribute an aggregate amount of approximately €40 million in Underlying EBITDA, part of which has already been realized. In addition, we expect to incur approximately €323 million in Underlying New Business Capex with respect to such new contracts, part of which has already been incurred. When we enter into a new lease or concession contract or acquire a parking facility, we assess the optimum level of investment for that facility in order to increase its profitability and produce a suitable return on our investment or in order to generate higher Underlying EBITDA and Underlying EBITDA Margin. This will range from facilities that will benefit from extensive investment on the redesign and adding Q-Park features, which would be typical for attractive locations with expected high demand for high quality parking, to a lower level of investment in facilities where cash flows are less certain and/or there is a limited opportunity to realize financial benefits from our branding and design. Our typical returns on investment are highly dependent on the type of contract and location of such parking facility. Owned assets with high upfront capital expenditure investment and infinite maturity typically have a lower return on investment, whereas concession contracts with high upfront payments but shorter duration have a higher return on investment. In contrast, lease contracts usually require relatively low upfront investments and typically have the highest return on investment.

The acquisition and disposal of parking facilities under management during the period were largely driven by several strategic transactions. On April 30, 2019, we completed the SeNoFi Disposal. The SeNoFi business had a number of significant differences from the rest of our portfolio, as it was a capital-light model with a different margin structure (more employee-intensive) and short-term contracts. The SeNoFi business focused on pay-and-display sites with incremental revenue streams through control fees, had a large number of smaller contracts (which required more employees to operate the sites), and presented different value creation opportunities, particularly in digital initiatives, including a mobile payment application. As a result of the SeNoFi Disposal, we are now present in seven countries, instead of 10, and our portfolio is infrastructure-based, moving us almost entirely to a barrier operated business while maintaining the Weighted Average Remaining Duration of our long-term contracts of 50 years. As a result of the SeNoFi Disposal, our Underlying EBITDA Margin increased from 26% to 30% for the year ended December 31, 2018. The chart below illustrates the effects on our business of the SeNoFi Disposal.

Underlying EBITDA (€ in millions, % Underlying EBITDA Margin):



Over the course of 2019, we completed the UK Sale and Leaseback. The UK Sale and Leaseback involved all 14 of our UK real estate properties, and the aim was to take the opportunity to sell and leaseback UK freehold properties and long leasehold properties at historically low yields. The transactions were completed prior to September 30, 2019 with respect to 11 of the properties, and after September 30, 2019 with respect to the remaining three UK properties. The decision to execute the UK Sale and Leaseback was driven by a desire to (i) de-risk the investment and unlock asset value by selling the real estate and continuing operating the properties with long-term leases, and (ii) reduce the exposure to UK real estate in the context of Brexit and the potential depreciation of the Pound Sterling. Given the attractive valuations of such assets in the UK, we believe the sales were opportunistic, enabling us to take advantage of a strong valuation environment and create liquidity with respect to such non-core assets. As a result of the UK Sale and Leaseback (including the transactions with respect to three remaining properties that completed after September 30, 2019), our Underlying EBITDA reflects an assumed lease expense of €7.7 million for each of the years ended December 31, 2016, 2017 and 2018, and €5.7 million for each of the nine months ended September 30, 2018 and 2019.

On September 17, 2019, we completed the P1 Acquisition, which was a bolt-on acquisition that further strengthened our market position in Dutch cities, including Eindhoven, Utrecht, The Hague and Amsterdam. We believe that the overlap in location of the acquired spaces with our current footprint increases our market power in our off-street parking business, including with respect to pricing, and provides us with an opportunity to realize cost synergies with respect to operational expenditures. Through the P1 Acquisition, we gained 5,310 off-street operated spaces, 30,490 off-street managed spaces and 46,500 on-street managed spaces in 80 locations.

Pricing

We benefit from an industry where demand is relatively inelastic to price, although regulation may limit pricing flexibility in some areas. We believe, based on market studies, that price is not a key driver of choice for our customers, being typically outranked by factors such as location, lighting and security. Combined with our attractive and well-located portfolio of assets, this factor has enabled us to implement significant price increases over the past three years with respect to certain of our parking facilities.

At the same time, regulation has an effect on our pricing in a number of ways. First, regulation affects the level of supply, controlling new developments, the pricing of on-street parking, and the amount of available free parking. Second, in some areas regulators directly regulate the price of parking. For example, in France where we operate largely under concessions, pricing is mostly based on contractual indexation. Third, the amount of demand is affected by regulatory policies that discourage vehicle traffic, congestion charges and other urban planning measures, and the promotion of mass transit alternatives.

These regulatory developments can impact pricing in different ways. For instance, we have observed a trend of municipalities increasing prices for on-street parking, as part of the regulatory shift in many municipalities away from on-street parking, which in turn drives demand for our off-street parking spaces and allows us to raise our prices.

Pricing is also affected by whether the parking is used on a long-term or short-term basis by our end-customers. Long-term contracts, where a user or a corporate client reserves a car park for use for a season or longer, provide generally more stability and transparency with respect to Underlying Parking Revenues and Underlying EBITDA, while also bolstering our working capital position to the extent payment is made up front. Short-term usage, where users park on an ad hoc basis without a prior contract, is generally charged at higher rates resulting in higher profitability per hour as compared to long-term contracts but may lead to a lower level of utilization and more volatility in results. For the twelve months ended September 30, 2019, 78% of our Underlying Parking Revenues (comprising Underlying Short-Term Parking Revenues and Underlying Long-Term Parking Revenues), was generated from short-term parking and 22% from long-term parking (season tickets, which include monthly, quarterly and annual season tickets), of which approximately 80% is generated from business-to-business contracts, the remaining 20% from business-to-consumer contracts, as of September 30, 2019.

We believe that we have a sophisticated pricing model, and our ability to manage pricing is enabled by our local scale and digital leadership. Our data-driven pricing methodologies include measures such as dynamic pricing (real-time or near-time adaptation of prices based on demand and locations, such as peak hours), flexible pricing depending on frequency and duration (such as one-hour tickets in London), entry-time and step-rate pricing, online price differentiation through online pre-bookings, location-based pricing (such as premium pricing in city centers, medium-range pricing in Park + Walk locations and budget pricing in Park + Public Transport locations) and day tariffs optimization (through parking for over six to eight hours in selected locations).

In addition, we expect to increase the volume of payments processed through PaSS, which we expect will increase the attractiveness of the parking experience of our customers. PaSS was implemented in Belgium in 2019 and is expected to be rolled out in The Netherlands in 2020. Moreover, we intend to implement PaSS pilot sites throughout the remainder of our European operations in 2020. See "—*Capital Expenditure for 2020*" for further information with respect to our expected capital expenditures in connection with the continued rollout of PaSS in 2020.

Value Enhancement Program

We commenced the Value Enhancement Program at the end of 2017 following the Acquisition, with the objective of achieving €17 million in run-rate annualized cost savings by the end of 2022. This program has already postively impacted our results of operations in part and we anticipate that we will continue to realize additional savings going forward. We measure the following savings against our costs in 2017. Based on our current progress under the plan as described below, such measures achieved run-rate annualized savings of €13.8 million. We are continuing to roll out these initiatives across more countries and to seek new opportunities for value enhancement and once completed, expect that such measures will achieve run-rate annualized savings of €17 million by the end of 2022.

The Value Enhancement Program includes the following key cost-savings initiatives:

- *Optimize people costs, locally:* We have implemented a comprehensive program to make our local work force more efficient across a wide range of activities. These include improvements in operations in the field, such as harmonizing and standardizing processes, which previously varied widely across facilities and geographies, reducing the frequency of various activities which were being performed when not required or in a duplicative manner, and eliminating activities which do not add value. We have also outsourced various activities such as cleaning and security services to generate cost savings. We have also implemented remote operations through a centralized call center, which has helped to reduce operational issues and improved handling time, implemented a new call handling system and increased our remote monitoring and signaling. As of September 30, 2019, we had realized €6.3 million of savings from such measures and we expect that such measures will result in annualized run-rate savings of €8.2 million in 2020.

- *Optimize non-people costs, locally:* We have initiated a number of cost saving programs locally, including improvements in our IT systems, changes to our facilities management, and improvement in our car park systems. As of September 30, 2019, we had realized €1.2 million of savings from such measures, which equates to an annualized run-rate saving of €1.6 million. Further, on the procurement side, in a coordinated effort (supported by external experts), we are challenging all our third parties to optimize our choice of suppliers base and provide more competitive pricing options.

- *Leverage scale on people costs, Group-wide:* We have improved our finance functions, by implementing Group-wide systems to replace local teams with regional teams, such as the integration of our German and Belgian finance functions into our Netherlands finance function. We have also enhanced the operational efficiency of our IT department by centralizing our IT teams and functions and introducing central reporting lines for IT personnel. Such harmonization has enabled us to replaced duplicative local teams who were previously operating under a fragmented structure. As of September 30, 2019, we had realized €1.2 million of savings from such measures, which equates to an annualized run-rate saving of €1.6 million.

- *Leverage scale on non-people costs, Group-wide:* Our Group-wide efforts with respect to non-people costs include our LED initiative, whereby we replaced our traditional lighting with LED lighting on a Group-wide basis, across seven countries and more than 230 locations, with more than 100,000 new light fittings in what may be Europe's largest LED roll-out in our industry. This roll-out was substantially completed by September 30, 2019 and is expected to lead to a 20% reduction in our energy costs. As of September 30, 2019, we had realized €1.3 million of savings from such measures, which equates to an annualized run-rate saving of €2.4 million.

In addition to rolling out these initiatives across more countries, we are also seeking new opportunities for value enhancement. As well as the initiatives outlined above, we have embarked on a continuous plan of improvement, with the aim of identifying and making further operational improvements.

Foreign Currency Effects

We operate car parks in seven countries: The Netherlands, France, the United Kingdom, Germany, Belgium, Denmark and Ireland. Prior to the SeNoFi Disposal, we operated in three additional countries: Sweden, Norway and Finland. Our subsidiaries include those that transact business and report their financial information in currencies other than the euro, our consolidated reporting currency. Accordingly, our results of operations are subject to currency effects, primarily currency translation exposure; transaction-related exposures at our subsidiaries are limited because revenue and costs are largely incurred in their respective operating currencies. For our subsidiaries in countries with a functional currency other than euro, presently the United Kingdom and Denmark, income and losses are translated into euro at average exchange rates, and assets and liabilities are translated into euro at closing exchange rates. Fluctuations in exchange rates against the euro will give rise to period-on-period differences in our results of operations. In the year ended December 31, 2018 and the nine months ended September 30, 2019, 23% and 23% of our Underlying Total Revenue for such periods, respectively, was reported by subsidiaries whose functional currencies are different than the euro, primarily Pound Sterling and Danish Kroner, and prior to the SeNoFi Disposal, Norwegian Kroner and Swedish Kronor. See *"—Quantitative and Qualitative Disclosures about Market Risk—Currency Risks*." We are also subject to foreign currency effects linked to loans denominated in currencies other than the functional currency of the entity that holds the loan. For example, entities in our Group that make Pound Sterling-denominated loans to UK entities convert these loans into euros (their functional currency), which creates unrealized foreign currency gains and/ or losses depending on the fluctuation of the underlying foreign exchange rates.

Discussion and Analysis of Underlying Data

As well as the financial information derived from our audited and unaudited financial statements, we produce management reports that include our key financial metrics. Due to the limitations in comparability of certain information and periods covered by our financial statements, we present and discuss certain Underlying Data. This information has not been audited, and while Underlying Data is prepared on a basis that is consistent in all material respects as the basis on which our consolidated financial information is prepared, this Underlying Data is not comparable to the audited results due to adjustments and should not be regarded as a substitute for the audited financial data of the Group or financial data prepared in accordance with Dutch GAAP or IFRS.

	Year ended December 31			Nine months ended September 30	
(€ in millions, except percentages)	**2016**	**2017**	**2018**	**2018**	**2019**
Underlying Parking Revenues	545.0	575.1	599.6	436.0	441.7
Underlying Short-Term Parking Revenues	435.8	456.5	473.5	342.2	341.0
Underlying Long-Term Parking Revenues	109.2	118.6	126.1	93.8	100.7
Underlying Rental Income	12.5	12.9	11.9	8.9	9.5
Underlying Management and Consultancy Fees	14.5	10.7	10.3	7.8	8.6
Underlying Control Fees	11.7	12.9	14.5	10.5	11.2
Underlying Other Income	12.7	14.7	14.2	10.5	10.6
Underlying Total Revenue	**596.4**	**626.3**	**650.5**	**473.7**	**481.7**
Underlying EBITDA	159.9	174.9	196.5	135.0	147.5
Underlying Gross Margin	206.6	218.0	236.0	164.9	176.1
Underlying EBITDA Margin (%)	26.8%	27.9%	30.2%	28.5%	30.6%
Underlying Like-for-Like Parking Revenue Growth Rate (%)	2.9%	2.2%	2.1%	2.2%	3.4%
Underlying Free Cash Flow	126.4	131.4	160.0	114.8	122.6
Underlying FCF Cash Conversion Ratio (%)	79.0%	75.1%	81.4%	85.0%	83.1%
Underlying Existing Business Capex	27.5	35.5	28.5	15.2	18.8
Underlying New Business Capex	36.0	55.0	67.0	61.5	77.1
Underlying PaSS Hardware Capex	–	–	1.0	0.2	3.9
Underlying LED Capex	–	–	2.0	–	11.7
Underlying ICT & Other Capex	6.0	8.0	8.0	5.0	6.1
Underlying Total Capex	**69.5**	**98.5**	**106.5**	**81.9**	**117.6**
Underlying Cash Tax Expenses	(5.1)	(8.9)	(9.4)	(3.6)	(9.2)

Key Line Items

Underlying Revenue Metrics

Underlying Total Revenue represents Net revenue adjusted for the Underlying 2017 Pre-Acquisition Results Adjustment, the Underlying SeNoFi Adjustment, the Underlying Non-Operating and Non-Recurring Adjustments and the Underlying Constant Exchange Rate Adjustments.

Underlying Parking Revenues, Underlying Short-Term Parking Revenues, Underlying Long-Term Parking Revenues, Underlying Rental Income, Underlying Management and Consultancy Fees, Underlying Control Fees and Underlying Other Income each represent such respective component of Net revenue, as adjusted for the same Underlying Adjustments as Underlying Total Revenue, except for Underlying Non-Operating and Non-Recurring Adjustments, which apply to the applicable revenue stream. For a reconciliation of Net revenue to Underlying Total Revenue for the periods presented, see footnote (2) of "*Summary—Summary Historical Consolidated Financial and Other Information—Underlying Financial Data Derived from Management Accounts*." See also "*Supplemental Underlying Financial Information*."

Underlying Gross Margin

We define Underlying Gross Margin as Underlying Total Revenue less Underlying Operating Expenses less Underlying Lease Expenses. Approximately 80% of our Underlying Operating Expenses are controllable, meaning that we are able to set and adjust the level of such expenses, such as personnel costs, utility costs, cleaning costs, ICT costs, costs of money management, insurance costs, car and travel costs, security costs, marketing costs and advisory and consultancy fees, while approximately 20% are non-controllable, meaning that we do not set the level of such expenses, such as property tax. Approximately 80% of our Underlying Lease Expenses are fixed, meaning that the rent is set at a stated amount, while approximately 20% are variable, meaning that the rent is defined as a percentage of a variable metric, such as revenues. For a reconciliation of Underlying Total Revenue to Underlying Gross Margin for the periods presented, see footnote (4) of "*Summary—Summary Historical Consolidated Financial and Other Information—Underlying Financial Data Derived from Management Accounts*."

Underlying Operating Expenses consist of expenses incurred with respect to the operation of our facilities including maintenance expenses, utilities, personnel required to operate our facilities, property taxes, money management fees such as credit card charges, ICT, parking management systems and other costs directly related to operating parking facilities, adjusted to reflect the Underlying 2017 Pre-Acquisition Results Adjustment, Underlying SeNoFi Adjustment, Underlying Non-Operating and Non-Recurring Adjustments and Underlying Constant Exchange Rate Adjustments. In addition, we have made adjustments for the periods ended December 31, 2016, 2017 and 2018 and the nine months ended September 30, 2018 to reclassify Certain Capitalized Personnel Expenses and Certain General Expenses as Certain Operating Expenses. This adjustment reflects that, from January 1, 2019, certain expenses which had previously been categorized as Certain Capitalized Personnel Expenses and Certain General Expenses in prior periods are now recorded as Certain Operating Expenses. For further details, see "*Supplemental Underlying Financial Information*."

Underlying Lease Expenses consist of all lease expenses relating to our financial and operational leases, and including fixed and variable lease expenses as well as service charges and ground rent, adjusted to reflect all of the Underlying Adjustments.

Underlying EBITDA and Underlying EBITDA Margin

Underlying EBITDA represents Net result, adjusted for Other operating income, Taxes, Financial result, Depreciation and amortization and the Underlying Adjustments, or in the case of the year ended December 31, 2016, Net result, adjusted for Taxes, Indirect result before taxes, Result from participating interests, Financial result, Depreciation and amortization and the Underlying Adjustments. For a reconciliation of Net result to Underlying EBITDA, see footnote (3) of "*Summary—Summary Historical Consolidated Financial and Other Information—Underlying Financial Data Derived from Management Accounts*."

We define Underlying EBITDA Margin as Underlying EBITDA divided by Underlying Total Revenue.

Results of Underlying Operations

Underlying Total Revenue

Underlying Total Revenue increased from €596.4 million in the year ended December 31, 2016 to €626.3 million in the year ended December 31, 2017, or 5.0%, mainly due to an Underlying Like-for-Like Parking Revenue Growth Rate of 2.2% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. Underlying Total Revenue further increased from €626.3 million in the year ended December 31, 2017 to €650.5 million in the year ended December 31, 2018, or by 3.9%, mainly due to an Underlying Like-for-Like Parking Revenue Growth Rate of 2.1% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. The increase in the Underlying Like-for-Like Parking Revenue Growth Rate is attributable to a combination of tariff increases and an increase in the number of customer transactions as well as transaction duration. Underlying Total Revenue increased from €473.7 million in the nine months ended September 30, 2018 to €481.7 million in the nine months ended September 30, 2019, or by 1.7%, mainly due to an Underlying Like-for-Like Parking Revenue Growth Rate of 3.4% and a negative portfolio impact whereby the revenue from new business was less than the loss of revenue from expiring contracts.

Underlying Total Revenue by Country

Set forth below is a chart showing the changes in Underlying Total Revenue by country over the periods presented.

	Year ended December 31			Nine months ended September 30	
(€ in millions)	**2016**	**2017**	**2018**	**2018**	**2019**
The Netherlands	183.0	190.6	199.1	144.8	148.7
France	109.7	122.6	125.9	94.0	97.8
United Kingdom	98.8	100.0	106.0	76.3	79.4
Germany	94.8	95.7	98.0	70.6	76.0
Belgium	51.8	56.7	57.8	42.5	31.1
Denmark	36.1	37.5	41.1	29.3	32.2
Ireland	22.2	23.2	22.6	16.4	16.6
Underlying Total Revenue	**596.4**	**626.3**	**650.5**	**473.7**	**481.7**

Underlying Total Revenue in The Netherlands increased from €183.0 million in the year ended December 31, 2016 to €190.6 million in the year ended December 31, 2017, or by 4.2%, driven primarily by an Underlying Like-for-Like Parking Revenue Growth Rate of 2.8% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts, and further increased from €190.6 million in the year ended December 31, 2017 to €199.1 million in the year ended December 31, 2018, or by 4.5%, driven primarily by an Underlying Like-for-Like Parking Revenue Growth Rate of 1.1% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. Underlying Total Revenue in The Netherlands increased from €144.8 million in the nine months ended September 30, 2018 to €148.7 million in the nine months ended September 30, 2019, or by 2.7%, driven primarily by an Underlying Like-for-Like Parking Revenue Growth Rate of 4.6% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. We have experienced a positive Underlying Like-for-Like Parking Revenue Growth Rate in The Netherlands over all periods presented, which is primarily driven by tariff increases.

Underlying Total Revenue in France increased from €109.7 million in the year ended December 31, 2016 to €122.6 million in the year ended December 31, 2017, or by 11.8%, principally due to an Underlying Like-for-Like Parking Revenue Growth Rate of 2.9% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. Underlying Total Revenue further increased from €122.6 million in the year ended December 31, 2017 to €125.9 million in the year ended December 31, 2018, or by 2.7%, principally due to an Underlying Like-for-Like Parking Revenue Growth Rate of 3.5% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. Underlying Total Revenue in France increased from €94.0 million in the nine months ended September 30, 2018 to €97.8 million in the nine months ended September 30, 2019, or by 4.0%, principally due to an Underlying Like-for-Like Parking Revenue Growth Rate of 2.8% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. We have experienced a positive Underlying Like-for-Like Parking Revenue Growth Rate in France over all periods presented, which is primarily driven by tariff increases.

Underlying Total Revenue in the United Kingdom increased from €98.8 million in the year ended December 31, 2016 to €100.0 million in the year ended December 31, 2017, or by 1.2%, mainly as a result of an Underlying Like-for-Like Parking Revenue Growth Rate of 1.2% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts, and further increased from €100.0 million in the year ended December 31, 2017 to €106.0 million in the year ended December 31, 2018, or by 6%, mainly as a result of an Underlying Like-for-Like Parking Revenue Growth Rate of 1.3% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. Underlying Total Revenue in the United Kingdom increased from €76.3 million in the nine months ended September 30, 2018 to €79.4 million in the nine months ended September 30, 2019, or by 4.1%, mainly as a result of an Underlying Like-for-Like Parking Revenue Growth Rate of 1.0% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. We have experienced a positive Underlying Like-for-Like Parking Revenue Growth Rate in the United Kingdom over all periods presented, which is primarily driven by tariff increases.

Underlying Total Revenue in Germany increased from €94.8 million in the year ended December 31, 2016 to €95.7 million in the year ended December 31, 2017, or by 0.9%, mainly due to an Underlying Like-for-Like Parking Revenue Growth Rate of 1.6% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts, and further increased from €95.7 million in the year ended December 31, 2017 to €98.0 million in the year ended December 31, 2018, or by 2.4%, mainly due to an Underlying Like-for-Like Parking Revenue Growth Rate of 3.8% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. Underlying Total Revenue in Germany increased from €70.6 million in the nine months ended September 30, 2018 to €76.0 million in the nine months ended September 30, 2019, or by 7.6%, mainly due to an Underlying Like-for-Like Parking Revenue Growth Rate of 4.1% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. We have experienced a positive Underlying Like-for-Like Parking Revenue Growth Rate in Germany over all periods presented, which is primarily driven by tariff increases.

Underlying Total Revenue in Belgium increased from €51.8 million in the year ended December 31, 2016 to €56.7 million in the year ended December 31, 2017, or by 9.5%, primarily due to an Underlying Like-for-Like Parking Revenue Growth Rate of 1.0% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts, and further increased from €56.7 million in the year ended December 31, 2017 to €57.8 million in the year ended December 31, 2018, or by 1.9%, primarily due to an Underlying Like-for-Like Parking Revenue Growth Rate of 1.7% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. Underlying Total Revenue in Belgium decreased from €42.5 million in the nine months ended September 30, 2018 to €31.1 million in the nine months ended September 30, 2019, or by 26.8%, primarily due to the loss of a large airport facility (Charleroi airport facility). We have experienced a positive Underlying Like-for-Like Parking Revenue Growth Rate in Belgium over all periods presented, which is primarily driven by tariff increases.

Underlying Total Revenue in Denmark increased from €36.1 million in the year ended December 31, 2016 to €37.5 million in the year ended December 31, 2017, or by 3.9%, primarily attributable to an Underlying Like-for-Like Parking Revenue Growth Rate of 2.3% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts, and further increased from €37.5 million in the year ended December 31, 2017 to €41.1 million in the year ended December 31, 2018, or by 9.6%, primarily attributable to an Underlying Like-for-Like Parking Revenue Growth Rate of 2.3% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. Underlying Total Revenue in Denmark increased from €29.3 million in the nine months ended September 30, 2018 to €32.2 million in the nine months ended September 30, 2019, or by 9.9%, primarily attributable to an Underlying Like-for-Like Parking Revenue Growth Rate of 5.0% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. We have experienced a positive Underlying Like-for-Like Parking Revenue Growth Rate in Denmark over all periods presented, which is primarily driven by tariff increases.

Underlying Total Revenue in Ireland increased from €22.2 million in the year ended December 31, 2016 to €23.2 million in the year ended December 31, 2017, or by 4.5%, principally due to an Underlying Like-for-Like Parking Revenue Growth Rate of 2.5% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts, and decreased from €23.2 million in the year ended December 31, 2017 to €22.6 million in the year ended December 31, 2018, or by 2.6%, principally due lower other income. Underlying Total Revenue in Ireland increased from €16.4 million in the nine months ended September 30, 2018 to €16.6 million in the nine months ended September 30, 2019, or by 1.2%, principally due to an Underlying Like-for-Like Parking Revenue Growth Rate of 4.9% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. We have experienced a positive Underlying Like-for-Like Parking Revenue Growth Rate in Ireland over all periods presented, which is primarily driven by tariff increases.

Underlying Revenue by Revenue Stream

Underlying Parking Revenues

Underlying Parking Revenues increased from €545.0 million in the year ended December 31, 2016 to €575.1 million in the year ended December 31, 2017, or by 5.5%, mainly due to an Underlying Like-for-Like Parking Revenue Growth Rate of 2.2% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. This was partly driven by the gain of one large concession contract in the south of France and an acquisition in Belgium. Underlying Parking Revenues further increased from €575.1 million in the year ended December 31, 2017 to €599.6 million in the year ended December 31, 2018, or by 4.3%, mainly due to an Underlying Like-for-Like Parking Revenue Growth Rate of 2.1% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. This was due to the positive portfolio effect of the acquisition of several freehold facilities in The Netherlands and the gain of a concession in France. Underlying Parking Revenues increased from €436.0 million in the nine months ended September 30, 2018 to €441.7 million in the nine months ended September 30, 2019, or by 1.3%, mainly due to an Underlying Like-for-Like Parking Revenue Growth Rate of 3.4% and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. We have consistently experienced positive Underlying Like-for-Like Parking Revenue Growth Rate in all periods presented, which is primarily driven by tariff increases.

Underlying Short-Term Parking Revenues increased from €435.8 million in the year ended December 31, 2016 to €456.5 million in the year ended December 31, 2017, and further increased from €456.5 million in the year ended December 31, 2017 to €473.5 million in the year ended December 31, 2018. The increase in Underlying Short-Term Parking Revenues over these periods was principally driven by the growth of Underlying Short-Term Parking Revenues on an LFL basis and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts. In addition, the increase in Underlying Short-Term Parking Revenues in 2018 was partly due to the impact of operating the Heathrow Airport parking facility that was previously leased to a third party.

Underlying Short-Term Parking Revenues decreased from €342.2 million in the nine months ended September 30, 2018 to €341.0 million in the nine months ended September 30, 2019, principally resulting from the loss of a contract for a large airport facility in Belgium which had high revenue but limited impact on profitability.

Underlying Long-Term Parking Revenues increased from €109.2 million in the year ended December 31, 2016 to €118.6 million in the year ended December 31, 2017, and further increased from €118.6 million in the year ended December 31, 2017 to €126.1 million in the year ended December 31, 2018. Underlying Long-Term Parking Revenues increased from €93.8 million in the nine months ended September 30, 2018 to €100.7 million in the nine months ended September 30, 2019. These consistent increases in Long-Term Parking Revenues are attributable to a positive Underlying Like-for-Like Parking Revenue Growth Rate and a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts in all periods presented.

Underlying Rental Income

Underlying Rental Income increased from €12.5 million in the year ended December 31, 2016 to €12.9 million in the year ended December 31, 2017, mainly due to the regular price indexation in the contract of two facilities in Amsterdam that we operate, and decreased from €12.9 million in the year ended December 31, 2017 to €11.9 million in the year ended December 31, 2018, mainly due to the effect of operating the Heathrow Airport facility in the United Kingdom ourselves, which resulted in lower rental revenues but increased Underlying Short-Term Parking Revenues. Underlying Rental Income increased from €8.9 million in the nine months ended September 30, 2018 to €9.5 million in the nine months ended September 30, 2019, mainly due to the regular price indexation in the contracts of two facilities in Amsterdam that we operate and the impact of certain rental contracts in the United Kingdom.

Underlying Management and Consultancy Fees

Underlying Management and Consultancy Fees decreased from €14.5 million in the year ended December 31, 2016 to €10.7 million in the year ended December 31, 2017, principally due to a decrease in management fees in France, and further decreased from €10.7 million in the year ended December 31, 2017 to €10.3 million in the year ended December 31, 2018, principally due to the expiration of two management contracts in France with limited impact on profitability. Underlying Management and Consultancy Fees increased from €7.8 million in the nine months ended September 30, 2018 to €8.6 million in the nine months ended September 30, 2019, principally due to a renewed contract for the Dutch railways.

Underlying Control Fees

Underlying Control Fees increased from €11.7 million in the year ended December 31, 2016 to €12.9 million in the year ended December 31, 2017, mainly due to increased control fees in Denmark, and further increased from €12.9 million in the year ended December 31, 2017 to €14.5 million in the year ended December 31, 2018, mainly due to increased control fees and new control fee contracts in Denmark. Underlying Control Fees increased from €10.5 million in the nine months ended September 30, 2018 to €11.2 million in the nine months ended September 30, 2019, mainly due to increased control fees in Denmark.

Underlying Other Income

Underlying Other Income increased from €12.7 million in the year ended December 31, 2016 to €14.7 million in the year ended December 31, 2017, primarily attributable to increases in revenue in The Netherlands, Germany and Denmark, and decreased from €14.7 million in the year ended December 31, 2017 to €14.2 million in the year ended December 31, 2018, primarily attributable to decreases in revenues in Ireland and Germany. Underlying Other Income increased from €10.5 million in the nine months ended September 30, 2018 to €10.6 million in the nine months ended September 30, 2019, primarily attributable to increases in revenues in Denmark and the United Kingdom.

Underlying Gross Margin

Underlying Gross Margin increased from €206.6 million in the year ended December 31, 2016 to €218.0 million in the year ended December 31, 2017, primarily driven by Underlying Like-for-Like Parking Revenue Growth Rate of 2.2% and a positive portfolio effect driven by the gain of one large concession contract in the south of France and an acquisition in Belgium. Underlying Gross Margin further increased from €218.0 million in the year ended December 31, 2017 to €236.0 million in the year ended December 31, 2018, primarily driven by Underlying Like-for-Like Parking Revenue Growth Rate of 2.1%, in combination with cost savings resulting from the Value Enhancement Project, and the positive portfolio effect of the acquisition of several freehold facilities in The Netherlands and the gain of a concession in France. Underlying Gross Margin increased from €164.9 million in the nine months ended September 30, 2018 to €176.1 million in the nine months ended September 30, 2019, primarily driven by Underlying Like-for-Like Parking Revenue Growth Rate of 3.4% due to revenue management initiatives and further cost savings from the Value Enhancement Project.

Underlying EBITDA and Underlying EBITDA Margin

Underlying EBITDA increased from €159.9 million in the year ended December 31, 2016 to €174.9 million in the year ended December 31, 2017, mainly as a result of Underlying Like-for-Like Parking Revenue Growth Rate of 2.2% and a positive portfolio effect driven by the gain of one large concession contract in the south of France and an acquisition in Belgium, and further increased from €174.9 million in the year ended December 31, 2017 to €196.5 million in the year ended December 31, 2018, mainly as a result of Underlying Like-for-Like Parking Revenue Growth Rate of 2.1%, in combination with cost reductions resulting from the Value Enhancement Project, and the positive portfolio effect of the acquisition of several freehold facilities in The Netherlands and the gain of a concession in France. Underlying EBITDA increased from €135.0 million in the nine months ended September 30, 2018 to €147.5 million in the nine months ended September 30, 2019, mainly as a result of Underlying Like-for-Like Parking Revenue Growth Rate of 3.4% due to revenue management initiatives and further cost reductions from the Value Enhancement Project.

Underlying EBITDA Margin increased from 26.8% in the year ended December 31, 2016 to 27.9% in the year ended December 31, 2017, mainly due to the growth in Underlying Total Revenue and a decrease in Underlying General Expenses, and further increased from 27.9% in the year ended December 31, 2017 to 30.2% in the year ended December 31, 2018, mainly due to the growth in Underlying Total Revenue as illustrated by a positive Underlying Like-for-Like Parking Revenue Growth Rate, and by a decrease in Underlying Operating Expenses and Underlying General Expenses. In addition, we experienced a positive portfolio impact whereby the revenue from new business exceeds the loss of revenue from expiring contracts in the year ended December 31, 2018 compared to the year ended December 31, 2017. Underlying EBITDA Margin increased from 28.5% in the nine months ended September 30, 2018 to 30.6% in the nine months ended September 30, 2019, mainly due to the combined effect of increased revenues from revenue management initiatives and reduced costs, stemming from the implementation of the Value Enhancement Program, and the positive impact from the portfolio changes, in which the Underlying EBITDA contributions of the newly acquired business outperformed the Underlying EBITDA of lost contracts.

Discussion and Analysis of Historical Data

Key Line Items

While the metrics discussed in "*—Discussion and Analysis of Underlying Data*" are the key operational and financial metrics that we use in the operations of the Group, and are the metrics that we believe to be most useful for investors to understand our business, below is an explanation of certain key line items that appear in our financial statements.

Net Revenue

Net revenue represents amounts invoiced for services provided during the financial period, net of discounts and value added taxes. Net revenue recognized consists of the following:

- *Parking revenues*: represent revenues we receive from customers (short-stay parking and season tickets) for use of parking spaces at the parking facilities operated by us.
- *Control fees*: represent income arising from enforcement of paid parking (for example, parking fines) in parking facilities.
- *Management and consultancy fees*: represent the fixed and variable allowance we receive for operating parking facilities for third parties.
- *Rental income*: represents the rental income from parking facilities owned by us but operated by third parties, as well as income from renting specific areas in parking facilities to third parties.
- *Other income*: represents all other income not included in the above categories (for example, subsidies, services and advertising).

Other Operating Income

Other operating income comprises of gain realized on the disposal of assets and subsidiaries.

Lease Expenses

Lease expenses consist of the following with respect to our facilities: fixed and variable rental fees in connection with operational leases, variable rental fees in connection with financial leases, and service charges.

Operating Expenses Parking Facilities

Operating expenses parking facilities consist primarily of costs directly linked to operating parking facilities. The costs comprise, among others, ICT costs (for example, costs of data lines), maintenance costs, utilities (lighting and ventilation) costs, property taxes, cleaning costs, security costs, and costs of money management.

Wages and Salaries

Wages and salaries consist primarily of employee wages, salaries and other expenses.

Social Security Premiums

Social security premiums consist primarily of payments made by us in connection with social security and other welfare programs for our employees.

Pensions

Pensions consist primarily of pension contributions and similar payments we make in respect of our employees. Within the Group, there are a variety of pension schemes in accordance with the conditions and practices prevailing in the countries in which the Group operates. The schemes qualify as defined contribution plans under which contributions are paid into pension funds or to insurance companies on a contractual basis. Premium liabilities are charged to the result at the moment the liability arises and no provisions are made for future increases of pension premiums.

Other Operating Expenses

Other operating expenses consist primarily of costs for central and local support and overhead functions that are not directly linked or allocated to the operations of parking facilities. These costs comprise, among others, ICT costs, office lease costs and consulting and advisory costs.

Depreciation and Amortization

Depreciation primarily consists of depreciation of tangible fixed assets (including land and building, which also includes assets in relation to our financial leases, leasehold improvements, equipment and installations and assets under construction). Amortization primarily consists of amortization of intangible fixed assets (including goodwill and concessions). Amortization charges are recognized as part of the total depreciation and amortization expenses. Impairments are also included in this line item.

The fixed component of lease expenses in relation to our financial leases are expenses reflected in Depreciation and amortization and Financial result. For further details, see "—*Lease Expenses*" and "—*Financial Result*."

Financial Result

Financial result consists of both financial expenses as well as financial income. This line item consists primarily of interest costs on bank debt, shareholder loans, interest rate swaps, financial lease obligations and other bank costs. The other bank and interest costs primary relate to depreciation on capitalized transaction costs on bank debt. This line item also includes movements in fair value of financial instruments and foreign exchange results.

Financial result with respect to financial leases comprises of interest costs on our financial lease obligations. See Note 15 of the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018. As described in "—*Summary of Significant Differences between Dutch GAAP and IFRS*," we have not adopted IFRS 16 *Leases* as it is not required under Dutch GAAP.

The fixed component of lease expenses in relation to our financial leases are expenses reflected in Depreciation and amortization and Financial result. For further details, see "—*Lease Expenses*" and "—*Depreciation and Amortization*."

Taxes

Taxes primarily consist of taxes on result based on domestic tax rates, adjusted for actual Group companies' rate, non-taxable goodwill depreciation, other permanent differences and other adjustments. Other permanent differences mainly relate to adjustments regarding non-deductible interest expenses and non-deductible other expenses.

Results of Operations

The tables below and the discussion that follows the tables show our historical results of operations for:

- the year ended December 31, 2016, as derived from the audited consolidated annual accounts of Q Park B.V. as of and for the year ended December 31, 2016, prepared in accordance with IFRS;

- the period from May 22, 2017 to December 31, 2017, as derived from the audited consolidated annual accounts of the Parent as of and for the period from May 22, 2017 to December 31, 2017, prepared in accordance with Dutch GAAP. This period reflects (i) the financial information of the Parent from May 22, 2017, the date on which the Parent was incorporated, and (ii) the consolidated financial information of Q Park B.V. and its subsidiaries from October 11, 2017, the date on which the Acquisition was consummated, to December 31, 2017;
- the year ended December 31, 2018, as derived from the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018, prepared in accordance with Dutch GAAP; and
- the nine months ended September 30, 2019 as derived from the unaudited consolidated condensed interim financial statements of the Parent as of and for the nine months ended September 30, 2019, which have been prepared in accordance with Dutch GAAP.

There are significant differences between Dutch GAAP and IFRS, meaning the financial information for these periods are not fully comparable. For a summary of significant differences between Dutch GAAP and IFRS, see "—*Summary of Significant Differences between Dutch GAAP and IFRS*."

	Dutch GAAP			
	Period from May 22, 2017 to December 31	**Year ended December 31**	**Nine months ended September 30**	
(€ in millions)	**2017***	**2018**	**2018**	**2019**
Net revenue	**231.6**	**877.9**	**640.9**	**558.9**
Other operating income	–	–	0.1	70.4
Lease expenses	(83.4)	(334.7)	(246.5)	(192.0)
Operating expenses parking facilities	(30.0)	(110.1)	(82.9)	(75.6)
Wages and salaries	(25.6)	(98.8)	(74.1)	(63.1)
Social security premiums	(4.8)	(17.7)	(13.0)	(10.7)
Pensions	(1.1)	(5.5)	(4.3)	(3.0)
Other operating expenses	(9.8)	(33.6)	(24.3)	(19.2)
Depreciation and amortization	(56.1)	(207.9)	(157.5)	(190.1)
Total operating expenses	**(210.8)**	**(808.3)**	**(602.5)**	**(553.6)**
Operating result	**20.8**	**69.6**	**38.3**	**75.7**
Financial result	(34.6)	(108.9)	(80.1)	(76.2)
Result before taxes	**(13.8)**	**(39.3)**	**(41.8)**	**(0.5)**
Taxes	(6.6)	37.3	(3.5)	0.5
Net result	**(20.4)**	**(2.0)**	**(45.4)**	**(0.1)**

* The financial information for the period from May 22, 2017 to December 31, 2017 includes (i) the financial information of the Parent from May 22, 2017, the date on which the Parent was incorporated, and (ii) the consolidated financial information of Q Park B.V. and its subsidiaries from October 11, 2017, the date on which the Acquisition was consummated, to December 31, 2017.

(€ in millions)	IFRS Year ended December 31, 2016
Net revenue	**825.0**
Variable rent component	(156.3)
Interest expenses related to rent obligations	(169.5)
Movement rent obligor component in leased properties	(45.4)
Expenses investment property operational and financial lease	**(371.2)**
Other operating expenses investment property	(113.7)
Wages and salaries	(100.4)
Social security premiums	(19.2)
General expenses	(25.6)
Operational result before depreciation	**194.9**
Depreciation and amortization	(11.1)
Operational result	**183.8**
Financial result	(44.3)
Result from participating interests	(0.2)
Direct result before taxes	**139.3**
Taxes	(53.9)
Direct result after taxes	**85.4**
Revaluation result investment property	61.9
Impairment other intangible fixed assets	–
Movement in fair value of interest derivatives	10.3
Amortization hedging reserve interest derivatives	(10.1)
Other valuation results	2.7
Indirect result before taxes	**64.8**
Taxes	(21.3)
Indirect result after taxes	**43.5**
Net result	**128.9**

Nine months ended September 30, 2019 compared to nine months ended September 30, 2018

Due to the SeNoFi Disposal which completed on April 30, 2019, our financial information for the nine months ended September 30, 2018 and the nine months ended September 30, 2019 are not fully comparable.

Net Revenue

Net revenue decreased by 12.8% from €640.9 million in the nine months ended September 30, 2018 to €558.9 million in the nine months ended September 30, 2019. The decrease in Net revenue was mainly due to the SeNoFi Disposal. The nine months ended September 30, 2019 included only four months of results of SeNoFi, as the SeNoFi Disposal was completed on April 30, 2019, whereas the nine months ended September 30, 2018 included the results of SeNoFi for the full nine-month period.

Other Operating Income

Other operating income increased from €0.1 in the nine months ended September 30, 2018 to €70.4 million in the nine months ended September 30, 2019, mainly due to the difference between the sale price and the book value with respect to the SeNoFi Disposal.

Lease Expenses

Lease expenses decreased by 22.1% from €246.5 million in the nine months ended September 30, 2018 to €192.0 million in the nine months ended September 30, 2019. The decrease in Lease expenses was mainly due to the SeNoFi Disposal. The nine months ended September 30, 2019 included only four months of results of SeNoFi, as the SeNoFi Disposal was completed on April 30, 2019, whereas the nine months ended September 30, 2018 included the results of SeNoFi for the full nine-month period.

Operating Expenses Parking Facilities

Operating expenses parking facilities decreased by 8.8% from €82.9 million in the nine months ended September 30, 2018 to €75.6 million in the nine months ended September 30, 2019. The decrease in Operating expenses parking facilities was mainly due to the SeNoFi Disposal. The nine months ended September 30, 2019 included only four months of results of SeNoFi, as the SeNoFi Disposal was completed on April 30, 2019, whereas the nine months ended September 30, 2018 included the results of SeNoFi for the full nine-month period.

Wages and Salaries

Wages and salaries decreased by 14.8% from €74.1 million in the nine months ended September 30, 2018 to €63.1 million in the nine months ended September 30, 2019. The decrease in Wages and salaries was mainly due to the SeNoFi Disposal. The nine months ended September 30, 2019 included only four months of results of SeNoFi, as the SeNoFi Disposal was completed on April 30, 2019, whereas the nine months ended September 30, 2018 included the results of SeNoFi for the full nine-month period.

Social Security Premiums

Social security premiums decreased by 17.7% from €13.0 million in the nine months ended September 30, 2018 to €10.7 million in the nine months ended September 30, 2019. The decrease in Social security premiums was mainly due to the SeNoFi Disposal. The nine months ended September 30, 2019 included only four months of results of SeNoFi, as the SeNoFi Disposal was completed on April 30, 2019, whereas the nine months ended September 30, 2018 included the results of SeNoFi for the full nine-month period.

Pensions

Pensions decreased by 30.2% from €4.3 million in the nine months ended September 30, 2018 to €3.0 million in the nine months ended September 30, 2019. The decrease in Pensions was mainly due to the SeNoFi Disposal. The nine months ended September 30, 2019 included only four months of results of SeNoFi, as the SeNoFi Disposal was completed on April 30, 2019, whereas the nine months ended September 30, 2018 included the results of SeNoFi for the full nine-month period.

Other Operating Expenses

Other operating expenses decreased by 21.0% from €24.3 million in the nine months ended September 30, 2018 to €19.2 million in the nine months ended September 30, 2019. The decrease in Other operating expenses was mainly due to the SeNoFi Disposal. The nine months ended September 30, 2019 included only four months of results of SeNoFi, as the SeNoFi Disposal was completed on April 30, 2019, whereas the nine months ended September 30, 2018 included the results of SeNoFi for the full nine-month period.

Depreciation and Amortization

Depreciation and amortization increased by 20.7% from €157.5 million in the nine months ended September 30, 2018 to €190.1 million in the nine months ended September 30, 2019. The increase in Depreciation and amortization was mainly due to an impairment in an amount of €42.4 million with respect to tangible fixed assets, partly offset by the SeNoFi Disposal.

Financial Result

Financial result improved by 4.9% from an interest expense of €80.1 million in the nine months ended September 30, 2018 to an interest expense of €76.2 million in the nine months ended September 30, 2019. The improvement in Financial result was mainly due to decreased interest on shareholder loans as a result of a partial repayment on the shareholder loans in 2019.

Taxes

Taxes decreased from a tax expense of €3.5 million in the nine months ended September 30, 2018 to a tax credit of €0.5 million in the nine months ended September 30, 2019. The decrease in Taxes was mainly due to improved results over the reporting period.

Net Result

As a consequence of the foregoing, Net result improved from a loss of €45.4 million in the nine months ended September 30, 2018 to a loss of €0.1 million in the nine months ended September 30, 2019.

Year ended December 31, 2018 compared to the period from May 22, 2017 to December 31, 2017

Due to the Acquisition which completed on October 11, 2017, our financial information for the period from May 22, 2017 to December 31, 2017 and the year ended December 31, 2018 are not fully comparable.

Net Revenue

Net revenue increased from €231.6 million in the period from May 22, 2017 to December 31, 2017 to €877.9 million in the year ended December 31, 2018. The increase in Net revenue was primarily driven by the impact of a full year's operations in the year ended December 31, 2018 (in comparison to the consolidated financial information for the period from May 22, 2017 to December 31, 2017 representing the effects of consolidation only from October 11, 2017 upon the completion of the Acquisition).

Lease Expenses

Lease expenses increased from €83.4 million in the period from May 22, 2017 to December 31, 2017 to €334.7 million in the year ended December 31, 2018. The increase in Lease expenses was primarily driven by the impact of a full year's operations in the year ended December 31, 2018 (in comparison to the consolidated financial information for the period from May 22, 2017 to December 31, 2017 representing the effects of consolidation only from October 11, 2017 upon the completion of the Acquisition).

Operating Expenses Parking Facilities

Operating expenses parking facilities increased from €30.0 million in the period from May 22, 2017 to December 31, 2017 to €110.1 million in the year ended December 31, 2018. The increase in Operating expenses parking facilities was primarily driven by the impact of a full year's operations in the year ended December 31, 2018 (in comparison to the consolidated financial information for the period from May 22, 2017 to December 31, 2017 representing the effects of consolidation only from October 11, 2017 upon the completion of the Acquisition).

Wages and Salaries

Wages and salaries increased from €25.6 million in the period from May 22, 2017 to December 31, 2017 to €98.8 million in year ended December 31, 2018. The increase in Wages and salaries was primarily driven by the impact of a full year's operations in the year ended December 31, 2018 (in comparison to the consolidated financial information for the period from May 22, 2017 to December 31, 2017 representing the effects of consolidation only from October 11, 2017 upon the completion of the Acquisition).

Social Security Premiums

Social security premiums increased from €4.8 million in the period from May 22, 2017 to December 31, 2017 to €17.7 million in the year ended December 31, 2018. The increase in Social security premiums was primarily driven by the impact of a full year's operations in the year ended December 31, 2018 (in comparison to the consolidated financial information for the period from May 22, 2017 to December 31, 2017 representing the effects of consolidation only from October 11, 2017 upon the completion of the Acquisition).

Pensions

Pensions increased from €1.1 million in the period from May 22, 2017 to December 31, 2017 to €5.5 million in the year ended December 31, 2018. The increase in Pensions was primarily driven by the impact of a full year's operations in the year ended December 31, 2018 (in comparison to the consolidated financial information for the period from May 22, 2017 to December 31, 2017 representing the effects of consolidation only from October 11, 2017 upon the completion of the Acquisition).

Other Operating Expenses

Other operating expenses increased from €9.8 million in the period from May 22, 2017 to December 31, 2017 to €33.6 million in the year ended December 31, 2018. The increase in Other operating expenses was primarily driven by the impact of a full year's operations in the year ended December 31, 2018 (in comparison to the consolidated financial information for the period from May 22, 2017 to December 31, 2017 representing the effects of consolidation only from October 11, 2017 upon the completion of the Acquisition). This increase was also driven by consulting and advisory expenses in connection with certain integration initiatives following the Acquisition as well as the Value Enhancement Program and monitoring fees.

Depreciation and Amortization

Depreciation and amortization increased from €56.1 million in the period from May 22, 2017 to December 31, 2017 to €207.9 million in the year ended December 31, 2018. The increase in Depreciation and amortization was primarily driven by the impact of a full year's operations in the year ended December 31, 2018 (in comparison to the consolidated financial information for the period from May 22, 2017 to December 31, 2017 representing the effects of consolidation only from October 11, 2017 upon the completion of the Acquisition).

Financial Result

Financial result declined from an interest expense of €34.6 million in the period from May 22, 2017 to December 31, 2017 to an interest expense of €108.9 million in the year ended December 31, 2018. The decline in Financial result was primarily driven by the impact of a full year's operations in the year ended December 31, 2018 (in comparison to the consolidated financial information for the period from May 22, 2017 to December 31, 2017 representing the effects of consolidation only from October 11, 2017 upon the completion of the Acquisition).

Taxes

Taxes decreased from a tax expense of €6.6 million in the period from May 22, 2017 to December 31, 2017 to a tax credit of €37.3 million in the year ended December 31, 2018. The decrease in Taxes was primarily driven by the impact of a full year's operations in the year ended December 31, 2018 (in comparison to the consolidated financial information for the period from May 22, 2017 to December 31, 2017 representing the effects of consolidation only from October 11, 2017 upon the completion of the Acquisition). Furthermore, the decrease in taxes also resulted from the release of deferred tax balances included on the balance sheet as a result of decreasing tax rates in the countries in which we operate.

Net Result

As a consequence of the foregoing, Net result improved from a loss of €20.4 million in the period from May 22, 2017 to December 31, 2017 to a loss of €2.0 million in the year ended December 31, 2018.

Period from May 22, 2017 to December 31, 2017 compared to year ended December 31, 2016

Aside from limitations in comparability due to the differences in the periods covered by the audited results for the periods ended December 31, 2017 and 2016, the underlying financials results and performance and results of the Group over these periods was relatively stable.

Net revenue

Net revenue decreased by 71.9% from €825.0 million in the year ended December 31, 2016 to €231.6 million in the period from May 22, 2017 to December 31, 2017. The decrease in Net revenue was principally attributable to the impact of the financial information for the period from May 22, 2017 to December 31, 2017 representing less than a full year's operations (in comparison to the financial information for the year ended December 31, 2016 representing a full year's operations).

Wages and Salaries

Wages and salaries decreased by 74.5% from €100.4 million in the year ended December 31, 2016 to €25.6 million in the period from May 22, 2017 to December 31, 2017. The decrease in Wages and salaries was principally attributable to the impact of the financial information for the period from May 22, 2017 to December 31, 2017 representing less than a full year's operations (in comparison to the financial information for the year ended December 31, 2016 representing a full year's operations).

Social Security Premiums

Social security premiums decreased by 75% from €19.2 million in the year ended December 31, 2016 to €4.8 million in the period from May 22, 2017 to December 31, 2017. The decrease in Social security premiums was principally attributable to the impact of the financial information for the period from May 22, 2017 to December 31, 2017 representing less than a full year's operations (in comparison to the financial information for the year ended December 31, 2016 representing a full year's operations).

Depreciation and Amortization

Depreciation and amortization increased from €11.1 million in the year ended December 31, 2016 to €56.1 million in the period from May 22, 2017 to December 31, 2017. The increase in Depreciation and amortization was principally attributable to the impact of the financial information for the period from May 22, 2017 to December 31, 2017 representing less than a full year's operations (in comparison to the financial information for the year ended December 31, 2016 representing a full year's operations). The increase in Depreciation and amortization was also driven by the switch in accounting standards from IFRS as the basis of preparation of financial statements for 2016 to Dutch GAAP as the basis of preparation of financial statements for 2017.

Financial Result

Financial result improved by 21.9% from an interest expense of €44.3 million in the year ended December 31, 2016 to an interest expense of €34.6 million in the period from May 22, 2017 to December 31, 2017. The improvement in Financial result was principally attributable to the impact of the financial information for the period from May 22, 2017 to December 31, 2017 representing less than a full year's operations (in comparison to the financial information for the year ended December 31, 2016 representing a full year's operations). Due to changes in our capital structure following the Acquisition, Financial result for the full year period in 2017 would have declined compared to 2016. The decrease in Financial result was also driven by the change in accounting standards from IFRS as the basis of preparation of financial statements for 2016 to Dutch GAAP as the basis of preparation of financial statements for 2017. Following the switch to Dutch GAAP in 2017, our Financial result on a full year basis would have declined compared to 2016 as the Lease expense in connection with financial leases would have been recorded under Financial result in 2017.

Taxes

Taxes decreased from a tax expense of €75.2 million (comprised of Taxes with respect to direct results in an amount of €53.9 million and Taxes with respect to indirect results in an amount of €21.3 million) in the year ended December 31, 2016 to a tax expense of €6.6 million in the period from May 22, 2017 to December 31, 2017. The decrease in Taxes was principally attributable to the impact of the financial information for the period from May 22, 2017 to December 31, 2017 representing less than a full year's operations (in comparison to the financial information for the year ended December 31, 2016 representing a full year's operations). The decrease in Taxes was also driven by the switch in accounting standards from IFRS as the basis of preparation of financial statements for 2016 to Dutch GAAP as the basis of preparation of financial statements for 2017.

Net Result

As a consequence of the foregoing, Net result decreased from a gain of €128.9 million in the year ended December 31, 2016 to a loss of €20.4 million in the period from May 22, 2017 to December 31, 2017.

Liquidity and Capital Resources

Liquidity

Liquidity describes the ability of a company to generate sufficient cash flows to meet the cash requirements of its business operations, including working capital needs, debt service obligations, capital expenditures, contractual obligations and other commitments, as well as acquisitions. Our primary sources of liquidity are provided by our cash from operating activities and our financings. Our liquidity requirements arise primarily to meet our debt service obligations, to fund capital expenditures, and, to a lesser extent, to provide working capital and fund acquisitions. In addition, we expect to have access to the Revolving Credit Facility to service our working capital and general corporate needs, including the financing of acquisitions. The availability of the Revolving Credit Facility is dependent upon conditions as described further under "*Description of Certain Indebtedness— Revolving Credit Facility Agreement*."

Our financial condition and liquidity is and will continue to be influenced by a variety of factors, including:

- our ability to generate cash flows from our operations;
- the level of our outstanding indebtedness and the indebtedness of our subsidiaries, and the interest we are obligated to pay on such indebtedness, which affects our finance costs;
- our ability and the ability of our subsidiaries to continue to borrow funds from financial institutions; and
- our external growth funding requirements, which consist primarily of acquiring or constructing new facilities.

Our cash requirements consist mainly of the following:

- funding working capital requirements, including payments under contracts, leases and concessions;
- funding capital expenditures needs;
- servicing our indebtedness and the indebtedness of our subsidiaries;
- operating activities;
- paying taxes; and
- funding acquisitions.

We expect our sources of liquidity will consist mainly of the following:

- cash generated from our operating activities;
- borrowings under the Revolving Credit Facility;
- issuances of debt securities; and
- borrowings under other loan facilities including the Local Facilities and financial leases.

Our ability to generate operating cash flows depends on our operating performance, which in turn depends to some extent on general economic, financial, industry, regulatory and other factors, many of which are beyond our control, as well as other factors discussed in "*Risk Factors*." Although we believe that our expected cash flows from operations, together with available borrowings, will be adequate to meet our anticipated liquidity and debt service needs, we cannot assure you that our business will generate sufficient cash flows from operations or that future debt and equity financing will be available to us in an amount sufficient to enable us to pay our debts when due, including the Notes, or to fund other liquidity needs.

We believe that the potential risks to our liquidity include:

- a reduction in operating cash flows due to a lowering of net result, which could be due to downturns in our performance or the industry as a whole;
- adverse working capital developments;
- exposure to increased interest rates in relation to our borrowings which bear interest at a variable rate, including our Revolving Credit Facility and the 2026 Senior Secured Floating Rate Notes; and
- higher capital expenditure, such as due to higher than expected expenses incurred in connection with our organic growth or acquisition strategies.

If our future cash flows from operations and other capital resources (including borrowings under the Revolving Credit Facility) are insufficient to pay our obligations as they mature or to fund our liquidity needs, we may be forced to:

- reduce or delay our business activities and capital expenditure;

- reduce or delay our planned acquisitions;
- sell assets;
- obtain additional debt or equity capital; or
- restructure or refinancing all or a portion of our debt, including the Notes, on or before maturity.

We cannot assure you that we would be able to accomplish any of these alternatives on a timely basis or on satisfactory terms, if at all. In addition, the terms of our existing debt, including the Notes and the Revolving Credit Facility Agreement, limit our ability to pursue any of these alternatives, as may the terms of any future debt.

Cash Flows (IFRS and Dutch GAAP)

The following table shows our statement of cash flows for the year ended December 31, 2016, the period from May 22, 2017 to December 31, 2017 and the year ended December 31, 2018 and for the nine months ended September 30, 2018 and 2019.

	IFRS	Dutch GAAP			
	Year ended December 31	Period from May 22, 2017 to December 31	Year ended December 31	Nine months ended September 30	
(€ in millions)	2016	2017*	2018	2018	2019
Cash flow from operating activities . . .	202.8	110.6	249.3	163.4	154.6
Cash flow from investment activities . .	(74.5)	(1,850.0)	(109.0)	(83.5)	361.9
Cash flow from financing activities	(155.4)	1,784.3	(175.0)	(121.2)	(516.5)
Movement in cash and cash equivalents	**(27.1)**	**44.9**	**(34.7)**	**(41.3)**	**—**

* The financial information for the period from May 22, 2017 to December 31, 2017 includes (i) the financial information of the Parent from May 22, 2017, the date on which the Parent was incorporated, and (ii) the consolidated financial information of Q Park B.V. and its subsidiaries from October 11, 2017, the date on which the Acquisition was consummated, to December 31, 2017.

The figures in the table above and the discussion below in "*—Cash Flow from Operating Activities*," "*—Cash Flow from Investment Activities*" and "*—Cash Flow from Financing Activities*" are based on the financial information drawn from the audited consolidated annual accounts of Q Park B.V. for the year ended December 31, 2016, the audited consolidated annual accounts of the Parent as of and for the period from May 22, 2017 to December 31, 2017, the audited consolidated annual accounts of the Parent for the year ended December 31, 2018 and the unaudited consolidated condensed interim financial statements for the Parent for the nine months ended September 30, 2019. However, the financial information for the year ended December 31, 2016 was prepared in accordance with IFRS, and the financial information for the period from May 22, 2017 to December 31, 2017, the year ended December 31, 2018 and the nine months ended September 30, 2018 and 2019 were prepared in accordance with Dutch GAAP. Because there are significant differences between Dutch GAAP and IFRS, the financial information for these periods are not fully comparable. Furthermore, our Dutch GAAP financial information for the period from May 22, 2017 to December 31, 2017 includes financial information of the Parent only from May 22, 2017, the date on which the Parent was incorporated. The consolidated financial information of the Parent includes the consolidated financial information of Q Park B.V. and its subsidiaries only for the period from October 11, 2017 to December 31, 2017.

However, we also discuss in this "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" certain financial data for the years ended December 31, 2016, 2017 and 2018, and the nine months ended September 30, 2018 and 2019, based on financial data derived from management accounts for such periods, in order to aid in the understanding of our financial information on a comparable basis. Of such financial data, Underlying Free Cash Flow, Underlying FCF Cash Conversion Ratio, Underlying Total Capex, Underlying Existing Business Capex, Underlying New Business Capex, Underlying PaSS Hardware Capex, Underlying LED Capex and Underlying ICT & Other Capex are cash flow measures. For a discussion of cash flow results on a more comparable basis based on such management account metrics, see "*Summary—Summary Historical Consolidated Financial and Other Information—Underlying Financial Data Derived from Management Accounts*" and "*—Capital Expenditures*."

Cash Flow from Operating Activities

Our parking businesses generally operate with negative working capital, due to the immediate collection of short-term tariffs from car park users by means of cash or debit or credit card payments (if they do not pay, then they cannot exit the car park) and the receipt of payment for season tickets in advance. Generally, our working capital is fairly stable with some effects from seasonality or the phasing or timing of large outgoing payments. This trend is reflected in our movements in working capital, which, for example, amounted to cash outflows of €28.6 million and €26.5 million in the nine months ended September 30, 2019 and September 30, 2018, respectively, and €11.6 million for the year ended December 31, 2018.

For the nine months ended September 30, 2019, our cash flow from operating activities consisted of a cash inflow of €154.6 million, driven primarily by the operational cash generation resulting from the collection of revenues from both short-term and long-term parking revenues and other revenue streams, which were partly offset by the payment of operating costs and corporate income taxes paid during such period. Cash flow from operating activities in this period was lower than the prior corresponding period due to the impact of the SeNoFi Disposal.

For the nine months ended September 30, 2018, our cash flow from operating activities consisted of a cash inflow of €163.4 million, driven primarily by the operational cash generation resulting from the collection of revenues from both short-term and long-term parking revenues and other revenue streams, which were partly offset by the payment of operating costs and corporate income taxes paid during such period.

For the year ended December 31, 2018, our cash flow from operating activities consisted of a cash inflow of €249.3 million, driven primarily by the operational cash generation resulting from the collection of revenues from both short-term and long-term parking revenues and other revenue streams, which were partly offset by the payment of operating costs and corporate income taxes paid during such period.

For the period from May 22, 2017 to December 31, 2017, our cash flow from operating activities consisted of a cash inflow of €110.6 million, driven primarily by the operational cash generation resulting from the collection of revenues from both short-term and long-term parking revenues and other revenue streams, which were partly offset by the payment of operating costs and corporate income taxes paid during such period. Cash flow from operating activities in this period was lower than the prior period which reflected our full year operations compared to the partial period of 2017.

For the year ended December 31, 2016, our cash flow from operating activities consisted of a cash inflow of €202.8 million, driven primarily by the operational cash generation resulting from the collection of revenues from both short-term and long-term parking revenues and other revenue streams, which were partly offset by the payment of operating costs and corporate income taxes paid during such period.

Cash Flow from Investment Activities

For the nine months ended September 30, 2019, our cash flow from investment activities consisted of a cash inflow of €361.9 million, primarily driven by a cash inflow in an aggregate amount of €480.4 million relating to proceeds from the SeNoFi Disposal and the UK Sale and Leaseback, as partially offset by a cash outflow in an aggregate amount of €118.5 million in connection with capital expenditures relating to existing businesses and new businesses. New business cash outflows primarily relate to amounts incurred in connection with the P1 Acquisition and new contracts added to the portfolio in France.

For the nine months ended September 30, 2018, our cash flow from investment activities consisted of a cash outflow of €83.5 million, driven primarily by capital expenditures relating to existing businesses and new businesses. New business cash outflows were principally attributable to the acquisition of a number of facilities in The Netherlands and new contracts added to the portfolios in France, Belgium and the UK.

For the year ended December 31, 2018, our cash flow from investment activities consisted of a cash outflow of €109.0 million, driven primarily by capital expenditures relating to existing businesses and new businesses. New business cash outflows were mainly driven by the acquisition of a number of facilities in The Netherlands and new contracts added to the portfolios in France, Belgium and the UK.

For the period from May 22, 2017 to December 31, 2017, our cash flow from investment activities consisted of a cash outflow of €1,850.0 million, primarily as a result of funds utilized in connection with the Acquisition pursuant to which the Issuer purchased the share capital of Q Park B.V. and its subsidiaries. In addition, we also made investments in capital expenditures relating to existing businesses and new businesses.

For the year ended December 31, 2016, our cash flow from investment activities consisted of a cash outflow of €74.5 million, driven primarily by capital expenditures relating to existing business and new business. New business cash outflows during this period primarily related to acquisitions and new contracts added to the portfolios primarily in The Netherlands and France.

Cash Flow from Financing Activities

For the nine months ended September 30, 2019, our cash flow from financing activities consisted of a cash outflow of €516.5 million, primarily driven by movements in drawings and repayments under the Existing Revolving Facilities, repayments under our bilateral facilities, the repayment of shareholder loans, interest expenses on bank debt and shareholder loans and the interest and redemption component related to our financial leases.

For the nine months ended September 30, 2018, our cash flow from financing activities consisted of a cash outflow of €121.2 million, primarily driven by movements in drawings and repayments under the Existing Revolving Facilities, repayments under our bilateral facilities, interest expenses on bank debt and shareholder loans, dividends paid and the interest and redemption component related to our financial leases.

For the year ended December 31, 2018, our cash flow from financing activities consisted of a cash outflow of €175.0 million, primarily driven by movements drawings and repayments under the Existing Revolving Facilities, interest expenses on bank debt and shareholder loans, dividends paid and the interest and redemption component related to our financial leases.

For the period from May 22, 2017 to December 31, 2017, our cash flow from financing activities consisted of a cash inflow of €1,784.3 million, primarily driven by certain Acquisition-related items such as capital contributions from shareholders, the refinancing of pre-Acquisition debt and the settlement of outstanding heding obligations. Furthermore, the cash flow from financing activities included interest expenses on bank debt and the interest and redemption component related to our financial leases.

For the year ended December 31, 2016, our cash flow from financing activities consisted of a cash outflow of €155.4 million, primarily driven by movements drawings and repayments under the then existing revolving facilities and local facilities, interest expenses on bank debt, dividends paid and purchase of interest rate caps.

Capital Expenditure

We generally require capital expenditure to maintain the upkeep of our existing facilities in order to remain competitive and maintain the value of our brand. In addition, in recent years we have incurred capital expenditure in connection with new business and the introduction and implementation of technology and improvements to enhance our existing portfolios.

Set forth below is a chart showing the changes in Underlying Total Capex over the periods presented.

	Year ended December 31			Nine months ended September 30	
(€ in millions)	**2016**	**2017**	**2018**	**2018**	**2019**
Underlying Existing Business Capex	27.5	35.5	28.5	15.2	18.8
Underlying New Business Capex	36.0	55.0	67.0	61.5	77.1
Underlying PaSS Hardware Capex	–	–	1.0	0.2	3.9
Underlying LED Capex	–	–	2.0	–	11.7
Underlying ICT & Other Capex	6.0	8.0	8.0	5.0	6.1
Underlying Total Capex	**69.5**	**98.5**	**106.5**	**81.9**	**117.6**

Key Line Items

Underlying Total Capex

Underlying Total Capex consists of cash flow from investment activities adjusted for divestments, the Acquisition, the Underlying 2017 Pre-Acquisition Results Adjustment and the Underlying SeNoFi Adjustment.

Underlying Existing Business Capex

Underlying Existing Business Capex consists of works to maintain the upkeep of our existing facilities as well as repairs on car park facilities to ensure they remain fully operational and compliant, adjusted to give effect to the Underlying SeNoFi Adjustment.

Underlying New Business Capex

Underlying New Business Capex consists of capital expenditure related to the development and construction of new or newly acquired parking facilities, adjusted to give effect to the Underlying SeNoFi Adjustment.

Underlying PaSS Hardware Capex

Underlying PaSS Hardware Capex consists of capital expenditure on hardware for PaSS.

Underlying LED Capex

Underlying LED Capex consists of capital expenditure in connection with our LED lighting initiative, whereby, as part of the Value Enhancement Program, we have replaced our traditional lighting with LED lighting on a Group-wide basis, across seven countries.

Underlying ICT & Other Capex

Underlying ICT & Other Capex consists of investment and expenditure in relation to information technology and digital and mobility solutions, including PaSS software, incurred by our central and headquarter functions.

Results of Underlying Capital Expenditure

Underlying Total Capex

Underlying Total Capex increased from €69.5 million in the year ended December 31, 2016 to €98.5 million in the year ended December 31, 2017 mainly due to the impact of Underlying New Business Capex, and further increased from €98.5 million in the year ended December 31, 2017 to €106.5 million in the year ended December 31, 2018 mainly due to the impact of Underlying New Business Capex.

Underlying Total Capex increased from €81.9 million in the nine months ended September 30, 2018 to €117.6 million in the nine months ended September 30, 2019 mainly due to the impact of Underlying New Business Capex related to the P1 Acquisition.

While Underlying Existing Business Capex tends to be generally stable, variations in our Underlying Total Capex have been driven by new business acquisitions. New individual business acquisitions can have different capital expenditure requirements, depending on the type of contract. Leases generally tend to have low capital expenditure requirements, consisting of Parking Management Systems ("**PMS**") relating to fitting physical barriers and implementing payment systems as well as other works, including painting and sealing floors in our facilities. Concessions generally have higher capital expenditure requirements as compared to other contract types, consisting of entrance fees, major renovation works and, in some cases, a new development of a facility. Legal ownership and ground leases also typically have higher capital expenditure requirements as compared to other contract types, consisting of the purchase price and construction costs and full maintenance responsibilities.

Underlying Existing Business Capex

Our Underlying Existing Business Capex requirements have generally been stable and modest as compared to New Business Capex, averaging 4.9% of Underlying Total Revenue over 2016-2018. Underlying Existing Business Capex increased from €27.5 million in the year ended December 31, 2016 to €35.5 million in the year ended December 31, 2017, principally due to increased expenditures in France, and decreased from €35.5 million in the year ended December 31, 2017 to €28.5 million in the year ended December 31, 2018, mainly as a result of decreased expenditures in France and The Netherlands. Underlying Existing Business Capex increased from €15.2 million in the nine months ended September 30, 2018 to €18.8 million in the nine months ended September 30, 2019, with such increase driven by increased expenditures in France.

Underlying New Business Capex

Underlying New Business Capex increased from €36.0 million in the year ended December 31, 2016 to €55.0 million in the year ended December 31, 2017 and further increased to €67.0 million in the year ended December 31, 2018.

In the year ended December 31, 2016, Underlying New Business Capex predominantly comprised investments in new contracts in The Netherlands and France.

For the period from May 22, 2017 to December 31, 2017, Underlying New Business Capex comprised the acquisition of a number of facilities in The Netherlands and new contracts added to the portfolio in France, Belgium and the UK.

In the year ended December 31, 2018, Underlying New Business Capex comprised the acquisition of a number of facilities in The Netherlands and new contracts added to the portfolio in France, Belgium and the UK.

Underlying New Business Capex increased from €61.5 million in the nine months ended September 30, 2018 to €77.1 million in the nine months ended September 30, 2019.

In the nine months ended September 30, 2018, Underlying New Business Capex comprised the acquisition of a number of facilities in The Netherlands and new contracts added to the portfolio in France, Belgium and the UK.

In the nine months ended September 30, 2019, Underlying New Business Capex comprised amounts incurred in connection with the P1 Acquisition and new contracts added to the portfolio in France.

Underlying PaSS Hardware Capex

We initiated PaSS in 2018, with Underlying PaSS Hardware Capex of €1.0 million in the year ended December 31, 2018. Underlying PaSS Hardware Capex increased from €0.2 million in the nine months ended September 30, 2018 to €3.9 million in the nine months ended September 30, 2019, as a result of rolling out PaSS in Belgium during 2019, as well as the purchase and installation of PaSS hardware in The Netherlands.

Underlying LED Capex

We commenced our LED lighting initiative in late 2018, with Underlying LED Capex of €2.0 million in the year ended December 31, 2018. Underlying LED Capex increased from €0.0 million in the nine months ended September 30, 2018 to €11.7 million in the nine months ended September 30, 2019 as a result of continuing such LED lighting roll-out in 2019.

Underlying ICT & Other Capex

The increase in Underlying ICT & Other Capex from €6.0 million in the year ended December 31, 2016 to €8.0 million in the year ended December 31, 2017, was primarily attributable to investment in the PaSS software and software relating to the management of our season ticket business. Underlying ICT & Other Capex remained stable in 2017 compared to 2018. Underlying ICT & Other Capex increased from €5.0 million in the nine months ended September 30, 2018 to €6.1 million in the nine months ended September 30, 2019, mainly as a result of the investment in the PaSS software and the implementation of Microsoft NAVision software.

Capital Expenditure for 2020

For the year ending December 31, 2020, our total capital expenditure is currently expected to be in the range of €110 million to €120 million, which is expected to be for the following principal categories of capital expenditure: (i) existing business capital expenditure of approximately €40-45 million (due to increased expenditures in France and the UK, but expected be in the range of €30-35 million going forward thereafter), (ii) new business capital expenditure of approximately €50-55 million, which will vary depending on the number of actual contracts acquired and the scope of any capital expenditures required under such contracts (and expected to be in the range of €30-40 million going forward, which we expect will offset the impact of expiring business), (iii) PaSS hardware capital expenditure of approximately €2-5 million (which is currently expected to be completed by the end of 2021), (iv) ICT and other capital expenditure of approximately €8-10 million and (v) discretionary spending with respect to LED capital expenditure of up to €5 million (which, if undertaken, is currently expected to be completed in 2020).

Working Capital

As a result of day-to-day activity at our parking locations, we collect significant amounts of cash, generally resulting in negative working capital, whereby our cash collections tend to outpace our creditor payments. We experience limited seasonality with respect to our working capital and have relatively stable working capital throughout the year.

For our off-street business, we collect cash in advance with respect to monthly, quarterly and annual charges (season tickets), while short-term users pay either in cash or by card before exiting the parking facilities. We use a portion of this to pay the fees to the concession owners or to pay lease fees to the landlords. For our on-street business, we generally collect cash daily at the time of service, with the cash in excess of our fees remitted to the municipalities at fixed intervals. For our off-street management and consultancy fees business, we collect the cash from users and net it against payments owed from the facility owners and pay the remainder to the facility owners as required under the contract. Some municipalities and other clients require us to deposit the cash receipts into client accounts and the clients then reimburse us for our fees.

With respect to our rental income, we invoice in advance on a quarterly basis to third parties and customers. Invoices with respect rental income are required to be paid prior to the start of the relevant quarter. From time to time, we may require liquidity in order to fund our working capital needs from cash and/or drawings under the Revolving Credit Facility.

In addition, we experience significant fluctuations in our intra-month working capital due to regularly scheduled payments on certain days of each month to our trade creditors as well as our employees and landlords.

Total Net Working Capital, for the periods indicated, is as follows.

	Year ended December 31			Nine months ended September 30	
(€ in millions)	**2016**	**2017**	**2018**	**2018**	**2019**
Receivables	131.7	118.9	109.1	117.6	104.0
Trade payables, taxes and social insurance contributions, and other liabilities, accruals and deferred income	(241.9)	(247.1)	(230.5)	(236.4)	(188.3)
Total Net Working Capital	**(110.2)**	**(128.2)**	**(121.4)**	**(118.8)**	**(84.3)**

Contractual Obligations

The following table illustrates the maturity of our contractual liabilities as of December 31, 2018, after giving effect to the Transactions. The table below does not reflect operational lease obligations and does not give effect to any obligations in relation to new business acquired after December 31, 2018.

(€ in millions)	**Total**	**< 1 year**	**1 to 5 years**	**> 5 years**
Notes offered hereby	1,455.0	–	–	1,455.0
Revolving Credit Facility(1)	–	–	–	–
Bilateral Facilities(2)	49.6	3.4	11.6	34.6
Lease obligations(3)	1,745.8	60.0	179.9	1,505.9
Financial derivatives	33.8	–	–	33.8
Other long-term liabilities	14.8	–	–	14.8
Total	**3,299.0**	**63.4**	**191.5**	**3,044.1**

(1) There are €250.0 million in aggregate commitments available under the Revolving Credit Facility. After giving effect to the Transactions, including the issuance of the Notes and the use of proceeds therefrom, we expect the full €250.0 million of the Revolving Credit Facility to be available.

(2) Represents an aggregate amount of €49.6 million in borrowings under our Bilateral Facilities (in France, Germany and Denmark) as of December 31, 2018. See "*Description of Other Indebtedness—Bilateral Facilities*" for more information.

(3) Represents nominal value of financial lease obligations as of December 31, 2018. See Note 10 of the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018.

In addition to the contractual liabilities shown in the table above, we also had committed investment obligations in an amount of €89.6 million as of December 31, 2018.

With the exception of financial derivatives, which are recognized at fair value, all other items in the table are stated at face value.

Off-Balance Sheet Arrangements

We are not party to any off-balance sheet arrangements, other than operational leases, that have, or are reasonably likely to have, a current or future material effect on our financial condition, changes in financial condition, revenue or expenses, results of operations, liquidity, capital expenditure or capital resources.

Our operational leases are not recorded on the balance sheet. See Note 12 of the audited consolidated annual accounts of the Parent as of and for the year ended December 31, 2018.

We extend performance bonds and guarantees provided by banks to local authorities for our performance under our long-term lease and concessions agreements. The aggregate face amount outstanding under these performance bonds and guarantees was €6.5 million as of September 30, 2019 and no amounts were drawn under such performance bonds.

Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

Following the Transactions, our exposure to the risk of changes in market interest rates will relate primarily to our long-term debt obligations with floating interest rates, comprising of the 2026 Senior Secured Floating Rate Notes and any borrowings under the Revolving Credit Facility from time to time. The Revolving Credit Facility Agreement and the Indenture for the Notes will not obligate us to hedge interest rates.

As of the issue date, we do not plan to hedge the floating rate interest exposure in relation to the 2026 Senior Secured Floating Rate Notes and any borrowings under the Revolving Credit Facility, however, we will continue to monitor such exposures and may enter into interest hedging arrangements in the future. We expect to roll over some existing hedging arrangements. See "*Description of Other Indebtedness—Hedging Arrangements*."

Currency Risk

We operate in various countries in Western Europe and are exposed to foreign exchange risk arising from currency exposures with respect to our activities in the United Kingdom and Denmark. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and investments in foreign operations. In addition, as of September 30, 2019, we had DKK144 million (€19.2 million) of outstanding indebtedness under our Danish Bilateral Facility.

Foreign currency risk is the risk that the fair value of a financial commitment, recognized financial assets or financial liabilities will fluctuate due to changes in foreign currency rates.

Liquidity Risk

We monitor our risk to a shortage of funds using periodic liquidity planning. This planning considers the maturity of our financial investments and financial assets and projected cash flows from operations. We use our cash on hand, cash generated through operations and credit available to manage our liquidity.

Credit Risk

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to our customers and counterparties in connection with our operating activities, including outstanding trade receivables. The concentration of credit risk relating to our trade receivables is low, as we have a diversified customer base and collect rent in advance and parking revenues at the time such facilities are used by our customers. See "*—Working Capital*" for additional information.

The credit ratings of banks with which we have investments of cash, borrowings or derivative financial instruments are reviewed regularly by management.

Critical Accounting Policies

This "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" discusses our consolidated financial statements, which have been prepared in accordance with Dutch GAAP for the period from May 22, 2017 to December 31, 2017, the year ended December 31, 2018 and the nine months ended September 30, 2018 and 2019, and in accordance with IFRS for the year ended December 31, 2016. Accounting estimates are an integral part of the preparation of the financial statements and the financial reporting process and are based upon current judgments. The preparation of financial statements in conformity with Dutch GAAP or IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Certain accounting estimates are particularly sensitive because of their complexity and the possibility that future events affecting them may differ materially from our current judgments and estimates.

This listing of critical accounting policies is not intended to be a comprehensive list of all our accounting policies. In many cases, the accounting treatment of a particular transaction is specifically dictated by Dutch GAAP or IFRS, with no need for management's judgment regarding accounting policy. We believe that of our significant accounting policies, the following policies may involve a higher degree of judgment and complexity.

Revenue Recognition

Net revenue represents amounts invoiced for services provided during the financial year, net of discounts and value added taxes. The costs of providing these services are allocated to the same period. The revenue recognized consists of:

- *Parking revenues*: represent revenues we receive from customers (short-stay parking and season tickets) for use of parking spaces at the parking facilities operated by us.
- *Control fees*: represent income arising from enforcement of paid parking (for example, parking fines) in parking facilities.
- *Management and consultancy fees*: represent the fixed and variable allowance we receive for operating parking facilities for third parties.
- *Rental income*: represents the rental income from parking facilities owned by us but operated by third parties, as well as income from renting specific areas in parking facilities to third parties.
- *Other income*: represents all other income not included in the above categories (for example, subsidies, services and advertising).

Depreciation and Amortization

Depreciation primarily consists of depreciation of tangible fixed assets (including land and building, leasehold improvements, equipment and installations and assets under construction). Depreciation of tangible fixed assets is based on linear depreciation over the expected period in use and taking the expected residual value into account. Depreciation commences on the date an asset comes into use.

Amortization primarily consists of amortization of intangible fixed assets (including goodwill, concessions and other intangible fixed assets such as trade names and software). Amortization is charged as a fixed percentage of cost. Goodwill on acquisitions is capitalized and amortized on a straight line basis over a period of 20 years. This period is derived from the long-term business profile and cash flows from the underlying assets (owned and leased parking facilities). Concessions in France involving a (finite) concession for the use of the ground and facility are depreciated on a straight line basis over the duration of the underlying concession contracts with an assumed residual value of nil. The book value of the concessions includes all capital expenditure related to the underlying parking facilities. The other intangible fixed assets are amortized on a straight line basis over the expected useful economic life with an assumed residual value of nil. The expected useful life and the amortization method are reassessed at the end of each financial year.

At the relevant balance sheet date, we determine whether there are any indicators that intangible fixed assets and tangible fixed assets are impaired.

Taxes

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period including changes regarding taxes to be paid in respect of previous years. Corporate income taxes are presented under the cash flow from operating activities.

Provision for Onerous Contracts

A provision for onerous contracts is recognized for contracts in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs reflect the lowest net costs of exiting from the contract, which is the lower of the cost of fulfilling the contract and any compensation or penalties arising from the failure to fulfil the contract. As the time value of money is material to the provision, the amount is discounted at the market rate of high-quality corporate bonds.

Summary of Significant Differences between Dutch GAAP and IFRS

The audited consolidated annual accounts for the period from May 22, 2017 to December 31, 2017 and for the year ended December 31, 2018 and the unaudited consolidated condensed interim financial statements for the nine months ended September 30, 2019 included elsewhere in this Offering Memorandum, together with the notes thereto, have been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code ("**Dutch GAAP**"). The audited consolidated annual accounts for the year ended December 31, 2016 included elsewhere in this Offering Memorandum, together with the notes thereto, have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**"). Certain differences exist between Dutch GAAP and IFRS that may be material to the financial information presented therein.

The discussion set forth below summarizes certain of the potential areas of differences identified between Dutch GAAP as applied by the Group and IFRS, following a limited analysis of both sets of principles. The Group is responsible for preparing the summary below and has not prepared a reconciliation of its consolidated financial information from Dutch GAAP to IFRS. These differences, which have not been quantified, were identified as potentially having an impact on total consolidated net result and shareholders' equity. Had the Group undertaken such quantification or reconciliation, other potentially significant accounting and disclosure differences may have come to its attention, which are not identified below. Accordingly, there can be no assurance that these are the only differences in accounting principles that would have an impact on the Group's total consolidated net result or shareholders' equity.

In making an investment decision, investors must rely upon their own examination of the Group, the terms of the Offering and the financial information. Potential investors should consult their own professional advisors for an understanding of the differences between Dutch GAAP and IFRS and how those differences might affect the financial information herein. Potential investors should not take this summary to be an exhaustive list of all differences between Dutch GAAP and IFRS.

There may also be significant differences between the presentation of the Group's consolidated financial statements and the notes thereto and the presentation that would be required under IFRS, such as IAS 33 *Earnings Per Share*, IFRS 7 *Financial Instruments: Disclosures*, IFRS 8 *Operating Segments* and IAS 24 *Related Party Disclosures*. These differences have not been addressed in the discussion below.

Business Combinations

Identifiable Assets Acquired and Liabilities Assumed

Under Dutch GAAP, the Group accounts for business combinations using the "purchase accounting method" on the date that control is transferred to the Group (the acquisition date). The identifiable assets acquired and liabilities assumed as part of a business combination are generally measured at the acquisition date at their fair values. The identifiable assets acquired and liabilities assumed are recognized separately from goodwill at the acquisition date if they meet the definition of assets and liabilities and are exchanged as part of the business combination. Unlike IFRS, the acquiree's intangible assets are recognized only if they meet the (more strict) general requirements for recognition of intangible assets. Also unlike IFRS, the acquiree's contingent liabilities, which do not meet the recognition criteria for provisions, are not recognized.

Under Dutch GAAP, a liability for contingent consideration is recognized as soon as payment becomes probable and the amount can be measured reliably. Subsequent changes in the (estimate of the) contingent consideration changes the goodwill.

Under IFRS, contingent consideration transferred is initially recognized at fair value. Unlike Dutch GAAP, contingent consideration classified as a liability is generally re-measured to fair value each period until settlement, with changes recognized in profit or loss. Contingent consideration classified as equity is not re-measured.

Acquisition Costs Related to Business Combinations

Under Dutch GAAP, the Group recognizes acquisition-related costs as part of the consideration transferred.

Under IFRS, acquisition-related costs incurred by an acquirer to effect a business combination are not part of the consideration transferred. Such costs are accounted for as an expense in the period incurred, unless such costs are incurred to issue debt or equity securities.

Goodwill Arising from the Business Combination

Under Dutch GAAP, goodwill resulting from acquisitions is capitalized and amortized on a straight-line basis over the estimated economic life. In line with the business profile and average contract duration, goodwill is amortized over 20 years. Goodwill has to be tested for impairment if an indication exists and the test must be performed at the balance sheet date.

Under IFRS, goodwill is recognized as an asset and measured as a residual of the consideration transferred less the fair value of the identified assets and liabilities. Unlike Dutch GAAP, goodwill is not amortized but tested for impairment at least annually. This impairment test may be performed at any time during an annual reporting period, provided it is performed at the same time each year.

Asset Held for Sale and Discontinued Operations

Under Dutch GAAP, there is no accounting concept of non-current assets or disposal groups held for sale or held for distribution. Such assets, and related liabilities, are accounted for in accordance with the regular measurement requirements for assets and liabilities.

Under IFRS, assets held for sale or distribution are not amortized or depreciated.

Under Dutch GAAP, an operation is discontinued when the earlier of the following events occurs: the entity has entered into a binding sale agreement; or the entity's governing body has both approved a detailed, formal plan for discontinuance and has made an announcement of that plan.

Under IFRS, a discontinued operation is a component of an entity that either has been disposed of or is classified as held-for-sale. Discontinued operations are limited to those operations that are a separate major line of business or geographical area, and subsidiaries acquired exclusively with a view to resale. Unlike Dutch GAAP, under IFRS discontinued operations are presented separately in the statement of profit or loss and other comprehensive income, and related cash flow information is disclosed.

Intangible Assets

Concessions

Under Dutch GAAP, the Group recognizes an intangible asset to the extent it has right to charge for the use of the parking facilities under concession arrangements (which concessions are principally in France). These concessions are stated at costs and include all capital expenditures related to the underlying parking facilities. The concessions are amortized on a straight line basis over the duration of the concession contract.

Under IFRS, like Dutch GAAP, an operator recognizes an intangible asset to the extent that is has a right to charge for use of the parking facilities in a form of a service concession arrangement (IFRIC 12).

Other Intangible Fixed Assets

Under Dutch GAAP, the Group states Other intangible fixed assets (*i.e.* "software and trade name") at historical costs. The amortization of capitalized development costs commences at the time when the commercial production starts and takes place over the expected future useful life of the asset. Amortization is charged as a fixed percentage of cost over the estimated economics useful life of the assets, which is estimated by management at five years.

Under IFRS, like Dutch GAAP, internally generated intangible assets are capitalized when specific criteria are met (technical feasibility, intention to complete, ability to use or sell, how the intangible asset will generate economic benefits is demonstrated, sufficient resources are available to complete the development and the attributable expenditures can be measure reliable). For any intangible asset acquired in a business combination it is assumed that these criteria are met.

As is the case with Dutch GAAP, under IFRS, intangible assets are recognized initially at cost and amortized over the expected useful live, normally on a straight line basis.

Goodwill Arising from the Business Combination

Under Dutch GAAP, goodwill resulting from acquisitions is capitalized and amortized on a straight-line basis over the estimated economic life. In line with the business profile and average contract duration goodwill is amortized over 20 years. Goodwill has to be tested for impairment if an indication exists and the test must be performed at the balance sheet date.

Under IFRS, goodwill is recognized as an asset and measured as a residual of the consideration transferred less the fair value of the identified assets and liabilities. Unlike Dutch GAAP, goodwill is not amortized but tested for impairment at least annually. This impairment test may be performed at any time during an annual reporting period, provided it is performed at the same time each year.

Tangible Fixed Assets

Under Dutch GAAP, tangible fixed assets are measured at cost, less accumulated depreciation and impairment losses. The Group applies the component approach and capitalizes periodic large maintenance expenditures.

Under IFRS, like Dutch GAAP, tangible fixed assets are measured at cost, less accumulated depreciation and impairment losses. When an item of property, plant and equipment comprises individual components for which different depreciation methods or rates are appropriate, each component is accounted for separately.

Under the application of IFRS, it is mandatory to review useful lives, residual values or methods of depreciation annually, whereas Dutch GAAP requires such an assessment only if there is an indication for change.

Financial Instruments

Under Dutch GAAP, the Group measures non-derivative financial assets and liabilities on initial recognition at fair value and subsequently at amortized costs. Derivative financial instruments, such as interest rate swaps (IRS), are initially and subsequently measured at its fair value. No hedge accounting is applied by the Group.

Under IFRS, all financial assets will have to be assessed based on their cash flow characteristics and/or the business model in which they are held in order to determine their classification. Categorization of financial assets in one of the categories depends on the entity's business model: *i.e.* held to collect (amortized cost), both held to collect and for sale (fair value through other comprehensive income, or "FVOCI"), trading, managing on a fair value basis or maximizing cash flow through sale (fair value through profit or loss, or "FVTPL"). Financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities held for trading that are measured at FVTPL and financial liabilities that are designated as at fair value on initial recognition.

Impairment

Under Dutch GAAP, the Group assesses whether there is objective evidence of impairment of financial assets not measured at fair value through profit or loss. When there is objective evidence of impairment, any impairment loss is recognized in profit or loss (Incurred Loss Model).

Under IFRS, impairment of all financial assets is recognized using an Expected Loss Model (ECL), which means that it is not necessary for a loss event to occur before an impairment loss is recognized. The general approach uses two measurement bases: 12-month expected credit losses and lifetime expected credit losses, depending on whether the credit risk of a financial asset has increased significantly since initial recognition. The core of the ECL model is a probability-weighted estimate of credit losses. Impairment will be based on historical experience and forward-looking information: 12-month expected credit losses for assets that have not suffered a significant increase in credit risk; lifetime expected credit losses for those that have.

Modification

Under Dutch GAAP, if the Group revises its estimates of payments and receipts of financial assets and liabilities, any difference in present value arising as a result of the modification should be recognized as an adjustment to the effective interest rate and amortized over the remaining life of the modified financial asset and liability. As such, the modification of the financial instrument result in prospective adjustment in the effective interest rate.

Unlike Dutch GAAP, IFRS specify more detailed requirements for the effect of a "fixed rate" financial instruments measured at amortized cost that do not result in the de-recognition of the financial instrument. Under IFRS, an entity recognizes any adjustment to the amortized cost of the financial instrument arising from a non-substantial modification or exchange in profit or loss at the date of the modification or exchange. The gain or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate.

Provisions

Under Dutch GAAP, the discounting of provisions is not required but is an accounting policy choice.

Under the application of IFRS, it is mandatory to discount provisions if the effect of discounting is material.

Under Dutch GAAP, an onerous lease contract is recognized as a provision when it meets the criteria of RJ 252 *Provisions, contingent assets and contingent liabilities*. Under IFRS, with the introduction of IFRS 16 *Leases* (2019), an onerous lease contract, acting as-a-lessee, will no longer result in a provision for onerous contracts (IAS 37), as the lease liability recognized is for expected lease term. As such, under IFRS 16, the right-of-use asset recognized for the lease will be subject to impairment. Any event that results in the lease being onerous will be reflected in an impairment of the right-of-use asset.

Leases

Under Dutch GAAP a distinction in classification is made between operating and financial leases, in which operational leases (as a lessee) are reported off-balance sheet and financial leases (as a lessee) are reported on-balance sheet. The accounting under Dutch GAAP is similar to previous IAS 17 *Leases* (2018). The Group entered into both financial and operational leases. A lease agreement under which the risks and rewards of ownership of the leased object are carried entirely or almost entirely by the lessee are classified as financial leases. All other leases are classified as operational leases. Companies reporting and preparing financial statements in accordance with Dutch GAAP are not required to adopt an accounting standard similar to IFRS 16 *Leases* (as described below).

Under IFRS, lease accounting standard IFRS 16 *Leases* is effective as from January 1, 2019. Under the standard, the accounting treatment of leases by lessees changes fundamentally. IFRS 16 eliminates the current dual accounting model for lessees which distinguishes between financial leases and operational leases. The new lease standard requires all operational leases to become on balance (except for short term and small value leases). As per December 31, 2018, for the Group, operational lease commitments of approximately €1.4 billion, nominal value, are disclosed as off-balance sheet obligations. As such, if IFRS 16 was to be applied, the Group would appear to be more asset-rich, but also more heavily indebted. Due to a shift from fixed operational lease expenses (which we estimate to be approximately €120 million) to depreciation and interest expenses, net result will be impacted and may impact other ratios and key performance indicators. The actual impact will depend on the transition option, use of practical expedients and judgmental factors like the estimated lease term and discount rate.

Sub-Leases

Under Dutch GAAP, similar to IFRS, in a sub-lease, the original lessee / intermediate lessor accounts for the head and the sub-lease as two separate contracts. Under Dutch GAAP, the Group classifies the sub-leases as operational lease.

Under IFRS, an intermediate lessor classifies a sub-lease as a finance or as an operational lease with reference to the right-of-use asset arising from the head lease. Dutch GAAP does not specify whether the sub-lessor should assess the lease classification by reference to the underlying asset or the lease-asset.

Revenue from Contracts with Customers

Under Dutch GAAP, revenue recognition focuses on transactions and events involving the sale of goods and rendering of services instead of arising from contracts with customers, like IFRS 15 *Revenue from contracts with customers* (2018). Under Dutch GAAP, there is limited guidance on distinguished or combined contracts and multiple element transactions.

Under IFRS, an entity recognizes revenue to depict the transfer of promised goods or services to customers for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A five-step model is applied: (i) identify the contract, (ii) identify the performance obligations, (iii) determine the transaction price, (iv) allocate the transaction price to the separate performance obligations, and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

Under IFRS, an entity should determine each specified good or service promised to the customer in the contract and evaluate whether the entity obtains control of the specified good or service before it is transferred to the customer. Because an entity evaluates whether it is a principal or an agent for each good or service to be transferred to the customer, it is possible for the Group to be a principal for one or more goods or services and an agent for others in the same contract.

Governmental Grants

Under Dutch GAAP, the Group recognizes the government grants that relate to the acquisition of an asset as a reduction in the cost of the asset.

Under IFRS, similar to Dutch GAAP, government grants are recognized when there is reasonable assurance that the entity will comply with the relevant conditions and the grant will be received. Government grants that relate to the acquisition of an asset (i.e. investment subsidies) may be recognized either as a reduction in the cost of the asset or as deferred income that is amortized as the related asset is depreciated or amortized.

Borrowing Cost

Dutch GAAP provides an accounting policy choice to capitalize borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Borrowing costs that are not capitalized are expensed.

Under IFRS, borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset generally form part of the cost of that asset.

Income Taxes and Uncertain Tax Positions

Under Dutch GAAP, like IFRS, income tax expense is calculated at the applicable rate on the result of the financial year. The Group recognizes a deferred tax asset or liability for the estimated future tax effect of temporary differences between the tax base and its carrying amount.

Under Dutch GAAP, like IFRS, the total income tax expense (income) recognized in a period is the sum of the current tax plus the change in deferred tax assets and liabilities during the period, excluding tax recognized outside profit or loss.

Under Dutch GAAP, like IFRS, deferred taxes are recognized for the estimated future tax effects of temporary differences, unused tax losses carried forward and unused tax credits carried forward. Deferred taxes are measured based on enacted or substantively enacted tax rates.

Under IFRS, if the tax authorities is likely to accept the Group's tax treatment, then the current and deferred taxes are measured consistently with the tax treatment in the income tax filing. Otherwise, the effect of the tax uncertainty is reflected in determining the related taxable profit, tax bases, unused tax losses/credits and tax rate (IFRIC 23). Under Dutch GAAP, this accounting treatment for uncertain tax positions will be effective as from January 1, 2020.

INDUSTRY

Introduction

Parking plays a central role in the overall transportation infrastructure sector. There are a number of business models in the parking industry, with legal ownership, long-term lease and concession-based business models benefitting from long-term revenue visibility where local scale, characterized by clusters of car parks, allows for pricing power. The sector also benefits from recent regulatory initiatives, including a regulatory shift away from on-street and towards off-street parking, especially in large cities, where the provision of such facilities has become a priority for municipalities. Private parking sector performance is also driven by a number of macro factors and trends including economic activity, increasing urbanization, desire for city center experiences, and an increase in car fleet levels. In addition, the sector is currently experiencing innovation and digitization trends that offer opportunities to disrupt the value chain. These dynamics are expected to benefit the larger established private parking companies by creating new sources of income and a further increase in pricing power.

Industry Overview

The parking sector is a sizeable and highly resilient sector characterized by strong demand fundamentals. The sector's generally low price elasticity leads to favorable pricing dynamics for private parking companies. Business model differentiation across countries creates the need for flexibility in operating models and contractual setup. According to the European Parking Association, the European parking sector as of September 2013 had an annual turnover of approximately €26 billion in the parking industry, employing approximately 500,000 employees across Europe. The sector is exposed to structural growth drivers and encompasses many infrastructure-based characteristics. The high resilience and strong demand fundamentals are supported by a consistently growing car fleet that has proven resilient during the most recent downturn. Such factors have contributed to our continuous positive revenue growth since 1998 and through economic cycles.

According to the 2016 Market Report, the total European parking sector as of 2016 consisted of approximately 48 million regulated parking spaces of which approximately 16 million were off-street parking spaces located in countries where we operate or operated at such time (including Sweden, Norway and Finland). The off-street parking market in the markets in which we operate is highly fragmented where the top 3-5 players have on average a combined market share of less than 50%.

Market Segmentation

Parking spaces or facilities are generally classified by location as on-street and off-street:

- Off-street: Paid or unpaid public-use parking spaces where access is generally controlled by barriers. The existence of physical barriers makes these types of facilities less personnel-intensive. Off-street facility contracts are typically longer in duration (more than 15 years). Such facilities may be indoor or outdoor and are mostly located in or near high footfall locations such as city centers, stadiums, museums, airports and shopping malls. Users can rent car spaces short-term (hourly) or long-term (monthly and yearly). Another type of off-street parking is "Park & Ride," which is generally close to coach or rail stations or other transport interchanges and aims to reduce car use and incentivize use of other transportation modes. Off-street parking facilities are privately owned or owned by municipalities.

- On-street: Paid or unpaid regulated parking spaces on the roads generally with signposting or some type of surveillance. Access to on-street parking is not controlled, and on-street parking is typically short-term in nature. Certain parking spaces may be awarded or rented to local residents exclusively. Other reserved spaces include handicapped, police, hotel or taxi parking spaces. On-street parking is more exposed to regulatory changes and city mobility policies.

We are predominantly an off-street parking company, with off-street business accounting for 95% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the twelve months ended December 31, 2018.

In recent years, there has been a regulatory shift towards off-street parking. See "*—Regulatory Shift Away From On-street and Towards Off-street Parking For Cities.*" This, combined with the consolidation opportunities that have arisen as a result of such shift, are beneficial to large established players, including us.

Parking spaces or facilities can also be classified by the type of destination they serve, as mono-functional and multi-functional:

- Multi-functional: These facilities serve multiple destinations, and are typically located in city centers. Key volume drivers include car fleet volume, employment (various employment located close to parking facilities) and consumer physical shopping and leisure. Multi-functional facilities are less correlated to GDP fluctuations.
- Mono-functional: These facilities predominantly serve a single destination, for example hospitals, airport, retail malls and office buildings. Key volume drivers include railway, hospital, airport, commuting and shopping traffic. Railway traffic is generally considered stable, with airport traffic being more correlated to GDP.

The vast majority of our facilities are multi-functional parking facilities, which represented 68% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018.

Business Models and Contract Types

Various business models exist for private parking companies:

- Legal ownership: Operator fully owns the grounds and the facility. Requires substantial initial investment but offers highest business flexibility, pricing power, profitability and control. This business model is available across Europe.
- Ground leases: The land is leased (often from a government or public authority) but the operator owns the facility. Given the required initial capital investment, contract length is typically above 50 years and the contract at expiry is usually renewed as a ground lease. This business model also offers high flexibility, pricing power, profitability and control. Ground leases are available across Europe.
- Concessions: Gives the operator the exclusive right to operate the car park for the concession period. Given the required initial capital investment, the concession is long-term, and the concession period typically ranges from 10 to 40 years. The concessionaire generally pays an upfront fixed sum and/or an annual fee (whether fixed or a percentage of revenue) to the other party. Renewal is via a tender process. This business model also offers high flexibility, profitability and control. This business model is available in France.
- Protected leases: Gives the operator the right to operate the facility with the leases extending automatically. Incorporates legal protection against termination of contract by the owner. This business model is available in Ireland.
- Leases: Lease length can range from one year up to 55 years, including where the lessee has a unilateral option to extend such contracts. Contract renewal is via a tender or commercial process. Lease is a lower profitability business model. This business model is available across Europe.
- Management contracts: The facility is operated through management contracts. Ownership/ lease contract belongs to another third party. Contracts are typically shorter than five years with no or minimal initial investment required. The operator receives payment on the basis of time spent (usually on a cost-plus basis). The operator does not bear revenue or cost risks. This

business model is subject to competition due to lower barriers to entry and the short-term nature of contracts. This business model has no pricing power, lower margins and levels of control than other business models.

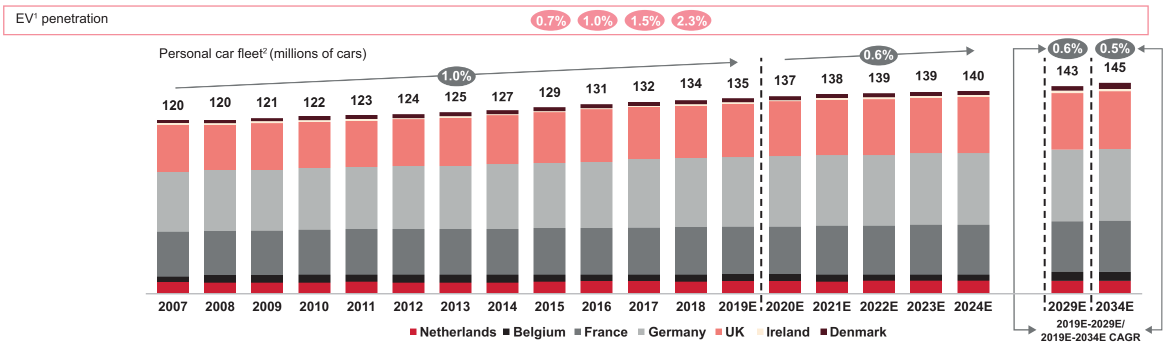
During the year ended December 31, 2018, we derived approximately 95% of our Underlying Gross Margin (excluding non-allocated and central operating costs) from facilities that are owned or operated under our long-term business, of which 81% are due to continue under their existing terms through 2030 (assuming no renewals, new business or price indexation).

Structural Growth Drivers of the Parking Sector

Personal Car Fleet Growth

We are geographically diversified and currently operate in The Netherlands, Belgium, France, Germany, the United Kingdom, Ireland and Denmark. These countries, where people are accustomed to paying for parking, are stable in terms of demand and have historically experienced consistent year-on-year personal car fleet growth that is expected to continue in the future. Despite the changing car ownership models and mobility trends, the consistent growth of the personal car fleet size is an important driver of the parking industry's turnover.

Personal Car Fleet (in millions of cars)



Source: LMC Automotive

1 Electric Vehicle.

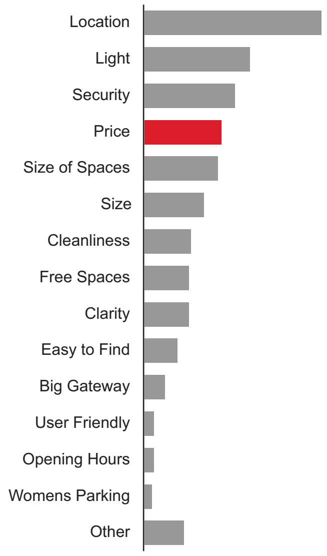
2 Personal car fleet (in millions of cars) for countries in which we operate.

Mature Market Benefitting from Favorable Pricing Dynamics

Parking is a mature sector with high barriers to entry (refers primarily to the off-street parking business) that benefit the larger private parking companies.

- New supply of parking spaces is limited, especially in city centers. Scarcity of locations and irreplaceable assets benefit large players with established positions and long-term contracts.
- Operating clusters of car parks in near proximity provides substantial pricing power advantage.
- Operational economies of scale play an important role when pricing and winning new contracts.

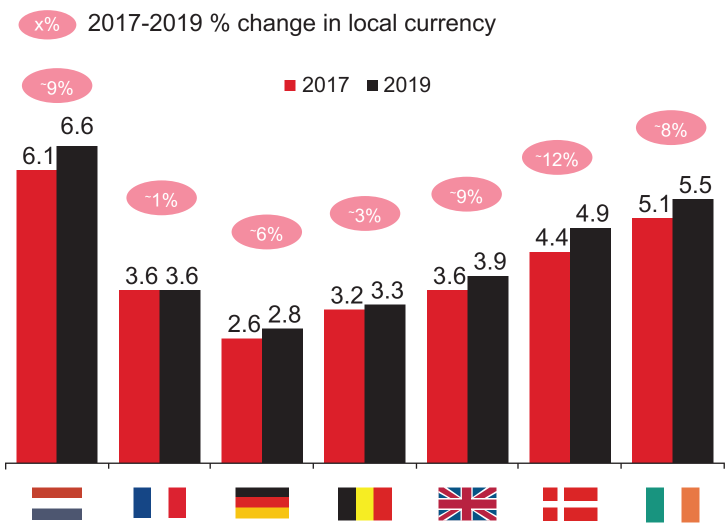
Drivers of Parking Demand:



Source: Based on the 2016 Market Report, interviews with parking customers

According to the 2016 Market Report, price is considered to be the fourth most relevant driver for consumer parking demand after "location," "light" and "security." Market maturity in combination with low price sensitivity lead to favorable pricing dynamics for large private parking companies. The Netherlands, Belgium, the United Kingdom, Ireland, France, Germany and Denmark each experienced an increase in off-street pricing in the last two years, with the majority of countries experiencing a steep price increase. The Netherlands experienced a price increase of approximately 9% for off-street parking during the past two years. During the same period, the municipality of Amsterdam also increased on-street pricing by 50%. These favorable pricing dynamics for us are further supported by initiatives of local municipalities to further reduce on-street parking spaces in combination with steep on-street price increases, which are described below.

Average Two-hour Price for Off-street Parking in Countries in which We Operate (in $):



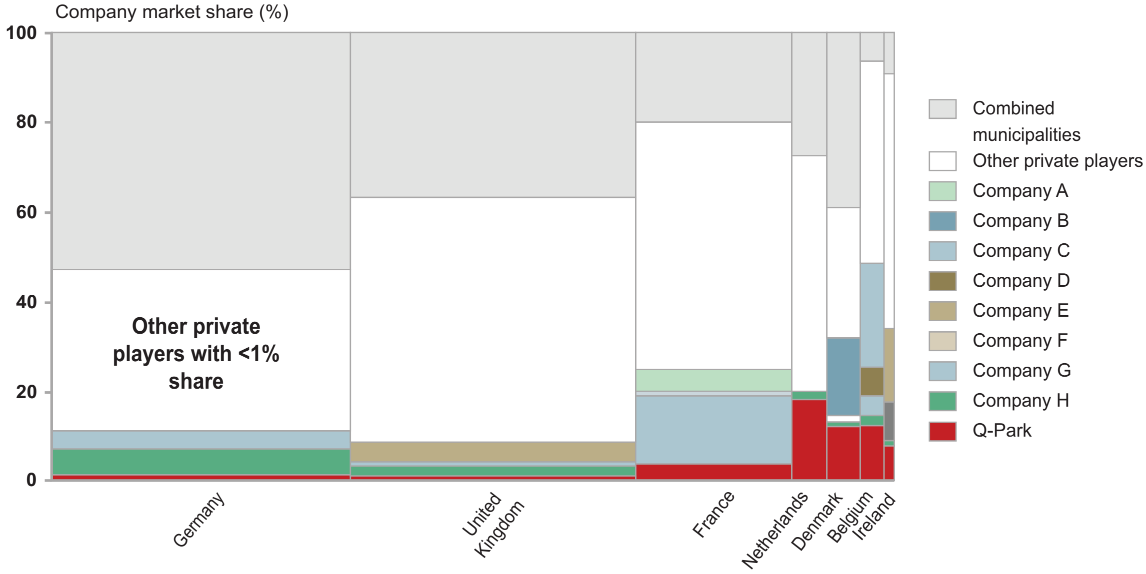
Source: Parkopedia Global Parking Index 2019

Highly Fragmented Off-street Market

The parking sector is highly fragmented, especially in the off-street market segment. In all countries where we operate, there is no single private parking company dominating the local market. Belgium is the most concentrated market where the top five players (including us) jointly controlled approximately 49% of the market as of December 2016 according to the 2016 Market Report. The other countries in which we operate are more fragmented with the top two to four players having a combined market share of approximately 10-35%.

We are one of the top private parking companies in all of our markets.

Market Share of Top Players, Other Private Players and Municipalities:



Source: Based on the 2016 Market Report

Due to the market fragmentation, a significant consolidation opportunity exists, particularly for large private parking companies, whose scale and financial resources make it possible to acquire facilities and/or contracts from smaller players or to acquire some smaller companies (bolt-on mergers and acquisitions). The provision of parking facilities is also becoming an increasingly privatized business model across countries, which is amplified by the regulatory shift towards off-street parking.

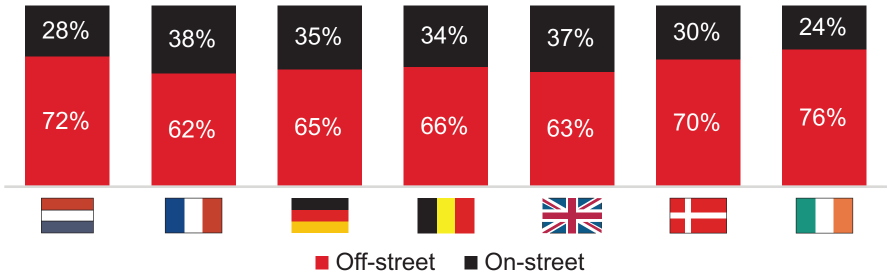
"Clusters" represent multiple strategic locations in cities, and we have strategically combined local scale and the use of clusters in many cities in which we operate. Key cities with clusters include Amsterdam, Antwerp, Chambery, Chartres, Hasselt, Maastricht, Rotterdam, The Hague and Toulon. Clusters enable:

- further increase in pricing power, as these facilities tend to be more resilient to local competitive dynamics;
- reduced operational costs by having a single task force servicing multiple facilities; and
- development of relationships with local governments and municipalities, providing the opportunity to participate in regulatory reviews and decisions relating to the industry.

Regulatory Shift Away From On-street and Towards Off-street Parking For Cities

The majority of the regulated parking spaces in the countries where we operate are off-street parking spaces. As a result of pedestrian-focused urban planning and traffic and environmental concerns, local municipalities are increasingly dis-incentivizing car usage especially in large city centers. Local municipalities in various countries in Europe have been reducing on-street parking spaces and introducing maximum allowed parking times. In addition, municipalities increased on-street parking pricing, with the most notable example being the Amsterdam municipality, where parking tariffs in the city center were increased by approximately 50% on April 14, 2019. As a result of such factors, the growing parking demand is "pushed" towards off-street private parking companies. The number of off-street parking spaces as a percentage of total regulated parking is also expected to increase over time.

Percentage of Regulated On-street and Off-street Parking Spaces (2013):



# off-street parking spaces ('000)	1,085	1,676	4,936	664	2,700	293	269

Source: European Parking Association

Examples from three European cities that introduced pedestrian-focused urban planning and anti-traffic measures include Amsterdam, Copenhagen and Oslo:

- **Amsterdam**: The municipality of Amsterdam announced that it is planning a reduction of more than 10,000 on-street parking spaces before 2025 (approximately 4% of total on-street spaces in the city center) with a reduction of approximately 1% of the number of permits every half year in busy areas. The municipality of Amsterdam is also looking for possibilities to make some areas in the city center traffic-free.

- **Copenhagen**: According to the Cycling Embassy of Denmark, on-street car parking spaces are being replaced by bicycle parking spaces. Additionally, a number of car parking spaces will be converted to flexible parking spaces for both bicycles and cars. The increase in bicycle parking spaces is expected to continue in the near future. In addition, the local authority introduced the "Cyclist Priority Plan for 2017-2025," which seeks to see 50% of commuting journeys completed by bicycle.

- **Oslo**: The municipality of Oslo plans to cut emissions by 95% (of 1990 levels) by 2030. To support this initiative, many on-street parking spaces in the city center have been removed and the municipality continues to convert on-street parking spaces into public spaces. Within the city center, the innermost ring road is car-free.

Off-street parking is expected to benefit from this regulatory driven shift:

- Introduction of automated or autonomous taxis and busses will require separate lanes for autonomous vehicles, thereby further reducing on-street parking spaces.

- Off-street facilities have the potential to be transformed into multi-modal hubs, creating an opportunity for partnerships with car-sharing operators in cities with limited on-street availability. For example, this includes safer overnight parking and charging for autonomous and electric vehicles with reduced or no risk of vandalism.

- Anti-pollution and other environmental policies and a reduction in on-street parking in low-emission zones are supporting the shift to off-street parking.

As a result, demand for off-street parking is expected to continue to increase as people look to park upon arriving in a city and then use other modes of transportation to move and commute to and within the city center (including buses, trams, etc.).

Long-term Potential Supported by Structural Trends

The parking sector is exposed to various structural trends, which further support the long-term potential of the industry. Such trends are related to macro and demographic factors as well as industry specific innovation trends including urbanization, city center experiences, local government regulation, digitization, autonomous vehicles and car sharing.

Industry Trends

Urbanization

The percentage of the urban population globally is expected to increase from approximately 30% in 1950 to approximately 55% in 2020 and is expected to reach approximately 70% by 2050. As the urban population rises, parking demand in cities will increase. Increased urbanization will require innovative and flexible solutions for more efficient urban infrastructure and development.

City Center Experiences

As the demand for leisure experiences such as dining, shopping, cinema and museums in city centers increases, city centers are becoming busier, with an increased demand for parking. More than three in four millennials would choose to spend money on a desirable experience or event over buying a desirable product, and 55% of millennials are spending more than in the past on events and live experiences than ever before. The role of city centers is therefore changing from a pure retail/shopping experience to a combined offline shopping and leisure experience. As a result, parking operators with the best locations in city centers are well placed to capture parking demand.

Local and Central Government Regulations

Examples of recent regulatory trends include, but are not limited to:

- Pedestrian-focused urban planning;
- Green initiatives;
- Congestion charges;
- Measures to combat traffic congestion;
- Promotion of bicycle use; and
- New parking policies, such as Park & Ride.

These trends are resulting in a decrease in on-street parking spaces and shifting demand from on-street to off-street parking. The resulting additional parking demand provides significant opportunities for off-street private parking companies to capture this demand. Additionally, private parking companies that have good and long-standing relationships with local government authorities will be well-placed to collaborate and advise cities on smart ways to decrease parking search traffic (for example, supported by Parking Route Information Systems) and then benefit from regulatory changes driving a decrease in on-street parking and an increase in off-street parking.

Digitization

The increased use of technology and innovation in the sector are changing the parking value chain significantly. The use of technology within the parking industry has become increasingly widespread over recent years, as private parking companies attempt to improve operational efficiency and become more digitally visible to customers (online pre-booking). Technological developments are expected to contribute towards creating a more efficient, flexible and convenient parking experience for users and to drive increased efficiency and pricing for operators.

Additional services (and revenue sources) that are surfacing include:

- Automatic number plate recognition;
- Mobile payment and in general more flexible payment options for customers (e.g. multiple credit cards, multiple number plates (business—private) linked to one customer;

- Electric vehicle charging stations—also for business consumers with larger fleets (Uber, or other taxi companies, fleetowners);
- Traffic data and parking facility occupancy data (near-time or real-time, to guide customers to the right location);
- New customer product offerings being provided online (pre-booking) (City Parking, Park & Fly, Event Parking etc.); and
- More advanced digital invoicing services, for example for businesses customers.

Technology is also fundamentally affecting the demand for appropriately skilled workforce in the parking industry, where private parking companies increasingly invest in technology and new value-add services to further drive efficiency, profitability and end-client engagement.

Autonomous Vehicles

Autonomous vehicles are expected to fundamentally impact the mobility value chain. However, penetration of autonomous vehicles is expected to remain insignificant for the next 15 years due to regulatory and technological limitations. Off-street car parks are still well-positioned and will have the opportunity to evolve into natural mobility hubs in the city centers where autonomous vehicles can park and charge.

Car Sharing

Car sharing has continuously seen growth in recent years, especially in bigger cities where more people are passing on the costs of car ownership. Positive effects of car sharing include reduction of traffic congestion and environmental benefits. Europe represents approximately 50% of the global car sharing market with approximately 9.0 million users and approximately 100,000 cars as of 2018. By 2020, the car sharing market is expected to grow to approximately 15.6 million users and over 150,000 cars. The car sharing market in Europe, in terms of users, grew ten-fold from 2006 to 2014, and is expected to further grow seven-fold from 2014 to 2020.

Although car sharing has strong positive benefits and is expected to increase vehicle utilization rates (the time cars spend on the road), most car buyers still prefer car ownership over usership. Despite changing ownership models (from individuals to mobility service providers), cars will still require resting and charging spaces.

Response to Industry Trends By Off-street Parking Operators

Potential actions that off-street car operators have or may consider taking in order to benefit from (or mitigate the impact of) the industry trends discussed above include:

- Partnering with local government authorities to help shape policy on urban mobility and develop influence to mitigate the impact on off-street parking from autonomous vehicles and car sharing;
- Planning for alternative uses for existing facilities, both by enabling alternative uses for impacted facilities and building new developments with repurposing in mind;
- Expanding and integrating digital capabilities vertically across the value chain; and
- Remaining conscious of these trends in portfolio management, including by locating portfolio in:
  - growing cities;
  - increased demand areas;
  - cities and areas with low congestion/density;
  - areas for short-term parking purposes and outer cities; and
  - smaller cities and at the edge of city centers at mobility hubs.

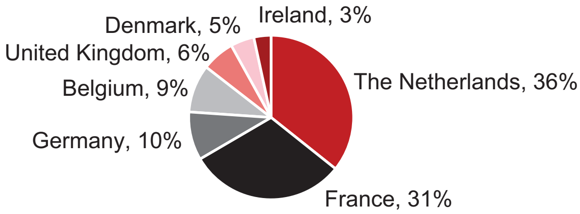
BUSINESS

Overview

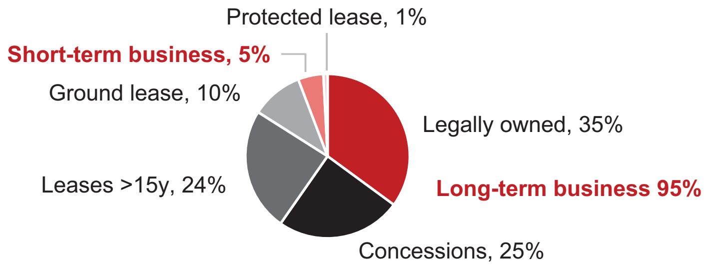
We are a leading parking infrastructure owner and operator in the Western European market, with a large and diversified portfolio of owned, leased and managed parking facilities across seven Western European countries. We mainly operate off-street parking spaces owned by us as well as parking spaces under concessions and long-term leases from public and private landlords, with a focus on off-street purpose-built parking facilities at strategic locations. We operate approximately 2,500 parking facilities comprising over 454,000 parking spaces as of December 31, 2018 in The Netherlands, France, the United Kingdom, Germany, Belgium, Denmark and Ireland. As of December 31, 2018, our long-term business portfolio included 77 legally owned facilities, 49 ground lease facilities and four protected lease facilities, 174 concession facilities and 349 long-term lease facilities, which together comprised over 281,000 parking spaces. As of December 31, 2018, our short-term business comprised approximately 1,800 facilities and 173,000 parking spaces. Based on the most recent industry data available to us from 2016, we believe we are a top three participant, based on the number of parking spaces, in all of the countries in which we operate, except the United Kingdom where we are ranked fourth.

Below are charts showing the percentage of Underlying Gross Margin generated by country of operation and our contract mix by Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018.

Underlying Gross Margin by Geography



Underlying Gross Margin by Contract Type[1]



[1] Represents percentage of Underlying Gross Margin, excluding non-allocated and central operating costs.

For the twelve months ended September 30, 2019, our Underlying Total Revenue was €658.6 million, our Underlying Gross Margin was €247.2 million and our Underlying EBITDA was €208.9 million. Our operations in The Netherlands, France and the United Kingdom, respectively, represented 31%, 20% and 17% of our Underlying Total Revenue, 36%, 31% and 6% of our Underlying Gross Margin and 39%, 33% and 6% of our Underlying EBITDA for the twelve months ended September 30, 2019.

We started our operations in the European market in The Netherlands in 1998, and expanded to Belgium, Germany and the United Kingdom in the early 2000s. We have consistently secured long-term contracts and built a portfolio of prime parking locations in The Netherlands, France, the United Kingdom, Denmark, Ireland, Belgium and Germany, including multi-functional parking facilities near inner-city areas, public transport interchanges, airports and hospitals. Multi-functional parking facilities serve multiple urban needs (such as city centers, shopping centers, hospitals and railway stations). Due to a variety of physical, regulatory and other constraints such as cost and availability of space, we believe that there is limited opportunity to develop alternative parking options in many of these prime areas, allowing us to benefit from a degree of captive demand with limited competition in some areas.

We generate revenues under four main business lines:

- *Parking revenues*. Our off-street parking business primarily comprises parking facilities owned and operated by us or operated by us under contract (both short-term parking and long-term parking). We have a healthy mix of short- and long-term parking customers. Short-term parking includes shorter term parking customers, such as per-hour or per-day tickets. Short-term parking generated 78% of our Underlying Parking Revenues for the twelve months ended September 30, 2019. Long-term parking includes customers holding season tickets, including monthly, quarterly and annual season tickets. Long-term parking generated 22% of our Underlying Parking Revenues for the twelve months ended September 30, 2019. Short-term parking customers provide immediate payment in cash or by debit or credit cards at the gates and physical barriers present in our parking facilities, while long-term parking customers provide revenue stability and advance payments. Underlying Parking Revenues represented 92% of our Underlying Total Revenue for the twelve months ended September 30, 2019. We generally retain all fees generated from operating the relevant parking facility. In respect of parking facilities owned by us, we are responsible for all expenses relating to the parking facility, including operation, maintenance and management. Under our concession and lease contracts, we are responsible for all expenses relating to operating and maintaining the parking facility during the term of the concession or the lease.

- *Non-parking revenues*.

  - *Control fees.* Control fees are predominantly generated in Denmark and represent income arising from enforcement of paid parking (for example, parking fines) in parking facilities (usually above ground) owned by landlords. Landlords generally contract with parking facility operators like us to eliminate or reduce the misuse of parking spaces (for example, misuse of handicap spaces, parking on rescue roads, misuse of reserved parking spaces and long-term parking in spaces intended for short-term parking). Control revenues are incidental to our operations and represented 2% of our Underlying Total Revenue for the twelve months ended September 30, 2019.

  - *Management and consultancy fees.* Our management and consultancy business represents the fixed and variable fees we receive for operating parking facilities under contracts with third parties including public authorities as well as private landlords and other private entities. Our management and consultancy business represented 2% of our Underlying Total Revenue for the twelve months ended September 30, 2019.

  - *Rental income*. In addition to owning, operating and managing parking facilities, we lease certain of our owned parking facilities to the municipality of Amsterdam. Rental income also includes the income from the lease of parts of our facilities to third parties that use the space for parking, storage or to provide spaces used for business operations, such as refrigeration or storage facilities for restaurants. Our rental income business represented 2% of our Underlying Total Revenue for the twelve months ended September 30, 2019.

  - *Other income*. Other income includes all other income not included in the categories above, such as subsidies, ancillary revenues, revenue from other alternative uses of our parking facilities and other services such as vending machines placed in our parking facilities. Our other income business represented 2% of our Underlying Total Revenue for the twelve months ended September 30, 2019.

Strengths

We believe that we have several competitive advantages in the car park sector in Western Europe, including our local market leadership positions, long-term contract revenues, resilient and diversified business profile, high quality investment property portfolio and strong asset locations. As a result of these strengths, together with the key infrastructure features that underpin our business model and the continuing regulatory shift in favor of off-street parking, our business benefits from a high level of stability and recurring cash flows.

Leading Parking Infrastructure Owner and Operator in Western Europe

We are one of the leading car park infrastructure owners and operators in the Western European parking market, with approximately 2,500 parking facilities comprising over 454,000 parking spaces as of December 31, 2018. As an infrastructure company with owned facilities and long-term contracts, we have a market leading position driven by positive industry dynamics and a resilient business model. Based on the most recent industry data available to us from 2016, we believe we have a top three market position in six of the Western European countries in which we operate. The vast majority of our facilities are multi-functional parking facilities, which represented 68% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018.

Our off-street business and on-street business represented 95% and 5%, respectively, of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018. Our market leading positions, size and growth have allowed us to achieve significant economies of scale, and the scope of our operations, combined with the various cost management measures we have implemented, have allowed us to maintain our Underlying EBITDA levels. We have been able to achieve operational efficiencies and cost savings through the implementation of a streamlined and lean management and governance structure across our operations. Our economies of scale enable us to be a consolidation platform for European parking operations, and allow us to undertake valuable new concessions and acquisitions of smaller players, as well as individual assets and lease contracts. In addition, through our experienced management team, and due to our size and long-standing reputation in the industry, we have been able to develop and maintain important relationships with the various municipalities and private landlords with which we do business, thereby reducing our dependence on any single local governmental authority or region.

Attractive Market with Significant Barriers to Entry

The off-street parking industry in Western Europe is highly fragmented with a limited number of large players. Accordingly, leading infrastructure players like us are better positioned than smaller operators to take advantage of quality industry dynamics and benefit from the resilient and mature market. Our operations are supported by a growing customer base, high barriers to entry and favorable pricing dynamics. As an established market player, we have consistently improved our performance on an Underlying Like-for-Like Parking Revenue Growth Rate basis through economic cycles, recording a compound annual growth rate (“**CAGR**”) of 3.1% in Underlying Like-for-Like Parking Revenue Growth Rate between January 1, 2013 and September 30, 2019 compared to a real gross domestic product (“**GDP**”) growth rate of 1.9% and consumer price index (“**CPI**”) inflation of 1.1% during the same period. The European countries in which we operate have seen resilient parking revenue growth and resilient personal car fleet levels over the past decade. Also, the lack of available land in the major city centers of Europe results in limited opportunities to construct new car parks, which can act as a barrier to entry for new entrants in the car park industry.

We benefit from an industry where demand is relatively inelastic to price, although regulation may limit pricing flexibility in some regions. We believe that consumer choice regarding parking is not primarily driven by price but rather by factors such as location, lighting and security. In addition, we believe that upfront costs, the difficulty in obtaining planning permission to build new high density car parks in city centers, the regulatory shift in favor of off-street parking and the economies of scale that result from operating multiple facilities, together, present significant barriers to entry for new entrants in the car park industry in Western Europe. The stringent regulatory framework governing parking concessions in Europe reduces the risk of new competitors entering the market. For example, due to the terms and duration of our long-term lease and concession contracts, competitors can be effectively "locked-out" of the off-street concessions business for long periods of time. In addition, our long-standing relationships with municipalities enables an ongoing dialogue with them and provides us with an opportunity to expand our existing business with such municipalities, since they know that we are well positioned to handle their requirements.

Our size also provides us with the scale required to operate a car park portfolio efficiently. For example, our scale enables us to share resources among our car parks (in particular, in clusters where we operate multiple parking facilities in close proximity) including maintenance and supervisory staff, as well as management resources in respect of accounting, marketing, human resources, insurance and tax matters. The number of our locations and the connectivity of our parking facilities through cloud network systems gives us a commercial advantage and enables us to anticipate customer needs across multiple locations. For example, the cloud system gives us real time data on occupancy and availability of our parking facilities, thereby enabling us to better anticipate and predict customer demand. In addition, due to our size and scale, we are better equipped to make significant investments in IT and to leverage such investments across our operations compared to smaller competitors. Between January 1, 2016 and September 30, 2019, we invested approximately €28 million in Underlying ICT & Other Capex. Such operational efficiencies and costs savings generated through IT initiatives and investments allow us to offer attractive terms to municipalities and landlords.

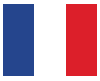
Diversified Portfolio Benefitting from Local Leadership and Scale

Our business benefits from a portfolio of parking facilities and parking spaces which is highly diversified in terms of the following: number of contracts, type of contract, number of municipality clients, number of private landlords and types of parking services we deliver. Our off-street parking business primarily comprises the following: (i) legally owned properties, (ii) long-term leases, (iii) concessions, (iv) ground leases, (v) protected leases and (vi) short-term leases. As such, we have a diversified portfolio consisting of both, parking facilities owned and operated by us as well as those operated by us under contracts (both long-term and short-term).

Our legally owned properties are owned and operated by us. We also operate parking facilities under long-term leases with a typical duration of more than 15 years at inception, concessions with a typical duration ranging from 10 to 40 years, ground leases with a typical duration from 10 to 90 years and protected leases, which typically have an infinite duration. We also operate parking facilities under short-term leases, usually with a duration of less than 15 years. For the year ended December 31, 2018, revenue from our long-term business and short-term business represented 85% and 15% of our Underlying Total Revenue, respectively, and 95% and 5% of our Underlying Gross Margin (excluding non-allocated and central operating costs), respectively. We operate each parking facility on a long-term or short-term basis and generate our fees based on tariffs charged to car park users, which in certain circumstances are set forth in the relevant contract. The tariffs charged under our concessions typically increase each year in line with inflation. We operate approximately 2,500 parking facilities comprising over 454,000 parking spaces as of December 31, 2018 in The Netherlands, France, the United Kingdom, Germany, Belgium, Denmark and Ireland. As of December 31, 2018, our long-term business portfolio included 77 legally owned facilities, 49 ground lease facilities, four protected lease facilities, 174 concession facilities and 349 long-term lease facilities, which together comprised over 281,000 parking spaces. As of December 31, 2018, our short-term business comprised approximately 1,800 facilities and 173,000 parking spaces. As of December 31, 2018, the Weighted Average Remaining Duration of our long-term contracts was 50 years.

As of December 31, 2018, we had a total of 336, 224, 73, 112, 1,645, 58 and 25 parking facilities in The Netherlands, France, the United Kingdom, Germany, Denmark, Belgium and Ireland, respectively. These contracts comprise legally owned, long-term leases, concessions, ground leases, protected leases and short-term business, in approximately 330 cities throughout Western Europe. Below is a chart that presents our market position, contribution to Underlying Gross

Margin, key contract types and pricing characteristics in each jurisdiction, as of and for the year ended December 31, 2018.

	Market position[1]	Percentage of Underlying Gross Margin	Key contract types	Control and flexibility on pricing
	1	36%	Legally owned, long-term lease	We mostly have control and flexibility on pricing
	3	31%	Concession	Pricing mostly based on contractual indexation
	3	10%	Legally owned, long-term lease, ground lease	Control and flexibility on pricing (subject to certain conditions)
	2	9%	Legally owned, ground lease	We mostly have control and flexibility on pricing
	4	6%	Long-term lease	We mostly have control and flexibility on pricing
	2	5%	Legally owned, long-term lease	Control and flexibility on pricing (subject to certain conditions)
	1	3%	Legally owned, protected lease	We mostly have control and flexibility on pricing

1 Market position based on number of parking spaces, as of 2016.

We own and operate parking facilities in clusters, which comprise multiple parking facilities at locations in strategic cities. The use of clusters generates pricing power, provides operational cost reduction opportunities and facilitates strong local government relations. Our prominence in small and medium sized cities, including non-capital cities, drives higher margins as a result of the higher reliance of end users in those cities on driving as a mode of preferred transportation and more stable consumer behavior as well as less regulation. For example, our operations in the smaller city of Maastricht in The Netherlands generate more than twice the Underlying Gross Margin (excluding non-allocated and central operating costs) than our operations in London and Paris combined. We operate in clusters in smaller cities, with clusters of three or more locations accounting for 84% of our Underlying Gross Margin (excluding non-allocated and central operating costs) in the year ended December 31, 2018.

Below is a table showing the contribution of our top five and top 20 clusters to our Underlying Gross Margin (excluding non-allocated and central operating costs), for the year ended December 31, 2018.

Cluster	Number of Facilities	Underlying Gross Margin (€ millions)[1]	Percentage of Underlying Gross Margin[1]
Amsterdam	38	27	11%
The Hague	128	16	7%
Maastricht	23	12	5%
Marseille	17	10	4%
Brussels	9	9	4%
Top 5 (by Underlying Gross Margin)[1]	**215**	**75**	**31%**
Top 20 (by Underlying Gross Margin)[1]	**479**	**134**	**55%**

1 Underlying Gross Margin excludes central operational costs and non-allocated costs.

Our off-street parking business is diversified in terms of location (inner city centers, hospitals, shopping areas and transport links), municipality, end-user and type of contract. We believe our limited reliance on any single parking facility is a significant factor in diversifying our source of revenues and therefore reduces our cash flow volatility. While our 20 largest cities (in terms of Underlying Gross Margin (excluding non-allocated and central operating costs)) represented 55% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018, no city represented more than 9% of our Underlying Total Revenue or more than 11% of our Underlying Gross Margin (excluding non-allocated and central operating costs). We believe our diversified business portfolio differentiates us from other infrastructure companies, who typically rely on a smaller number of large contracts or concessions, or strong concentrations in a single geography, resulting in a greater concentration of risk.

Strategic Focus on Off-street Parking

We have strategically positioned our portfolio to focus on off-street parking in line with the regulatory shift in favor of off-street parking. Off-street parking contracts are typically longer duration contracts (generally more than 15 years) in comparison to on-street parking contracts (generally less than five years). This generates long-term cash flows with a healthy mix of short- and long-term parking customers. Short-term parking customers provide immediate payment, while long-term parking customers provide revenue stability and advance payments. Further, off-street parking is supported by the presence of physical barriers which ensures immediate payment and revenue stability.

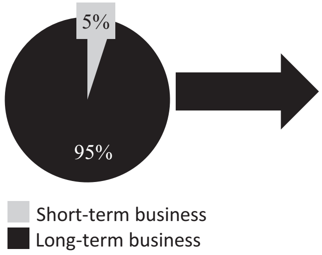
Our focus on off-street management has resulted in a strong asset base, which also provides opportunities for alternative uses of our space, with a real estate portfolio valued at €1.7 billion as of September 30, 2019. The facilities included in the valuation comprise 110 real estate properties (mostly legally owned by us, but including, in some cases, certain ground lease properties, and excluding the 14 UK properties which were sold in the UK Sale and Leaseback). We have been able to leverage our asset base to lease parts of our facilities to third parties for alternative uses including parking, storage or to provide spaces used for business operations such as storage facilities, such as the self-storage facility in Harley Street, London.

Further, we believe that off-street parking is expected to benefit from key trends in the industry, including, for example: the regulatory shift away from on-street parking with reduced on-street parking provisions in low emission zones, increasing prices of city center parking, the introduction of electric cars, which require charging spaces that off-street parking can offer, the introduction of autonomous taxis and buses, which is expected to require the introduction of new lanes and thus decrease on-street parking availability, and the potential transformation of off-street car park facilities into multi-modal hubs (such as overnight hubs, which are parking facilities where residents, private taxi drivers and other drivers can park their cars overnight, partnerships with car sharing operators in cities with no or low on-street availability). Off-street parking facilities also have alternative uses and can potentially offer a source of ancillary revenues. We believe that such key industry trends combined with our strong asset base, including our real estate portfolio valued at €1.7 billion as of September 30, 2019, underpin our strong and stable performance, with off-street business contributing approximately 95% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018 and the remaining 5% of our Underlying Gross Margin (excluding non-allocated and central operating costs) derived from on-street business. We typically agree to operate our on-street business to complement local off-street activity, as requested by local municipalities.

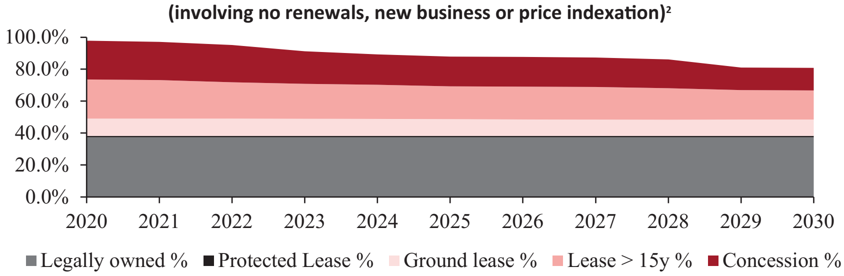
Long-term Cash Flow Profile Underpinned by a Strong Asset Base and Perpetuity/Long-term Contract Structure

We believe that our infrastructure portfolio is well invested. We have a long-term cash flow profile with 95% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018, comprising primarily facilities that are owned or operated under our long-term business, of which 81% are due to continue under their existing terms through 2030 (assuming no renewals, new business or price indexation), as illustrated by the following.

Underlying Gross Margin[1] (2018)



"Do nothing" run-off profile of long-term business (involving no renewals, new business or price indexation)[2]



1 Underlying Gross Margin excludes non-allocated and central operating costs.

2 Based on Underlying Gross Margin for the year ended December 31, 2018, excluding non-allocated and central operating costs.

As of December 31, 2018, the Weighted Average Remaining Duration of our long-term contracts was 50 years. Furthermore, as of September 30, 2019, the market value of our real estate portfolio, predominantly located in large and attractive cities, was €1.7 billion. The facilities included in the valuation comprise 110 real estate properties (mostly legally owned by us, but including, in some cases, certain ground lease properties, and excluding the 14 UK properties which were sold in the UK Sale and Leaseback).

Our long-term business accounted for 95% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018. As a result, we have more exposure to the facilities that tend to generate relatively higher margins, with a corresponding benefit to our Underlying EBITDA and profitability, compared to local competitors with fewer facilities under different contract structures (either shorter term or less diversified). For example, we have the highest Underlying EBITDA per parking space of €432 when compared to other players in the industry for the year ended December 31, 2018.

We believe that our strategic focus on owned facilities and long-term contracts has resulted in a stable business model, which enables us to attract customers and is supported by the high volume of cars and growing urbanization where our parking facilities are located. These prime locations provide flexibility and stability to our business, combined with stability of demand, leading to revenue stability as evidenced by the historical evolution of our revenues over time. Such stability in our operating model and revenues is further underpinned by the regulatory shift in favor of off-street parking. Moreover, in certain circumstances (primarily in relation to concessions in France), the long-term contracts and concessions include a protection mechanism allowing renegotiation of payments to local municipalities in case a certain level of performance is not achieved, thereby providing protection in case of lower demand.

Furthermore, our parking facilities are typically not dedicated to a single institution or purpose and are mostly multi-functional, in the sense that they are used by drivers that may be using the car park to visit different locations, whether it is for work, shopping, other cultural activities or other purposes. For the year ended December 31, 2018, 68% of our Underlying Gross Margin (excluding non-allocated and central operating costs) was generated by multi-functional facilities. We believe that we enjoy a prime position in the relevant local area with respect to a significant proportion of our parking facilities. Our prime locations, the multi-functionality of our car parks and the difficulty in building new car parks help mitigate risk in our off-street parking business. Further, our multi-functional car parking facilities also have alternative uses and can potentially be a source of ancillary revenues, for example, as storage facilities or refrigeration for restaurants. The remaining 32% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018 was generated by mono-functional facilities, which are selected on a strategic basis, generally targeting national partnerships with municipalities and local authorities, thereby reducing the dependency on a single source of revenue.

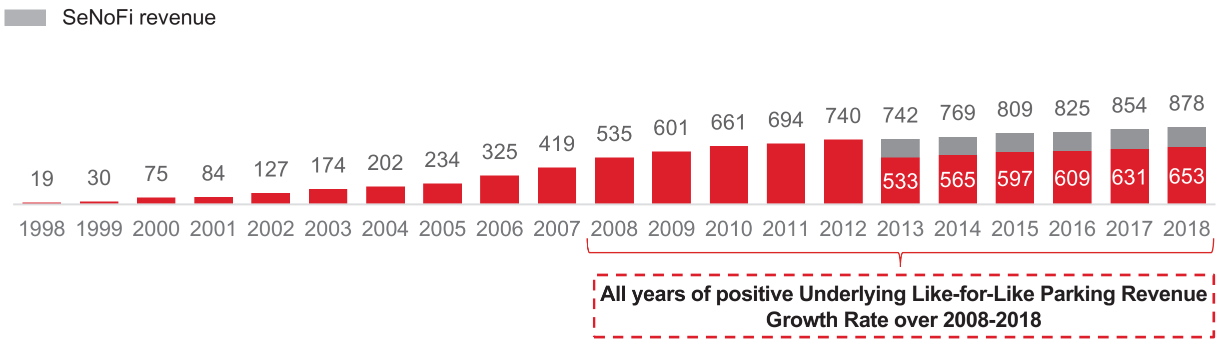
Highly Predictable Business and Resilient Business Model, with Strong Cash Conversion

For the year ended December 31, 2018, 95% of our Underlying Gross Margin (excluding non-allocated and central operating costs) was generated by our long-term business. We benefit from a high level of recurring business and long-term visibility of cash flows, and we believe the long-term nature of our portfolio is matched by few other infrastructure companies in Europe. The correlation of parking demand to the total size of the car fleet (rather than GDP) enhances the stability of our revenues over long periods and helps ensure resilience through periods of economic down turn. We have achieved a Replacement Rate of approximately 290% from 2017 to 2019 with respect to our portfolio. Further, we achieved a Renewal Rate of approximately 58% in respect of our portfolio from 2017 to September 30, 2019.

In addition, we also won a number of contracts previously granted to our competitors and we have successfully renewed a substantial portion of our long-term contracts and concessions business. For example, most recently, we won contracts to operate Stadspark (Maastricht) and Hoornwijck (Rijswijk) in The Netherlands and renewed our contract for Christchurch (Dublin) in Ireland. We believe this is due to our superior technical competence, including the implementation of our bespoke revenue collection technology, and our wealth of industry experience. Moreover, our concessions business benefits from regulated tariffs linked to inflation, and we are able to increase prices at a premium to inflation. Further, in respect of our ground leases, there is typically a protection mechanism where the municipality is required to pay compensation to us in the event the municipality intends to terminate the ground lease or expropriate the property, thereby providing us adequate security and stability.

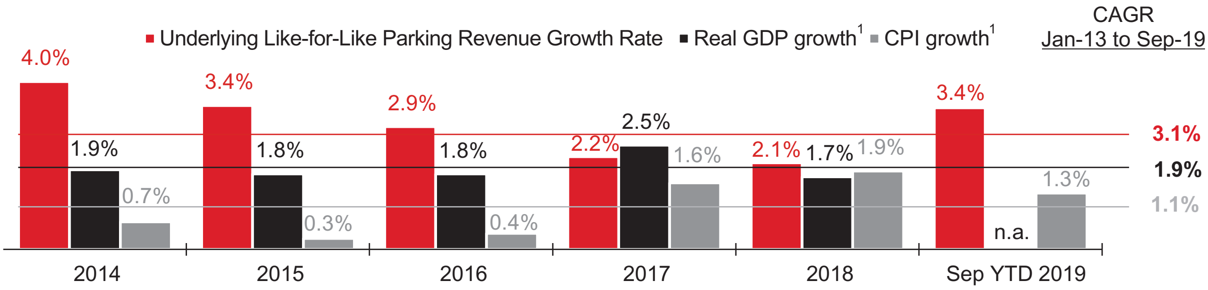
Our Underlying Total Revenue growth over the past 10 years has been consistent and continual. We have experienced positive Underlying Like-for-Like Parking Revenue Growth Rate for all years during the period from 2008 to 2018, with a CAGR of 3.1% in Underlying Like-for-Like Parking Revenue Growth Rate from January 1, 2013 to September 30, 2019. The charts below present our net revenue for the periods shown, together with Underlying Like-for-Like Parking Revenue Growth Rate for the periods shown.

Net revenue:



Note: The revenue amounts shown in the chart above are derived from our annual accounts and management accounts and may not be fully comparable due to, among other things, changes to accounting policies or standards and acquisitions and divestitures over the periods shown. Underlying Data is based on our audited and unaudited actual results for the periods presented, as adjusted to reflect the applicable Underlying Adjustment.

Underlying Like-for-Like Parking Revenue Growth Rate:



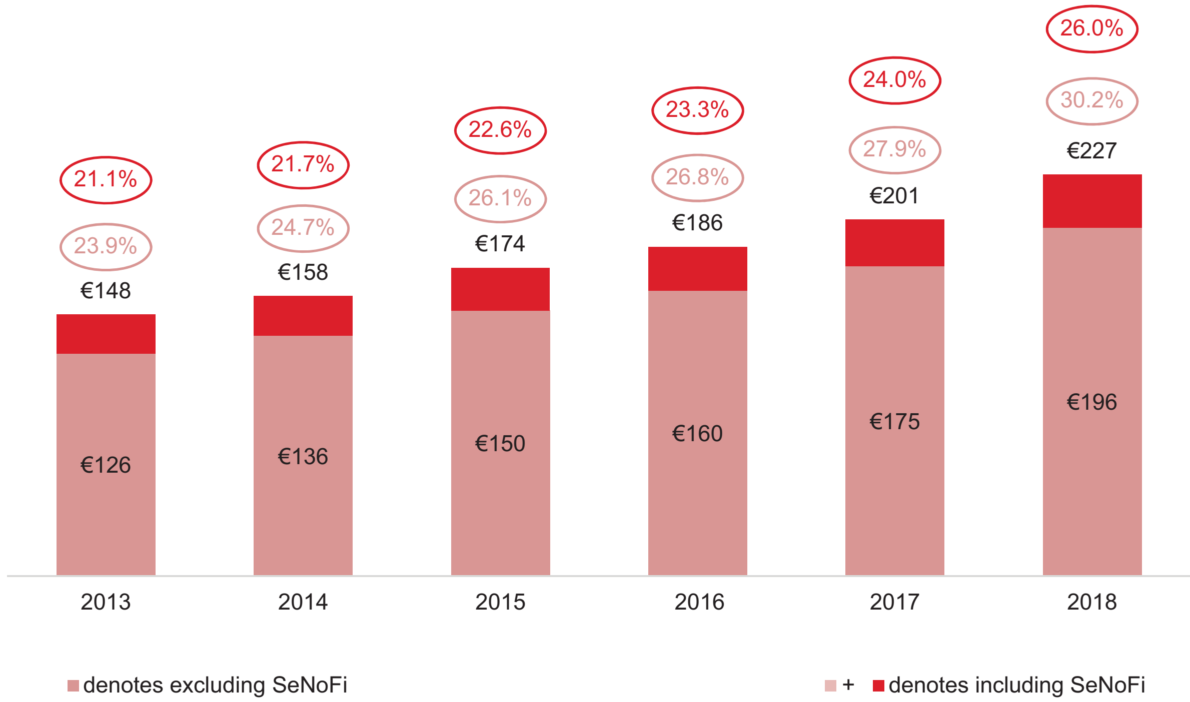
Note: GDP and CPI for geographies Belgium, Denmark, France, Germany, Ireland, The Netherlands and the United Kingdom.

[1] Based on IHS Markit data.

Our business model shares all the key features of infrastructure assets, such as long-term cash flow visibility, physical and irreplaceable assets, central role in the local economy, in-built hedge against inflation, limited correlation to economic cycles, resilient revenue generation, long-term concessions and a favorable and stable regulatory environment with certain protections for us in the event of regulatory or administrative changes. However, unlike some other infrastructure companies, our car parks, once operational, require relatively low levels of Underlying Existing Business Capex. Our limited Underlying Existing Business Capex, which averaged 4.9% of Underlying Total Revenue in the years ended December 31, 2016, 2017 and 2018) are driven by our scale, preventive maintenance measures and low operating intensity. Underlying Existing Business Capex relates to the upkeep of our existing facilities as well as repairs to our facilities to ensure they remain fully operational and compliant in line with our internal quality standards. As a result, we believe we are well positioned to benefit from returns on these investments without the need to make significant Underlying Existing Business Capex with respect to these facilities.

Our cash flow generation benefits from an advantageous working capital cycle through the collection of upfront payments (through season tickets) by our long-term parking customers and revenue collection directly upon exit of the car park for our short-term parking customers. As a result of our low Underlying Existing Business Capex and working capital requirements, we have achieved Underlying FCF Cash Conversion Ratio of 80.3% and Underlying EBITDA Margin of 31.7% for the twelve months ended September 30, 2019. Below is a chart showing our Underlying EBITDA Margins from 2013 to 2018.

Underlying EBITDA (€ in millions, % Underlying EBITDA Margin):



Underlying EBITDA has consistently increased between 2013 and 2018, with Underlying EBITDA increasing at a CAGR of 10.7% since the Acquisition. Further, we have limited Underlying Existing Business Capex and high Underlying FCF Cash Conversion Ratios. Our Underlying Existing Business Capex was €35.5 million, €28.5 million and €32.2 million, respectively, for the years ended December 31, 2017 and 2018 and the twelve months ended September 30, 2019 and our Underlying FCF Cash Conversion Ratios were 75.1%, 81.4% and 80.3% respectively, for the same periods.

Experienced Management Team

Our senior management team has significant experience and understanding of the car park sector and has a combined experience of over 100 years in the industry and an average of approximately 10 years of experience with the Group. Our senior management team has consistently outperformed budget targets and implemented the Value Enhancement Program, achieving significant operational improvements while building capabilities for sustainable profitable growth and showing proven ability to increase our Underlying EBITDA. Since the Acquisition, our Underlying EBITDA has increased at a CAGR of 10.7%. This over performance can also be attributed to the senior management team's ability to anticipate and embrace new trends and technology in the car park sector, which has enabled us to be a pioneer in the deployment of efficient transformational programs, revenue management and digitalization programs and user friendly applications, such as PaSS (Parking as a Smart Service). Our senior management team has furthermore shown its capability to provide best-in-class portfolio management with the constant delivery of new contracts and active acquisition activity, including completion of the SeNoFi Disposal, the P1 Acquisition and the UK Sale and Leaseback. From 2016 to September 30, 2019, we signed 55 new contracts for new business including for the operation of facilities at our legally owned properties and under long-term leases and concessions, which are expected to contribute an aggregate amount of approximately €40 million in Underlying EBITDA, part of which has already been realized.

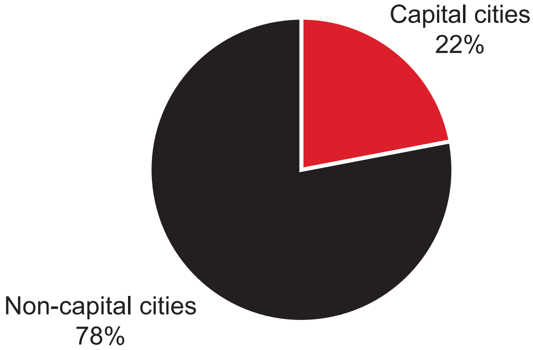
In addition, our local management teams are well connected to industry bodies and groups as well as municipalities and maintain strong and long-standing local relationships with the relevant regulatory authorities in the jurisdictions in which we operate, and our regional management teams also have extensive sector experience. Our regional teams comprise senior people with 10 to 15 years of experience at the local levels, having local presence, some of whom also hold prestigious positions with local municipalities and regulatory authorities.

Strategy

Our strategies focus on value creation, with the aim of being the strongest European car park infrastructure operator that best understands and captures parking market opportunities. We have strong infrastructure goals with a disciplined and conservative approach to investment. We intend to drive growth and sustained business performance through Underlying Like-for-Like Parking Revenue Growth Rate and portfolio growth, supported by value enhancement and revenue management programs. Our strategies rely on strong processes and tools (such as data analytics, business development processes, and feedback loops), our information and communications technology ("**ICT**") and our brand. Our key strategies are the following:

Maintain a Focus on our Diversified Portfolio and Profitable Assets in Strategic Locations

We have a diversified portfolio of owned, leased and managed parking facilities, including concessions and contracts, in prime locations. We believe our infrastructure is well-invested, with a focus on the most attractive segments of the car parking market. We focus on medium and smaller sized cities to benefit from their growth, and we will continue to seek to enhance profitability through portfolio optimization. For example, the sale of SeNoFi was a strategic decision to focus our portfolio on more profitable, off-street based business in order to maximize revenue generation and efficiencies. We intend to focus our efforts on renewing our portfolio of existing contracts by maintaining our well invested assets to better manage the need for future capital expenditure requirements and expanding our operations by capturing new opportunities that meet out stringent investment criteria. Due to our market leading position, scale and expertise, we believe that we are well positioned to continue to grow our diversified portfolio by renewing our existing contracts and capturing new contracts in value enhancing locations from both existing customers seeking to award new contracts and from other organizations looking to outsource the management of their parking facilities. Our selection of facility locations is driven by our long-term strategy to operate and expand in high margin cities. Our highly diversified geographical coverage spans across approximately 330 cities that have attractive market dynamics, with a strategic and tailored approach to different markets in an effort to drive higher returns. We may also acquire high-quality smaller car parks in medium and small sized cities to further diversify our portfolio and benefit from the potential for growth in these cities. In the year ended December 31, 2018, we derived 22% of our Underlying Gross Margin (excluding non-allocated and central operating costs) from capital cities and 78% of our Underlying Gross Margin (excluding non-allocated and central operating costs) from non-capital cities. We believe that our focus on non-capital cities reduces our exposure to changing urban trends and regulatory changes in larger cities.



Due to our scale, long-standing industry experience and established relationships with municipalities and private landlords, we are typically able to achieve significant synergies that also allow us to offer competitive terms and win new business. We will continue to grow our parking facilities in clusters representing multiple locations in strategic cities, which enhances our pricing strategy through a more resilient local competitive dynamic, operational cost reduction given our ability to have a single task force servicing multiple locations and strong relationships with municipalities. Our ability to build and maintain relationships with municipalities makes us well positioned to negotiate and win long-term contracts and to avoid long-term regulatory risk. We have clusters in key cities including The Hague, Amsterdam, Maastricht, Rotterdam, Toulouse, Chambery, Leeds/Manchester, London, Dublin, Berlin, Dusseldorf, Antwerp, Hasselt and Brussels. In addition, we are often able to expand our locations to further facilities once we have entered a local market by virtue our existing relationship with local authorities and the ability to benefit from synergies with existing parking facilities.

We believe our position as one of the leading owners and operators of parking facilities in Western Europe, combined with our long-standing relationships with a diverse number of local authorities and favorable industry dynamics, including high barriers to entry, will assist us in continuing to implement this strategy.

Differentiated Contract Offering with Disciplined Investment Approach

We believe that we are the only infrastructure-based parking facilities operator in Europe that can offer the full spectrum of contracts, ranging from ground leases, concessions, protected leases and long-term and short-term leases. This offers us a high degree of adaptability to the most appropriate type of contract depending on the characteristics of each model and the demand in local markets. As of December 31, 2018, we had a diversified portfolio of approximately 2,500 parking facilities in prime locations supporting stable and high demand, and 95% of our Underlying Gross Margin (excluding non-allocated and central operating costs), in the year ended December 31, 2018, comprised long-term business, with the remaining 5% of our Underlying Gross Margin (excluding non-allocated and central operating costs) comprising short-term leases and other contracts and costs (which consist of management and consultancy contracts and leases with a duration of less than one year). For example, our management and consultancy contracts typically have a fixed fee structure, which provides secured income visibility. This enables us to optimize and balance risk and return on our investment portfolio. Further, because our contract portfolio largely comprises long-term facilities (owned facilities, leased facilities (including long-term leases, ground leases and protected leases) and concessions), our Weighted Average Remaining Duration was approximately 50 years as of December 31, 2018, which provides a highly visible cash flow profile.

We also adopt a disciplined approach with respect to new investments and the expansion of our existing business. Our Investment Committee ("**IC**") reviews, appraises and assesses new investments. It reviews and advises on investment proposals from the country management teams with respect to potential new business (including the expansion of our existing business) and applied thorough and consistent criteria and analyses to provide a recommendation to the Executive Board to approve or reject the proposal. We will continue to take a disciplined approach to new investments, with different levels of advice, support and strategic guidance, which we believe will result in more robust revenues.

Digital and Pricing Capabilities

We believe we are the industry frontrunners in pursuing strategic initiatives driven by digitalization trends. We embarked on a digital transition between 2015 and 2019, with initiatives piloted in The Netherlands and Belgium and implemented in other countries following a phased approach. Key features of this technology platform include membership for digital invoicing, Park + Events capabilities, pre-booking for city parking, on-street parking, near-time parking information, Park + Fly capabilities, and equipping facilities with PaSS gateways. This is expected to serve as a basis for long-term operations standardization and digitalization. Such digital capabilities seek to increase control and ownership over data, enable the use of standard interfaces to communicate with our partners and facilitate the integration of potential acquisitions or new sites.

Our local scale and digital leadership enable us to manage pricing. We believe that our diversified portfolio and differentiated contract offering provides price flexibility and enables us to select the contracts that best suit our investment portfolio. We are able to use such pricing flexibility as a lever to maintain stability of cash flows and sustain profitability. For example, our data-driven pricing methodologies include measures such as dynamic pricing (real-time adaptation of prices based on demand and locations, such as peak hours, and online price differentiation with pre-booking), flexible pricing depending on frequency and duration (such as one-hour tickets in London), location-based pricing (such as premium pricing in city centers, medium-range pricing in Park + Walk locations and budget pricing in Park + Public Transport locations) and day tariffs optimization (through parking for over six to eight hours in strategic locations). These pricing innovations have supported a CAGR of 3.1% in Underlying Like-for-Like Parking Revenue Growth Rate from 2013 to September 30, 2019. We intend to continue to increase our scale to drive digital leadership and pricing initiatives in the market.

Customer Focus and Value Enhancement Leading to Strong and Stable Profitability

Our Value Enhancement Program, which is centered on scale, technology and a seamless and lean platform, has resulted in industry-leading profitability. For example, we have the highest Underlying EBITDA per parking space of €432 when compared to other players in the industry for the year ended December 31, 2018. We will continue to focus on managing our business in a cost-efficient manner by using the latest industry technologies and improving customer service. We have sought to improve operational efficiency and realize cost savings through the implementation of our Value Enhancement Program, which has four main pillars:

- *Optimize people costs, locally:* We have implemented a comprehensive program to make our local work force more efficient across a wide range of activities. These include improvements in operations in the field, such as harmonizing and standardizing processes, which previously varied widely across facilities and geographies, reducing the frequency of various activities which were being performed when not required or in a duplicative manner, and eliminating activities that do not add value, as well as outsourcing various activities such as cleaning and security services to generate cost savings.

- *Optimize non-people costs, locally:* We have initiated a number of cost saving programs locally, including improvements in our IT systems, changes to our facilities management, and improvement in our car park systems.

- *Leverage scale on people costs, Group-wide:* We have improved our finance functions, by implementing Group-wide systems to replace local teams with regional teams, such as the integration of our German and Belgian finance functions into The Netherlands. We have also enhanced the operational efficiency of our IT department by centralizing our IT teams and functions and reorganizing our governance to introduce central reporting lines for IT personnel.

- *Leverage scale on non-people costs, Group-wide:* Our Group-wide efforts on this front have been driven by our LED initiative, whereby we replaced our traditional lighting with LED lighting on a Group-wide basis, across seven countries and more than 230 locations, with more than 100,000 new light fittings, in what may be Europe's largest LED roll-out in our industry.

We expect that the Value Enhancement Program will generate cost savings of €17 million between 2017 and 2022, with run-rate annualized cost savings of 81% already achieved by September 30, 2019.

Furthermore, we have also introduced measures that seek to create a seamless customer experience. We have installed a robust infrastructure for charging facilities for electric vehicles, glass doors and elevators to enhance safety and security and speed gates and pedestrian doors, which are open for customers only. We have initiated payment integration with purpose partners, cashless and contactless payment mechanisms and differentiated parking tariffs based on supply and demand. We have introduced one-way traffic and multiple ramps for the efficient flow of traffic, and payment integration with certain partners. In the past, we have also invested in and installed several user-friendly IT applications to enhance the customer experience at our car parks including electronic payment devices, license plate recognition systems and mobile applications. In addition, in an effort to reduce our environmental footprint, we are committed to sustainable investments which have helped us reduce CO_2 emissions per parking space by 33% since 2013 and reduce energy consumption by 10% since 2013 (each, as of December 31, 2018). Moreover, we will continue to maintain our well invested assets in order to keep our required level of Underlying Existing Business Capex low.

Enabler of Urbanization through Active Participation in Mobility Solutions and Partnerships

We aim to continue to focus on customer satisfaction and convenience by initiating partnerships across the mobility eco-system. We have introduced several mobility solutions to enhance customer experience. For example, we introduced PaSS (Parking as a Smart Service), which is a technology initiative built around a cloud-based technology platform that allows us to interact with and provide services virtually to our customers and business partners. Integrated payment systems such as PaSS enables us to partner with companies like EasyPark and KBC in Belgium and we expect to introduce new partnerships in 2020. See "*Business—ICT and Operations*." We work closely with local authorities including, in The Netherlands (Maastricht, Rotterdam and Eindhoven) and Belgium (Antwerp) to develop facilities that enable travelers to park their cars or bicycles close to transport hubs so our facilities act as vital links in the mobility chain, connecting travelers with their final destination and acting as public transport transit points. We have also introduced Park + Ride and Park + Walk facilities in The Netherlands, which are modern, integral parts of the mobility chain in many towns and cities across The Netherlands and are located in the vicinity of public transport so they are easy to access and find. Furthermore, in partnership with others, we have approximately 720 parking spaces (as of December 31, 2018), providing access to electrical vehicle-charging points in seven countries since 2011, whereby our partners take responsibility to ensure that the charging points are well-maintained, with additional and updated charging points installed as required. We will continue to seek and explore initiatives which we believe will give us the first mover advantage in the market and sustain our position as drivers of industry change and leadership.

Parking Revenues

Our off-street business is our largest business line, representing 96% of our Underlying Total Revenue and 95% of Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018. This business line primarily consists of legally owned parking facilities, protected leases, ground leases, long-term leases and concessions with municipalities, private real estate investors and other parties to operate parking facilities. As part of our long-term business, we may be required to invest in the construction of a new parking facility (a "**green field**" contract) or make an upfront payment for an existing parking facility (a "**brown field**" contract). As of December 31, 2018, our portfolio included 77 legally owned facilities under which we manage approximately 36,000 parking spaces, 49 ground lease and four protected lease facilities under which we manage approximately 32,000 parking spaces, 174 concession facilities under which we manage approximately 93,000 parking spaces and 349 long-term lease facilities under which we manage approximately 121,000 parking spaces. We have a diversified client base with our 20 largest cities (in terms of Underlying Gross Margin (excluding non-allocated and central operating costs)) representing 55% of our Underlying Gross Margin (excluding non-allocated and central operating costs) for the year ended December 31, 2018.

As of December 31, 2018, the Weighted Average Remaining Duration of our long-term contracts was approximately 50 years. Legally owned properties and protected leases run in perpetuity, and ground leases, concessions, and long-term leases are mostly long-term. In the year ended December 31, 2018, legally owned properties, ground leases, concessions, long-term leases and protected leases accounted for 35%, 10%, 25%, 24% and 1% of our Underlying Gross Margin (excluding non-allocated and central operating costs), respectively. During the year ended December 31, 2018, we derived approximately 95% of our Underlying Gross Margin (excluding non-allocated and central operating costs) from facilities that are owned or operated under our long-term business, of which 81% are due to continue under their existing terms through 2030 (assuming no renewals, new business or price indexation). This this ensures long-term visibility of cash flows. For the same period, we derived only 5% of our Underlying Gross Margin (excluding non-allocated and central operating costs) from leases with an initial tenor of less than 15 years and other contracts. This long-term cash flow profile is backed by a strong asset base offering significant downside protection.

Our portfolio comprises parking infrastructure located in urban areas and other areas of high traffic density, such as inner city centers, hospitals, shopping areas and transport links. Our long-term contracts and concessions include a number of car parks with prime locations. Many of these locations are in highly transited areas that attract a large number of visitors for a variety of purposes and have limited free or paid alternative parking options. Competition is generally limited in the area covering a radius of approximately 700-800 meters around the car park. Demand for our off-street parking facilities in such areas has experienced relatively low volatility and has remained relatively stable even during difficult economic conditions.

In respect of our owned properties, where we both own and operate the parking facilities, and our properties operated under long-term contracts and concessions, we may on occasion also design, build and finance construction of the facility, including underground and multistory parking infrastructure facilities. If we design and build the parking facility, these green field contracts generally require us to invest capital to build a facility or make an upfront payment for an existing facility in exchange for higher potential margins and long-term concession contracts. Under our brown field contracts, we pay an annual concession fee to the municipality. We also engage in brown field contracts with private owners and pay lease amounts to them under long-term contracts. Our Underlying New Business Capex for the period from January 1, 2016 to September 30, 2019 was approximately €235 million, and related to development and construction of parking facilities, as well as works required as part of our concession contracts.

Further, under our long-term contracts, we may also work together with investment companies who have earmarked funds to invest in parking facilitates that are operated by us and we then agree a lease contract with such companies. Under our concessions, we charge the end-users a tariff (or fee) for the use of the facility. Further, under our concession contracts in France, we may be required to pay annual concession fees to the municipality (in addition to a one-off upfront concession fee). The fees we charge the end-user are either on a time period basis for short-stay tickets or on a weekly, monthly, seasonal or on an annual basis under a subscription arrangement. The fees paid by end-users are specified under the concession and generally automatically increase annually in line with inflation. We generally retain all fees generated from operating the relevant parking facility. In respect of legally owned parking facilities, we are responsible for all expenses relating to the parking facility. Our off-street parking facilities are also subject to local taxes, for which we are responsible. We also generate a small amount of income through some basic amenities we provide to car park users within our parking facilities, such as vending machines and car washes.

In general, our parking facilities are operated on a 24-hour a day/seven-day a week basis. Most of the features of the parking facilities are automated, including entry and exit controls and ticket machines. Users can obtain information about subscriptions and tariffs online, over the phone and onsite at our parking facilities. The car parks are staffed and operated by our own employees or contracted staff from external service providers. We have introduced a central control room ("**QCR**"), a centralized system to control and manage a substantial majority of our parking facilities from a remote location, which has allowed us to reduce personnel costs by reducing headcount while maintaining our high quality of services and customer satisfaction levels. Such efficiencies have led to significant savings in operating expenses as we reduced the number of operators per car park. In addition, such measures have helped us to reduce our reliance on external service providers by enabling us to reallocate personnel to perform certain functions previously performed by third-party service providers. We have also been able to realize certain economies of scale by improving our finance functions, implementing group-wide systems to replace local teams, integrating the German and Belgian finance functions with The Netherlands, and improving our IT function by fully centralizing it, on a harmonized and standardized basis, replacing duplicative local teams operating a fragmented structure. These changes, among others, have contributed to strong Underlying Like-for-Like Parking Revenue Growth Rate (at a CAGR of 3.1% from January 1, 2013 to September 30, 2019).

The majority of our contracts are awarded as a result of a public bidding process conducted by the municipalities or private bidding conducted by private third parties. Each municipality has authority to determine the location and economic viability of car parks within its jurisdiction. Due to existing relationships with the municipality, the incumbent concessionaire is often well positioned to negotiate an extension of the term of the contract (if permitted under the contract), or to obtain the renewal of the contract by using the information and experience it has developed to bid successfully in the new tender process.

In addition to retaining our existing long-term contracts once their initial term has expired, we also seek to obtain new contracts and win contracts previously granted to our competitors.

As discussed in "—*Strengths*" and in "*Industry*," Europe represents a large and growing parking market with strong fundamentals, and the European parking sector is expected to grow based on structural drivers. The countries in which we operate have historically seen consistent year-on-year growth in personal car fleet from 2007 to 2018, and despite changes to car ownership models, the number of personal cars in the street is expected to continue to grow in the future. The parking sector is a mature market benefitting from favorable pricing dynamics, and the regulatory-driven shift away from on-street parking towards off-street parking for cities is expected to benefit our business. Furthermore, based on the 2016 Market Report, the off-street parking market is highly fragmented with a limited number of large players, with the top three to five companies in each country only accounting for 10-30% of the total market share in most countries. As a result, large private companies are well positioned to win contracts. Certain key trends for the future, such as urbanization, digitization, rise in shopping as an experience, government regulation (especially at the local level), autonomous vehicles and car sharing, may provide opportunities, whether in the nearer term or in the longer term, for leading car park companies like us. The long-term nature of contracts, the difficulty in obtaining prime locations and the presence of local monopolies, regulatory requirements, the need for scale, the commercial network and market recognition of existing participants and the technological leadership of the incumbents present a high barrier to entry for new players to successfully break into the European car park market. In response to the key drivers in the parking sector discussed in "*Industry*," we continue to grow supported by an underlying increase in the car fleet, our positioning in attractive markets and segments that allows for ongoing tariffs increase, our scale that positions us favorably to win new contracts and execute a strategy of accretive bolt-on acquisitions, our strong positioning in the off-street parking segment, our focus on multi-functional parking facilities and our overall strong position that allows us to benefit from various industry trends.

We are a leading Western European car park operator with local scale. Below is a summary of our operations in each of the seven countries in which we operate, as of December 31, 2018 (except as otherwise indicated).

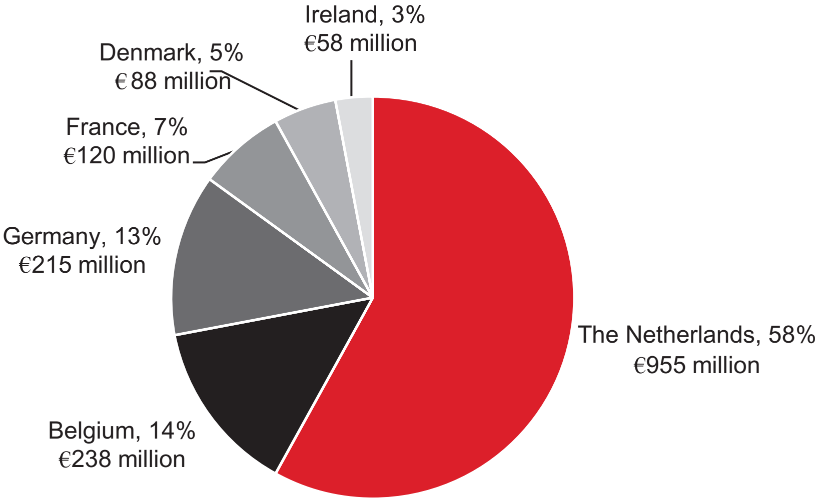
Market Position[1]	1	1	2	2	3	3	4
Parking Spaces ('000)	97	9	76	39	118	74	42
Facilities	336	25	1,645	58	224	112	73
Cities with ≥3 facilities	21	3	65	6	33	13	6
Underlying Total Revenue for the twelve months ended September 30, 2019 (€ million)	203	23	44	46	130	104	109
Underlying EBITDA for the twelve months ended September 30, 2019 (€ million)	81	7	9	20	69	21	13
Real estate value as of September 30, 2019 (€ million)	995	58	88	238	120	215	–

1 Market position based on number of parking spaces, as of 2016.

Our local scale provides us with a strong position to profitably capture strategic opportunities in the market. We have a large and differentiated portfolio, giving us vast experience with any operating model and a high degree of flexibility with contract types. We enjoy a strong brand with a long-standing reputation for quality in parking. Our strong local presence gives us access to opportunities with unique local deal flow. Our focus on clustering results in pricing power, economies of scale and local government relations. Our leading position with local scale allows for significant operational benefits, with a proprietary technology platform in place (such as parking mobile applications, pre-booking and season tickets), an in-house car park design team, and a prudent and return-driven decision-making process.

Our strong portfolio of value-creating assets in strategic locations limits demand risk. We focus on top-tier locations at European, country and city levels. At the European level, we concentrate on stable Western European countries, with geographical diversification across seven countries, and we especially focus on countries with attractive market dynamics where we can achieve leading (such as top three) positions. In total, we have a highly diversified portfolio across approximately 330 cities in seven countries. At the city level, we enjoy strong local positions and market shares due to dense clusters in key areas, and we focus on multi-functional parking facilities to mitigate demand risk. Our mono-functional facilities predominantly serve a single urban purpose, for example as public transport hubs, such as rail stations and airports, as well as hospitals and other locations with stable demand.

The chart below shows the breakdown of our investment property portfolio by country, as a percentage of the €1.7 billion valuation of the total portfolio (which includes 110 real estate properties (mostly legally owned by us, but including, in some cases, certain ground lease properties, and excluding the 14 UK properties which were sold in the UK Sale and Leaseback)), as of September 30, 2019.



Our properties have high replacement values, with an ability to convert space for alternative usage. Real estate property space is at a premium, in particular in premium cities where we have a strong presence, so there are opportunities to implement alternative uses for parking facilities, especially for owned assets, which do not require any external approval, and long-term leases. Our ownership of assets impacts our Underlying Existing Business Capex levels, and our average Underlying Existing Business Capex over the three-year period ended September 30, 2019 has been 4.9% of our Underlying Total Revenue.

Geographical Split

We provide below a summary of our operations for each of the seven countries in which we operate.

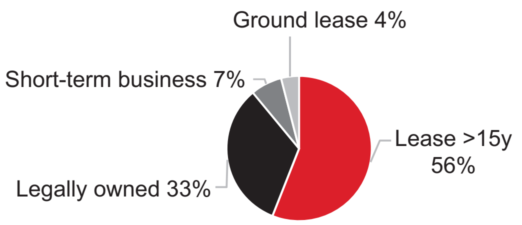
The Netherlands

In The Netherlands, we are the leading parking operator as of December 2016. In the year ended December 31, 2018, our Underlying Total Revenue was €199 million and Underlying EBITDA was €76 million, and as of December 31, 2018, we had 336 parking facilities and 96,880 parking spaces. Our key clusters are in Amsterdam, The Hague, Maastricht, Rotterdam and Eindhoven, which accounted for €56 million (28% of total), €24 million (12% of total), €17 million (9% of total), €20 million (10% of total) and €9 million (5% of total), respectively, of our Underlying Total Revenue in The Netherlands for the year ended December 31, 2018. Amsterdam, The Hague, Maastricht, Rotterdam and Eindhoven accounted for €27 million (31% of total), €16 million (18% of total), €12 million (13% of total), €5 million (6% of total) and €5 million (6% of total), respectively, of our Underlying Gross Margin (excluding non-allocated and central operating costs) in The Netherlands for the year ended December 31, 2018. As of December 31, 2018, we had 38, 127, 23, 16 and 6 parking facilities in Amsterdam, The Hague, Maastricht, Rotterdam and Eindhoven, respectively. The value of our property in The Netherlands as of September 30, 2019 was €995 million. In September 2019, as a result of the P1 Acquisition, we added 14 parking facilities in The Netherlands, of which two are located in Amsterdam, four are in Eindhoven and four are in The Hague.

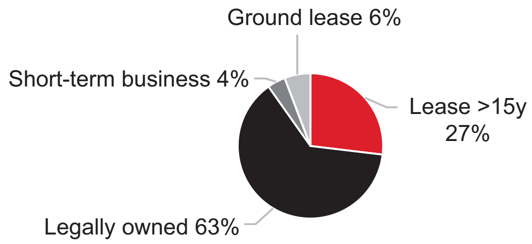
In The Netherlands, we mostly have full control and flexibility on pricing, which makes yield pricing attractive for car parks. Regulation is typically at the level of municipalities. In The Hague, Eindhoven and Maastricht, we have entered into long-term public/private partnerships, including pricing arrangements, with the municipal governments. Municipalities aim to remove resident cars from the street to make the cities more attractive, by reducing on-street parking spaces and steeply increasing on-street parking tariffs. Large clusters in The Netherlands improve operational efficiency through greater scale, but also increase pricing power. Our market leadership in certain high-value office areas ensures strong pricing power.

Below are charts showing our Underlying Total Revenue by contract type and Underlying Gross Margin (excluding non-allocated and central operating costs) by contract type for the year ended December 31, 2018.

Underlying Total Revenue by contract type



Underlying Gross Margin by contract type[1]



1 Represents percentage of Underlying Gross Margin, excluding non-allocated and central operating costs.

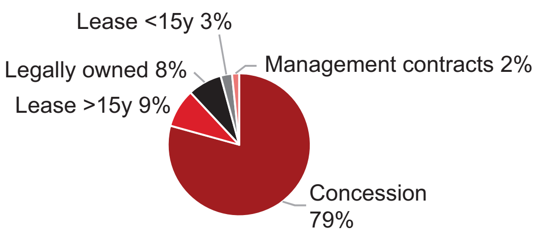
France

In France, we are the third leading parking operator as of December 2016. In the year ended December 31, 2018, our Underlying Total Revenue was €126 million and Underlying EBITDA was €66 million, and as of December 31, 2018, we had 224 parking facilities and 117,926 parking spaces. Our key clusters are in Marseille, Paris, Lyon, Brest and Rouen, which accounted for €19 million (15% of total), €8 million (6% of total), €5 million (4% of total), €6 million (5% of total) and €5 million (4% of total), respectively, of our Underlying Total Revenue in France for the year ended December 31, 2018. Marseille, Paris, Lyon, Brest and Rouen accounted for €10 million (14% of total), €5 million (7% of total), €4 million (5% of total), €4 million (5% of total) and €3 million (4% of total), respectively, of our Underlying Gross Margin (excluding non-allocated and central operating costs) in France for the year ended December 31, 2018. As of December 31, 2018, we had 17, 12, 5, 9 and 2 parking facilities in Marseille, Paris, Lyon, Brest and Rouen, respectively. The value of our property in France as of September 30, 2019 was €120 million.

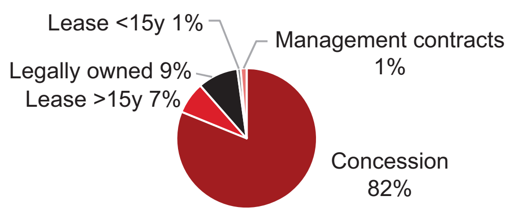
In France, pricing is mostly based on contractual indexation for concessions, and the concession contracts are protected, with renegotiation clauses in case of lower performance. In addition, we have 23 facilities (consisting of legally owned and long-term leases) where we have freedom of tariff. The general trend in France has been to reduce the number of on-street parking spaces in medium-sized and large cities to enlarge pedestrian areas, and this favors off-street parking.

Below are charts showing our Underlying Total Revenue by contract type and Underlying Gross Margin (excluding non-allocated and central operating costs) by contract type for the year ended December 31, 2018.

Underlying Total Revenue by contract type



Underlying Gross Margin by contract type[1]



1 Represents percentage of Underlying Gross Margin, excluding non-allocated and central operating costs.

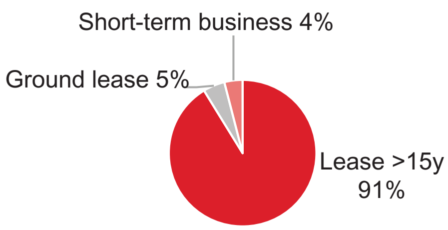
The United Kingdom

In the United Kingdom, we are the fourth leading parking operator as of December 2016. In the year ended December 31, 2018, our Underlying Total Revenue was €106 million and Underlying EBITDA was €12 million, and as of December 31, 2018, we had 73 parking facilities and 41,875 parking spaces. Our key clusters are in Liverpool, Taunton, Truro, Birmingham and Leeds, which accounted for €16 million (15% of total), €3 million (3% of total), €3 million (3% of total), €9 million (8% of total) and €7 million (7% of total), respectively, of our Underlying Total Revenue in the United Kingdom for the year ended December 31, 2018. Liverpool, Taunton, Truro, Birmingham and Leeds accounted for €2 million (16% of total), €2 million (14% of total), €2 million (13% of total), €2 million (12% of total) and €1 million (8% of total), respectively, of our Underlying Gross Margin (excluding non-allocated and central operating costs) in the United Kingdom for the year ended December 31, 2018. As of December 31, 2018, we had 6, 1, 1, 2 and 5 parking facilities in Liverpool, Taunton, Truro, Birmingham and Leeds, respectively. Following the sale and leaseback of our properties in the second half of 2019, we are asset-light in the United Kingdom.

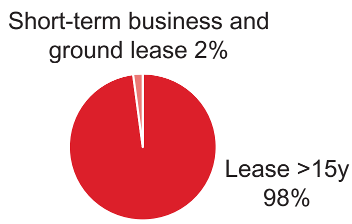
In the United Kingdom, we mostly have full control and flexibility on pricing. There are typically no restrictions from municipalities as landlords, and no restrictions on tariffs at leased sites in city centers. In particular, we are able to control tariffs at the facilities we operate through long-term leases. As such, we were able to change entry time tariffs across several sites in the United Kingdom in 2019. Tariffs at hospital parking facilities generally increase annually in line with the retail price index, as contracted, while parking tariffs at Gatwick and Heathrow airports are market-driven and change dynamically throughout the day.

Below are charts showing our Underlying Total Revenue by contract type and Underlying Gross Margin (excluding non-allocated and central operating costs) by contract type for the year ended December 31, 2018.

Underlying Total Revenue by contract type



Underlying Gross Margin by contract type[1]



1 Represents percentage of Underlying Gross Margin, excluding non-allocated and central operating costs.

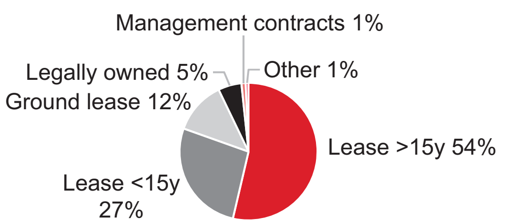
Germany

In Germany, we are the third leading parking operator as of December 2016. In the year ended December 31, 2018, our Underlying Total Revenue was €98 million and Underlying EBITDA was €18 million, and as of December 31, 2018, we had 112 parking facilities and 73,791 parking spaces. Our key clusters are in Saarbrücken, Berlin, Düsseldorf, Dresden and Leipzig, which accounted for €9 million (9% of total), €24 million (24% of total), €10 million (10% of total), €3 million (3% of total) and €6 million (6% of total), respectively, of our Underlying Total Revenue in Germany for the year ended December 31, 2018. Saarbrücken, Berlin, Düsseldorf, Dresden and Leipzig accounted for €4 million (15% of total), €3 million (14% of total), €3 million (11% of total), €2 million (10% of total) and €2 million (8% of total), respectively, of our Underlying Gross Margin (excluding non-allocated and central operating costs) in Germany for the year ended December 31, 2018. As of December 31, 2018, we had 13, 6, 13, 3 and 4 parking facilities in Saarbrücken, Berlin, Düsseldorf, Dresden and Leipzig, respectively. The value of our property in Germany as of September 30, 2019 was €215 million.

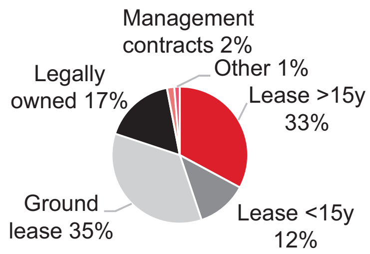
In Germany, we have control and flexibility on pricing within certain conditions, and in some cases, landlord consent may be required. Regulation is typically at the level of municipalities. The occupancy rate of our parking facilities is expected to increase following an increase in parking violation fees from €10-35 to €55-80 as a result of a new law passed in November 2019. City councils have been discussing initiatives, such as the reduction of on-street parking volume, re-allocation of driving lanes and on-street parking spaces to bicycle lanes, and additional spaces for parks or trees and leisure activities, to reduce traffic in cities. On-street parking is being reduced while new developments are built with limited parking spaces, thereby favoring off-street parking. Tariffs for on-street parking and resident passes have been or will be increased in certain municipalities, with tariffs in both Cologne and Frankfurt increasing from €3 to €4 per hour, and other cities may follow suit in the future. Adoption of dynamic pricing by municipalities is also expected to generate additional revenue for parking operators in the future.

Below are charts showing our Underlying Total Revenue by contract type and Underlying Gross Margin (excluding non-allocated and central operating costs) by contract type for the year ended December 31, 2018.

Underlying Total Revenue by contract type



Underlying Gross Margin by contract type[1]



1 Represents percentage of Underlying Gross Margin, excluding non-allocated and central operating costs.

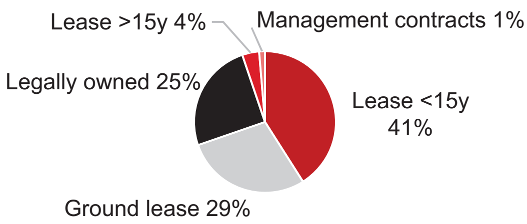
Belgium

In Belgium, we are the second leading parking operator as of December 2016. In the year ended December 31, 2018, our Underlying Total Revenue was €58 million and Underlying EBITDA was €20 million, and as of December 31, 2018, we had 58 parking facilities and 39,245 parking spaces. Our key clusters are in Brussels, Hasselt, Antwerp, Mechelen and Charleroi, which accounted for €15 million (26% of total), €6 million (10% of total), €5 million (9% of total), €2 million (3% of total) and €19 million (32% of total), respectively, of our Underlying Total Revenue in Belgium for the year ended December 31, 2018. Brussels, Hasselt, Antwerp, Mechelen and Charleroi accounted for €9 million (39% of total), €5 million (20% of total), €2 million (9% of total), €1 million (6% of total) and €1 million (6% of total), respectively, of our Underlying Gross Margin (excluding non-allocated and central operating costs) in Belgium for the year ended December 31, 2018. As of December 31, 2018, we had 9, 4, 10, 2 and 3 parking facilities in Brussels, Hasselt, Antwerp, Mechelen and Charleroi, respectively. The value of our property in Belgium as of September 30, 2019 was €238 million.

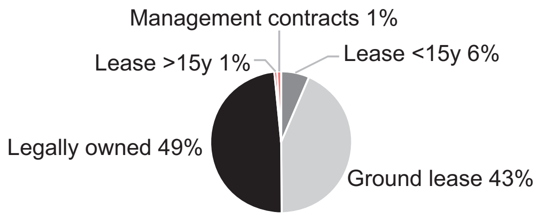
In Belgium, we mostly have full control and flexibility on pricing at owned facilities. Ground lease and concession contracts generally stipulate that consent is required from the municipality with respect to pricing. For Belgium, reduction of on-street parking spaces has been a trend in certain Belgian cities. In the Brussels region, for example, the city government announced a targeted reduction of on-street parking spaces of 16% between 2013 and 2018. In addition, on-street tariffs were increased as of January 1, 2020 by approximately 25% in Antwerp. The installation of spaces for and other bicycle infrastructure in new and existing parking facilities represents an opportunity to generate additional revenue.

Below are charts showing our Underlying Total Revenue by contract type and Underlying Gross Margin (excluding non-allocated and central operating costs) by contract type for the year ended December 31, 2018.

Underlying Total Revenue by contract type



Underlying Gross Margin by contract type[1]



1 Represents percentage of Underlying Gross Margin, excluding non-allocated and central operating costs.

Denmark

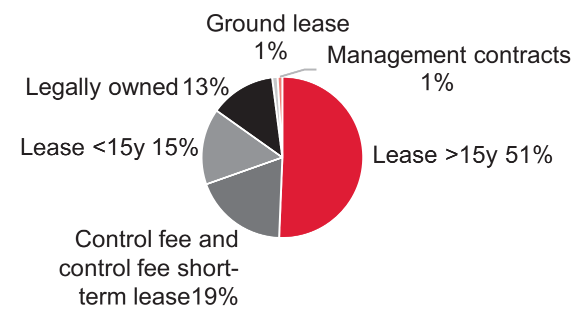
In Denmark, we are the second leading parking operator as of December 2016. In the year ended December 31, 2018, our Underlying Total Revenue was €41 million and Underlying EBITDA was €11 million, and as of December 31, 2018, we had 1,645 parking facilities and 75,914 parking spaces. Our key clusters are in Copenhagen, Lyngby, Aalborg, Aarhus and Frederiksberg which accounted for €15 million (37% of total), €3 million (8% of total), €4 million (9% of total), €6 million (13% of total) and €2 million (4% of total), respectively, of our Underlying Total Revenue in Denmark for the year ended December 31, 2018. Copenhagen, Lyngby, Aalborg, Aarhus and Frederiksberg accounted for €5 million (47% of total), €2 million (20% of total), €1 million (12% of total), €1 million (7% of total) and €1 million (5% of total), respectively, of our Underlying Gross Margin (excluding non-allocated and central operating costs) in Belgium for the year ended December 31, 2018. As of December 31, 2018, we had 159, 14, 102, 219 and 28 parking facilities in Copenhagen, Lyngby, Aalborg, Aarhus and Frederiksberg, respectively. The value of our property in Denmark as of September 30, 2019 was €88 million.

In Denmark, we have control and flexibility on pricing within certain conditions, and in some cases, landlord consent may be required. Regulation is typically at the level of municipalities. In Aarhus, on-street parking tariffs in the city center have increased, which has made off-street parking more attractive. In Copenhagen, the city government has decided to convert parking spaces that were previously free of charge to paid parking spaces, thereby putting pressure on the remaining free parking spaces and making our off-street parking facilities more attractive; allow electric vehicles to park free of charge in any parking space; increase resident permit prices by approximately 100%; increase parking prices for short-term parking; and consider removing on-street parking spaces around the Nørreport railway station and in the old city.

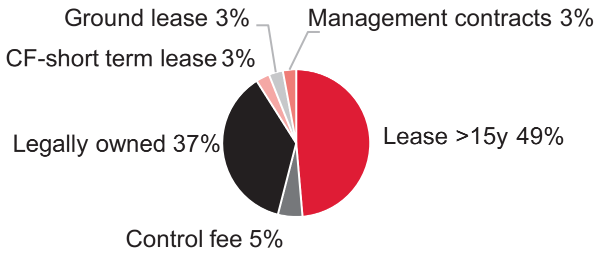
Further, in Denmark, we also issue control fees. Control fees represent income arising from enforcement of paid parking (for example, parking fines) in parking facilities owned and/or operated by us. Where we operate the facility on behalf of a third party, we agree to try to eliminate or reduce misuse of the parking facilities by putting up signs at the parking facility to guide drivers, patrolling the facility and by issuing control fees if the parking rules are violated. Our control fee revenues represented 2% of our Underlying Total Revenue for the twelve months ended September 30, 2019. Currently, there are no regulatory limits on the prices that we can charge for control fees in the private sector in Denmark. The total control fees revenues which we issued in Denmark in the twelve months ended September 30, 2019 was €11.4 million.

Below are charts showing our Underlying Total Revenue by contract type and Underlying Gross Margin (excluding non-allocated and central operating costs) by contract type for the year ended December 31, 2018.

Underlying Total Revenue by contract type



Underlying Gross Margin by contract type[1]



1 Represents percentage of Underlying Gross Margin, excluding non-allocated and central operating costs.

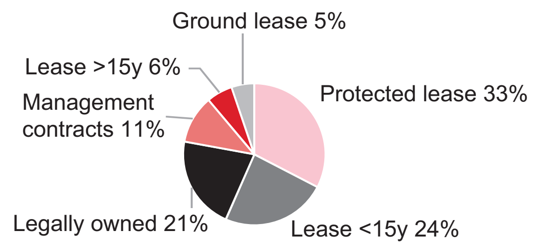
Ireland

In Ireland, we are the leading parking operator as of December 2016. In the year ended December 31, 2018, our Underlying Total Revenue was €23 million and Underlying EBITDA was €7 million, and as of December 31, 2018, we had 25 parking facilities and 9,218 parking spaces. Our key clusters are in Dublin, Cork, Galway and Limerick, which accounted for €14 million (62% of total), €5 million (21% of total), €1 million (6% of total) and €2 million (8% of total), respectively, of our Underlying Total Revenue in Ireland for the year ended December 31, 2018. Dublin, Cork, Galway and Limerick accounted for €4 million (47% of total), €2 million (23% of total), €1 million (14% of total) and €1 million (13% of total), respectively, of our Underlying Gross Margin (excluding non-allocated and central operating costs) in Ireland for the year ended December 31, 2018. As of December 31, 2018 we had 11, 4, 2 and 3 parking facilities in Dublin, Cork, Galway and Limerick, respectively. The value of our property in Ireland as of September 30, 2019 was €58 million.

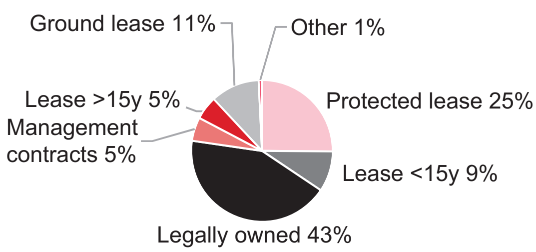
In Ireland, we mostly have full control and flexibility on pricing. Regulation is typically at the level of municipalities. On-street parking tariffs in Dublin will increase by 10% in July 2020, following an increase of up to 70% for some zones in the city in July 2019. The city government in Cork has announced that it is planning to extend the pay-parking times at on-street council-controlled parking spaces by two hours in the near future while parking charges and rates remain unchanged.

Below are charts showing our Underlying Total Revenue by contract type and Underlying Gross Margin (excluding non-allocated and central operating costs) by contract type.

Underlying Total Revenue by contract type



Underlying Gross Margin by contract type[1]



1 Represents percentage of Underlying Gross Margin, excluding non-allocated and central operating costs.

Non-Parking Revenues

Control Fees

Control fees represent income arising from enforcement of paid parking (for example, parking fines) in parking facilities owned and/or operated by us. Our control fee revenues represented

2% of our Underlying Total Revenue for the twelve months ended September 30, 2019. This business is mainly operated in Denmark. As we control the parking area on behalf of the landlords, control fees are issued by us in our name and payment instructions are given to third parties for payments to be made to our bank account. If there is a revenue share arrangement, the landlord receives its share of the paid control fees on a monthly basis. If the control fee is not paid, a dunning cycle is started and eventually passed on to an external collection agency for legal action. See "*—Geographical Split—Denmark*."

Management and Consultancy Fees

This business line represents the fixed and variable fees we receive for operating parking facilities for third parties. Our management and consultancy fees business represented 2% of our Underlying Total Revenue for the twelve months ended September 30, 2019. A majority of our management and consultancy fees are generated in The Netherlands, France and the United Kingdom. As of December 31, 2018, we managed over 30,000 parking spaces in those jurisdictions (across 43 parking facilities in The Netherlands, 15 in France and 9 in the United Kingdom). For the twelve months ended September 30, 2019, our Underlying Total Revenue from our management and consultancy fees business in these jurisdictions was €8.5 million, or 57% of the Underlying Total Revenue from our management and consultancy fees business. We have acquired certain management and consultancy contracts as a result of the P1 Acquisition, however, we do not expect our Underlying Total Revenue or Underlying EBITDA from this business line to materially change as a result of the P1 Acquisition.

Our management and consultancy contracts generally range from one to five years. Our management contracts generally generate lower Underlying EBITDA Margins compared to our long-term contracts and concessions. However, these contracts require minimal investment and are subject to low demand risk.

Under our management and consultancy contracts, we operate parking facilities for both public and private clients in exchange for a fixed fee, which is generally inflation-indexed. In some limited cases, the contracts also include a variable incentive fee element based on the amount of revenue generated and certain other quality indicators. Thus we are not required to make an up-front payment to manage the facilities or to make significant investments in the parking infrastructure. We typically operate the parking facility with our own employees. We also utilize the expertise and technology from our own parking operations in the management of these contracts and sometimes, we also benefit to operate them from our existing city clusters where we can share personnel and have lower monitoring and running costs.

Rental Income

In addition to owning, operating and managing parking spaces, we lease certain parking facilities owned by us to third parties. This business line also represents income from renting specific areas in parking facilities to third parties, including to third-party professional storage companies to be used as storage facilities. As of December 31, 2018, we had two rental contracts with the municipality of Amsterdam (who are the operators of these facilities) which represented approximately 50% of our Underlying Total Revenue from rental income. The remainder of our Underlying Total Revenue from rental income is spread across a variety of parking facilities and typically involves income from renting specific areas in a facility. Our Underlying Total Revenue from this business line amounted to approximately €12.4 million, representing 2% of our Underlying Total Revenue for the twelve months ended September 30, 2019.

Regulation

Other than as described below, there are generally no specific regulations that apply to our operations as a car parking infrastructure owner and operator and except with respect to certain of our contracts, our operations are not generally subject to the rules, regulations or licensing requirements that apply to contracts granted by municipalities and local government authorities.

This is due to the fact that a substantial proportion of our operations and facilities relate to privately held properties that are subject to private contracts with third-party counterparts. Such contracts are not subject to the rules and regulations that tend to apply to properties owned by municipalities and other government bodies, which may be subject to public tendering processes and contract terms are based on specific regulations. Although there are no specific car park-related licenses, some local authorities require us to possess and abide by safety licenses.

In The Netherlands, there are no national regulations that specifically focus on the operation of parking garages. There are however general rules governing environment and safety, which could lead to a notification obligation and the obligation to comply with these general provisions when operating a parking garage. Finally, depending on the exact location of the parking garage, specific municipality rules may also apply.

In France, we operate under a concession model. In tendering for these concessions, we are required to comply with specific tender rules administered by the relevant local authority in accordance with the Code of Public Procurement (*Code de la Commande Publique*). The procurement procedures generally include publicity requirements and a prior call for competition (article L. 3121-1 of the Code of Public Procurement). The concession contract is awarded to the bidder with the best offer in view of the overall economic advantage for the contracting authority on the basis of objective and clear criteria (article L. 3124-5 of the Code of Public Procurement).

In France, car parks concessions are often associated with the management of surrounding on-street parking. Granting the management of on-street parking to private operators has become possible under legislation introduced in 2014 *(Loi n° 2014-58 du 27 janvier 2014 de modernisation de l'action publique territoriale et d'affirmation des métropoles,* article 63) and which fully took effect in 2018. Under such legislation, parking fines issued in connection with on-street park violations are set by the relevant local authority, who can allow private operators to collect these amounts which were previously required to be collected by local police authorities. In France, there are also certain specific rules which relate to the operation of facilities owned by public authorities. Further, France has enacted a new mobility law enacted at the end of 2019 *(loi n° 2019-1428 du 24 décembre 2019 d'orientation des mobilités*, "**Law LOM**") which implements several provisions of the Directive (EU) 2018/844 of May 30, 2018 amending Directive 2010/31/EU on the energy performance of buildings and Directive 2012/27/EU on energy efficiency that relate to electric mobility. Under the Law LOM, the provision of charging stations for electric and hybrid vehicles is required to be provided wherever there are more than ten parking spaces, located in or adjoining non-residential buildings and 20% of parking spaces in such parking facilities must be equipped with the conduits for the passage of electrical cables and of the power and safety devices necessary for the subsequent installation of charging points. Moreover, specific requirements are set out in the French Construction Code in order to ensure equal access to buildings including persons with disabilities and their safety, including for buildings that are open to the public (including underground or covered parking facilities) which are classified as *établissements recevant du public* ("**ERP**"). These facilities are regularly subject to inspection visits from the administration to check for compliance with the ERP regulation. Non-compliance with such regulations may result in sanctions, including closure of the site in the event of serious violations. As in other countries, there are no specific licenses that are required to own and operate a car park in France.

In Germany, there are no national regulations that specifically focus on the operation of parking facilities. There are however general rules governing, for example, environment and safety, which may have to be complied with when operating a parking facility. Moreover, depending on the exact location of the parking facility, specific municipality rules may also apply.

Rebalancing Provisions in Off-street and On-street French Concessions

Our concessions in France are primarily governed by administrative laws similar to the laws that regulate highway and road infrastructure concessions in Europe. These concessions typically include a rebalancing clause which allows the concessionaire to demand fair compensation from the public authority that granted the concession in certain circumstances where the contract renders less than the expected returns.

The changes that can give rise to a claim for compensation include the adoption of administrative measures or other non-contractual and extraordinary causes that were unforeseen at the time the contract was made, which affect the long-term economic benefit of the contract in a material way to the detriment of the concessionaire. For example, a permanent road closure that adversely impacts the flow of traffic with respect to the location of the concession may trigger a rebalancing of the concession terms. The compensation granted by the public authority can include, depending on the circumstances, an extension of the concession term (subject to the maximum legal term) or an increase in the tariffs chargeable to customers or paid by the contracting authorities (for on-street concessions, when applicable). If applicable, the public authority may grant additional parking spaces under the existing concession or another change of the economic terms of the concession contract between the municipality and us. The application of the rebalancing clause is not an automatic procedure and the compensation granted will vary on a case by case basis.

New Business

From 2016 to September 30, 2019, we signed 55 new contracts for new business including for the operation of facilities at our legally owned properties and under long-term leases and concessions, which are expected to contribute an aggregate amount of approximately €40 million in Underlying EBITDA, part of which has already been realized. Furthermore, we concluded a number of on-street management contracts. We also have completed the construction of several large off-street parking facilities, including Gare du Sud (Nice) and Speecqvest (Mechelen). In addition, new facilities are under construction or scheduled for construction such as Kooldok & Steendok (Antwerp), Ravet & Cassine (Chambery), Dantes Plads (Copenhagen) and Gambetta (Clichy).

Most recently, in the first three quarters of 2019, we won contracts to operate Stadspark (Maastricht) and Hoornwijck (Rijswijk) in The Netherlands, Philharmonie (Paris), Conseil Général (Chartres), Gambetta/Auboin (Clichy) in France, Kievit (Antwerp) in Belgium, Potsdamer Platz (Berlin) in Germany, and Primary Care Center (Bray), Christchurch (Dublin) in Ireland. For Christchurch, we partnered with Primevest to bid jointly for the car park in Dublin. Primevest bid for the ownership of the facility of 213 parking spaces based on a new 35-year lease contract with us. We won the contract and the lease commenced in July 2019. The Underlying Total Revenue and Underlying EBITDA generated by greenfield parking facilities gradually ramp-up over the first three to four years after they become operational, and then typically remain stable with moderate increases due to inflationary adjustments and volume increases (largely reflecting increased demand due to increased traffic in cities) for the remaining term of the contract.

Our new business strategy is outlined centrally following broader corporate strategy. New business opportunities are mainly sourced by local business development ("**BD**") teams. Our Chief Financial Officer supervises the central business development department. The central business development team sets the direction by supporting and challenging the local business development teams in developing new business proposals. They are engaged in all strategic transactions, such as mergers, acquisitions and divestments.

We have a well-established and disciplined process for evaluating new business opportunities. Centrally, we maintain a multi-disciplinary Investment Committee ("**IC**") comprising members of our senior management team in Business Development, Real Estate and Finance that reviews and evaluates new business opportunities. New business proposals with an annual lease commitment or accumulated investment of greater than €0.1 million require Executive Board ("**EB**") approval, and are submitted to the IC by our local BD teams. Proposals and financial models submitted as part of this process must follow standard rules and formats, and all project proposals must include key assumptions, security margins, sensitivity analyses, benchmarking and an analysis of expected competition. The IC may ask for clarifications on the proposal or advises on changes to a proposal submitted by local BD teams.

The proposal is reviewed by our IC which provides a recommendation to the EB to reject the proposal, approve the proposal or to approve the proposal under certain conditions. When evaluating an opportunity, the IC considers targeted returns, the proposed contract terms, expected consumer demand for the parking facility, potential risks and possible economies of scale with the existing business. Contracts are only signed after formal approval of the EB. We believe that this dedicated approach allows us to properly evaluate and respond in a timely and efficient manner to potential business opportunities. Projects with an annual lease commitment of greater than €2.5 million or initial investments greater than €5 million must also be approved by our shareholders. Approved projects that are won and become operational are subject to a subsequent monitoring follow-up plan that can last over five years.

ICT and Operations

Our information and communications technology ("**ICT**") strategy is focused on improving our data infrastructure and analytical capabilities to enable an increasingly advanced pricing strategy. Our revenue is driven by volumes and pricing, with volume being driven by the location of the parking facility and targeted sales initiatives and price being actively used to increase revenue as demand is relatively inelastic. Data analytics are key to enable more advanced pricing management. Day-to-day pricing management is crucial given low marginal costs. Pricing in the parking market is moving from pay-by-the-hour to pay-by-the-minute, and from annual price adjustments to continuous optimization in our high-traffic, busier facilities, where dynamic pricing produces higher revenues. Our pricing strategy is to focus on setting the right price at any time in any facility. This includes customizing pricing plans for individual car parks to maximize revenue based on central sharing of best practices, applying tariffs that suit the location, the services offered in the surroundings of the facility (for facilities serving casinos, restaurants, offices and shopping centers) and the customer, creating big data analytics to analyze and react to customer behavior, and optimizing a mix of short-term and long-term rates to leverage both peak-hour short-term rates as well as down-time long-term utilization.

Our pricing management is based on careful analysis and monitoring, with analysis performed at a parking facility level. The availability of data analytics support pricing segmentation and the rounding of parking tariffs, among other innovations. Our resulting pricing improvement initiatives include dynamic pricing during events and based on specific needs (such as lunch time specials), flexible pricing based on frequency and/or duration (such as introducing one-hour tickets, as opposed to previous two-hour tickets, in London, thereby significantly increasing revenue), and optimization of day tariffs in facilities where a significant number of customers park for more than six or eight hours.

Another example of our investment in ICT is PaSS (Parking as a Smart Service). The core engine of PaSS is a cloud-based technology platform that allows us to interact and provide services virtually to our customers and business partners via a "plug-and-play" approach. We use automatic number plate recognition (ANPR) to identify customers at our car parks (at entry and exit), charge them via a central cloud-based billing engine and allow them to pay automatically via a chosen electronic payment method. The benefits of this digital transformation include:

- For our customers:
  - Seamless, no-touch parking experience in and out of our car parks, requiring no ticket, no physical payment card or cash, and no leaning-out-of-the-car-window in any of our car parks;
  - Automatic payment via a method chosen by the customer and linked to their number plate on profile, with multiple number plates per user allowed;
  - Flexibility to use any automatic, virtual payment method linked on profile, such as personal debit or credit cards, petrol/fuel cards, or third-party mobile applications (e.g. EasyPark, KBC banking mobile application, or mobile payment methods like 4411 in Belgium); and

    - Ability to digitally buy longer-term subscriptions, to pre-book a parking space or to "pay-as-you-go" with a post-payment electronic invoice, which can be provided after every transaction or after multiple transactions;

- For our business partners, such as landlords, municipalities or commercial third parties like EasyPark, KBC or Ticketmaster:
    - Easy onboarding onto our digital platform, which is completed as a "plug-and-play" mechanism via application programming interfaces for third parties;
    - Ability to offer a differentiated, higher level of satisfaction and convenience to customers, as customers would no longer need to use paper tickets or validation machines and can make bookings online easily; and
    - Flexibility for landlords and municipalities to accelerate the journey towards "smart parking" within "smart cities" through seamless integration via our digital platform into the wider "smart city" ecosystems; and
- For us:
    - More engaged and loyal customers and third-party business partners, which lead to increased parking transaction volumes and revenue across sales channels;
    - Ability to centrally harness transactional data, which allows us to customize our offering and pricing to individual customers based on their preferences and parking behavior; and
    - A standardized digital platform that eliminates the complexity of operating non-standardized facilities with varied local characteristics and on-site technology, which results in reduced operating expenditure and capital expenditure costs.

It is anticipated that PaSS will drive mobility through both our own online sales channels and third-party partnerships, enable more tailored customer propositions and other advanced pricing possibilities and allow us to react more proactively to innovations like "smart city" concepts and "mobility as a service (MaaS)."

Our operational improvements include the Q-Park Control Room ("**QCR**"), which we believe to be a differentiating factor compared to our competitors. The QCR is an international help desk, available 24/7, and its employees have direct access to on-site employees, service technicians and the customer service department. The QCR gives customers instant access to multi-lingual employees who can provide help and support with queries relating to the payment system or relating to accessing or exiting the parking facility. The QCR improves quality, customer satisfaction and efficiency, by decreasing working hours and the number of complaints and lowering parking management costs.

We have recently refitted over 230 of our parking facilities with over 100,000 LED light fittings, at a cost of €15 million in capital expenditures and which is forecast to deliver approximately €2.6 million in savings each year. In addition to improving the customer experience by providing uniform light levels to prevent shadows and transitional light at entry and exit to adjust for light difference, it has also significantly reduced our energy consumption.

We believe that automation and advances in technology can enhance customer experience, lower labor costs, improve cash management and increase overall profitability. We have introduced a number of automation and technology based services in recent years, including parking guidance and access systems and cashless payment solutions. We also have centralized management which is controlled remotely from a single 24-hour control room with an international help desk.

Property

As of September 30, 2019, the market value of our properties, predominantly located in large and attractive cities, was €1.7 billion. The portfolio comprises 110 properties (mostly legally owned by us, but including, in some cases, certain ground lease properties, and excluding the 14 UK properties which were sold in the UK Sale and Leaseback).

We lease our main corporate offices in Maastricht in The Netherlands. Following the P1 Acquisition, we also lease regional offices in Rotterdam and The Hague in The Netherlands and we also lease regional offices in the countries in which we operate.

Suppliers

Historically, our primary suppliers have been construction companies and contractors who build our parking facilities. These complement our in-house design team, thereby alleviating the dependence on external suppliers. We also rely on suppliers of parking management systems and information technology. For parking management systems, we fulfill our requirements from a limited number of international suppliers. We purchase our information technology requirements from a variety of suppliers, our main suppliers being Cegeka (ICT development and certain operations) and GTT (MPLS data lines).

Contract Counterparties

Our contractual counterparties, with whom we enter into lease agreements, concessions or contract management agreements, include municipalities, semi-public entities and private companies. As of December 31, 2018, we had 174 parking facilities in concessions within 43 cities, 349 leased parking facilities (majority of them being with private landlords). We manage our relationships with these counterparties on a centralized, regional and local basis. In general, the same personnel that manage our contracts on an ongoing basis are responsible for maintaining relationships with our clients. A number of our concessions are managed by personnel who have developed long-standing relationships with the municipalities and private entities with whom we enter into concession management agreements. For the year ended December 31, 2018, our top 20 parking facilities by Underlying Gross Margin (excluding non-allocated and central operating costs) represented 28% of our Underlying Gross Margin (excluding non-allocated and central operating costs).

Corporate Social Responsibility

Sustainable development is an important aspect of our values and strategy. We are committed to the furtherance and achievement of the United Nations' 17 Sustainable Development Goals, particularly those pertaining to industry, innovation and infrastructure and sustainable cities and communities. Our sustainable development targets include the following:

- Develop high-quality, reliable, sustainable and resilient infrastructure: This is centered on offering attractive parking facilities that make urban amenities and vital functions, such as hospitals, airports, city centers and universities, more accessible;

- Increase efficiency of resource use by upgrading infrastructure and retrofit industries: We look to accomplish this by investing in LED lighting to reduce energy consumption, installing e-charging stations and locating parking facilities near public transport stops and bicycle parking areas;

- Enhance inclusive and sustainable urbanization: We look to achieve this goal by working in partnership with local authorities to analyze changing mobility patterns and devise innovative responses, such as implementing smart parking tariffs and increasing the number of parking permit holders;

- Reduce adverse environmental impact of cities and provide access to secure parking spaces: We aim to reduce the car traffic created from searching for parking spaces by providing dynamic parking information, and we use off-street and underground parking to contribute towards the creation of car-free zones; and

- Support links between areas by strengthening national and regional development planning: We seek to meet this target by providing Park + Rail solutions and being part of mobility hubs, which contributes to connecting rural and urban areas and reducing car traffic in city centers.

Tangible ways in which we have carried out actions to meet our sustainability goals include our focus on off-street business, which contributes 95% of our Underlying Gross Margin (excluding non-allocated and central operating costs); our reduction by 33% of carbon dioxide emissions per parking space between 2013 and 2018; our reduction by 10% of energy consumption between 2013 and 2018; our LED lighting initiative across our parking facilities, which further contributes to the reduction of energy consumption and cost; and the installation of reserved electric vehicle charging points in approximately 720 facilities across all seven countries (as of December 31, 2018) with plans for further roll-out.

Employees

As of September 30, 2019 (and excluding the P1 Acquisition), we employed approximately 1,500 full-time equivalents.

We believe that our relations with employees are satisfactory. We have not experienced any strikes or work stoppages that have had a material adverse effect on our business, financial condition or results of operations.

Competition

The off-street car parking industry in Europe is highly fragmented with a limited number of large players. We believe that most countries in Europe have between three and five large private companies in the car parking market, accounting for between 10% and 30% of the total market share in such countries. Accordingly, market dynamics make it possible for large private players to acquire small competitors at discounted multiples, thereby driving market consolidation and scale. Due to our scale, long-standing industry experience and established relationships with municipalities and private landlords, we are typically able to achieve significant synergies that also allow us to offer competitive terms and win new business. However, we face competition from other parking operators in the bidding process for contracts and concessions. We also face this competition when our concessions and contracts come up for renewal and when we bid on concessions of others which are coming up for renewal. Due to our highly diversified business mix and long-standing relationships with a diverse number of local authorities, we believe that we are well positioned compared to our competitors. Since the Weighted Average Remaining Duration of our long-term contracts and concessions was approximately 50 years as of December 31, 2018, we face limited competition in the near future to maintain our portfolio. Additionally, there are several barriers to entry to obtain new contracts and concessions. These barriers to entry include having the relevant experience, technology and being familiar with the relevant administrative tender processes.

Our parking facilities face competition for end-users with nearby parking options. In general, we believe end-users are not willing to park more than a short walk from their intended destination, so competition is generally based on location and proximity to a customer's intended location (covering a radius of approximately 700-800 meters around the car park). Therefore, we may face competition from parking structures built nearby. We believe this competition is normally limited since many of our parking facilities have limited direct competition within easy walking distance and the risk of new structures being built is mitigated by the cost and difficulty of developing new parking facilities in city centers due to the high density and planning regulations. Despite a limited number of private facilities surrounding our concessions, the terms of the concessions provide us with some exclusivity within the areas covered by the relevant concession. We benefit from broad country diversification, scale and focus on a strong asset base or infrastructure-driven contract mix. Furthermore, we believe that in comparison to our leading competitors, many of whom act as only concessionaires or operators, our highly diversified business mix, which is focused on ownership and long-term contracts, our limited reliance on municipalities, which gives us flexibility on capital expenditure, our presence in attractive and high-growth countries and cities, and our strong local positions and market shares with a focus on multi-functional parking facilities place us in a strong competitive position.

Legal Proceedings

We are party to various legal proceedings involving routine claims that are incidental to our business.

See "*Risk Factors—Risk Relating to Our Business and Industry—Adverse litigation judgments or settlements resulting from legal proceedings in which we may be involved in the normal course of our business could materially adversely affect our business, results of operations or financial condition.*", "*Risk Factors—Risk Relating to Our Business and Industry—We may face complaints or litigation from season ticket holders with respect to our long-term parking facilities.*", "*Risk Factors—Risk Relating to Our Business and Industry—Instances of fraud, bribery, corruption and privacy breaches involving our management, employees, business partners or agents could expose us to penalties and reputational damage and could hinder our ability to acquire or renew contracts or even continue our operating activities*" and "*Risk Factors—Risk Relating to Our Business and Industry—We conduct business in multiple jurisdictions and are exposed to changes in tax laws, tax rates and their application and interpretation in the markets in which we operate, and we have been (and may continue to be) subject to significant claims related to tax disputes and audits.*" Although our legal and financial liability with respect to such proceedings cannot be estimated with certainty, we do not believe that the outcome of these legal proceedings, individually or in the aggregate, will have a material adverse effect on our business, financial condition or results of operations.

MANAGEMENT

Supervisory Board and Executive Board of Q Park B.V.

The Issuer, a direct subsidiary of the Parent, directly owns Q Park B.V., but as Q Park B.V. falls under the Dutch mitigated large company regime, the operations of Q Park B.V. and its subsidiaries will effectively be controlled by the executive board of Q Park B.V. (the "**Executive Board**") and supervised by the supervisory board of Q Park B.V. (the "**Supervisory Board**").

We are governed by a two-tiered board structure comprising a Supervisory Board and an Executive Board. The Supervisory Board is responsible for supervising the policies and management of the Executive Board and the general affairs of the Group, including the interactions with our shareholders. The Supervisory Board also advises the Executive Board and certain resolutions of the Executive Board are subject to approval by the Supervisory Board. The general meeting of shareholders appoints the members of the Executive Board and determines the remuneration and other conditions of employment of the members of the Executive Board. The Executive Board conducts our business in accordance with the applicable laws and regulations, the guidelines and policies established by the Dutch Civil Code, Q Park B.V.'s articles of association, the Executive Board regulations and the Supervisory Board regulations.

The Dutch mitigated large company regime applies to Q Park B.V., and as a consequence, the Supervisory Board has the power to suspend members of the Executive Board. The general meeting of shareholders has the power to appoint and dismiss of the members of the Executive Board. Under the mitigated large company regime, the general meeting appoints the members of the Supervisory Board pursuant to a nomination by the Supervisory Board, taking into account any recommendation rights of the general meeting.

As of the date of this Offering Memorandum, the Supervisory Board consists of seven members, all of whom are nominees of our shareholders. The Supervisory Board consists of board members A and board members B. The Supervisory Board has the power to review key strategic decisions of Q Park B.V.'s management. A resolution of the Supervisory Board is adopted by a majority of votes cast provided that all of the Supervisory Board members A are present or represented at the meeting. The Supervisory Board may also adopt resolutions outside a meeting provided that all of the Supervisory Board members agree with the resolution being adopted outside a meeting.

The Executive Board is responsible for the overall management of the Group. Currently, the Executive Board comprises of the Chief Executive Officer, the Chief Financial Officer and the Chief Transformation Officer. The address of the Supervisory and Executive Boards is the registered office of Q Park B.V.: Stationsplein 8 E 6221 BT Maastricht, The Netherlands.

Supervisory Board

The following table lists the members of the Supervisory Board as of the date of this Offering Memorandum:

Name	Born	Title	Member of Supervisory Board since
Ryan Miller	1984	Member A	October 12, 2017
Pierre Benoist d'Anthenay	1975	Member B	June 14, 2019
Juan de Ochoa Panisello	1967	Member A	October 12, 2017
Michael Rubinoff	1962	Member B	October 12, 2017
Vincent Policard	1974	Member A	October 12, 2017
Arnauld Schaefer	1966	Member B	June 14, 2019
Peter Martin Larsen	1977	Member B	December 3, 2019

Members of the Supervisory Board are appointed for a term of four years, and can be re-appointed. Summarized below is a brief description of the experience of the individuals who serve as members of the Supervisory Board as of the date of this Offering Memorandum.

Ryan Miller

Ryan Miller has been a member of the Supervisory Board since October 12, 2017. Mr. Miller joined KKR in 2016 and is a member of the Energy & Infrastructure team. He has been actively involved in KKR's investments in the Group, South Staffordshire plc, FlowStream Commodities, iGas and the Acteon Group. Prior to joining KKR, Mr. Miller was the commercial manager at Genel Energy. Previously, Mr. Miller spent five years in principal investing with First Reserve in London and Metalmark Capital in New York. He began his career in investment banking with Merrill Lynch and holds a Bachelor of Science in Finance and French from the Schreyer Honors College of the Pennsylvania State University. He serves as a board member of Q Park B.V. and Acteon Group.

Pierre Benoist d'Anthenay

Pierre Benoist d'Anthenay has been a member of the Supervisory Board since June 14, 2019. Currently, Mr. d'Anthenay holds the position of Head of EDF Invest. In July 2015, Mr. d'Anthenay joined EDF Invest as the Deputy Head of Mergers and Acquisitions. From 2013 to 2015, he was Deputy CEO at Eutelsat Asia in Singapore. Over the last 13 years, in addition to the aforementioned positions, Mr. d'Anthenay was also Director of Corporate Finance of Eutelsat Communications in Paris. He holds a Master of Advanced Studies (DEA) in Economic Public Law from Panthéon-Assas University and an Advanced Master (MS) from ESCP.

Juan de Ochoa Panisello

Juan de Ochoa Panisello has been a member of the Supervisory Board since October 12, 2017. Mr. de Ochoa Panisello joined KKR Capstone in 2011 and currently serves as co-Head of KKR Capstone EMEA. Mr. de Ochoa Panisello is a member of KKR's EMEA Portfolio Management Committee. With KKR Capstone, Mr. de Ochoa Panisello has led various value creation efforts across the EMEA portfolio with a particular focus on performance improvement and growth. Prior to joining KKR Capstone, Mr. de Ochoa Panisello was a director at AlixPartners specialized in procurement and supply chain. Before that he was general manager and primary shareholder of an Automotive Tier II supplier with plants in Spain and Slovakia. He holds a Bachelor's Degree in Economics and Business Administration from the Université Catholique de Louvain (Belgium) and has taken various specialized training courses in Operations. He serves as a board member of PortAventura and Alvic Group and he is Chairman of the Board of Acteon Group.

Michael Rubinoff

Michael Rubinoff has been a member of the Supervisory Board since October 12, 2017. Mr. Rubinoff is the head of private equity of J. Safra Group. From April 2012 to September 2013, Mr. Rubinoff served as President of Safra Asset Management Corporation. From 2009 to January 2012, Mr. Rubinoff served in various senior level positions at Bank of America Merrill Lynch including Co-Head of the Global Corporate and Investment Bank and served as Chairman thereof in 2012. Prior to 2009, Mr. Rubinoff was a senior executive at Merrill Lynch, Pierce, Fenner and Smith Incorporated. Mr. Rubinoff currently sits on the Boards of the following: Global Atlantic Financial Group, Chiquita Brands International, Talcott Resolution Life Insurance Company, USI Inc. (Observer), Worldwide Flight Services Inc., LifeTime Fitness Inc. (Observer), Allied Universal Inc., The Andy Warhol Museum and The Jewish Museum (Trustee). Mr. Rubinoff received his degree from the Wharton School of Business and his law degree from the University of Pennsylvania.

Vincent Policard

Vincent Policard has been a member of the Supervisory Board since October 12, 2017. Mr. Policard joined KKR in 2012 and has 20 years of experience. At KKR, he has been actively involved in a number of infrastructure investments including Renvico Renewable Energy, Coriance, European Locomotive Leasing ("**ELL**"), Deutsche Glasfaser, Q-Park, Hivory and Hyperoptic and is a member of the Infrastructure Investment Committee. Mr. Policard is currently on the board of directors of Renvico Renewable Energy, ELL, Deutsche Glasfaser, Hivory and Hyperoptic. Prior to joining KKR, Mr. Policard spent over a decade at Morgan Stanley, most recently as an executive director on Morgan Stanley's infrastructure fund team where he was responsible for originating and executing transactions in the European infrastructure sector, playing a leading role in investments in Madrilena Red de Gas and Eversholt Rail Group. Mr. Policard holds an M.B.A. from HEC Paris, a Master in Political Science from Sciences Po Paris and a Master of Law from Assas University (Paris).

Arnauld Schaefer

Arnauld Schaefer has been a member of the Supervisory Board since June 14, 2019. From 2006 to 2017, Mr. Schaefer was Managing Director in mergers and acquisitions, specializing in infrastructure, at Leonardo & Co, which became Natixis Partners in 2015. Since April 2017, Mr. Schaefer has held the position of Head of Infrastructure Equity at Schroder Aida. In addition to the aforementioned positions, Mr. Schaefer is also Chairman of Aquitaine Energies Infrastructures SAS and a member of the board of Regaz Bordeaux S.A. He graduated from Télécom Paris (ENST) and obtained an Engineering degree from Ecole Polytechnique in France.

Peter Martin Larsen

Peter Martin Larsen has been a member of the Supervisory Board since December 3, 2019. From November 2013 to present, Mr. Larsen has held the position of Investment Director, at PensionDanmark. Prior to that Mr. Larsen worked in investment banking and advisory firms in London. In addition to the aforementioned positions, Mr. Larsen is also a board director of Angel Trains Group Ltd. and a supervisory board director of Noordgastransport B.V. Mr. Larsen holds a Master of Science and a Bachelor of Science in Economics from the University of Copenhagen. He holds a Master of Science in Finance and Economics from the London School of Economics and Political Science.

Supervisory Board Committees

The Supervisory Board has an audit committee, a remuneration committee and a selection and appointment committee. The committees consist of members of the Supervisory Board. Each of the committees has a preparatory and/or advisory role and reports its findings to the Supervisory Board, which is ultimately responsible for all decision making.

Executive Board

The following table lists the members of the Executive Board as of the date of this Offering Memorandum:

Name	Born	Title	Member of Executive Board since
Frank De Moor	1962	Chief Executive Officer	August 1, 2014
Sibert Houben	1968	Chief Financial Officer	August 7, 2018
Hans Linssen	1972	Chief Transformation Officer	August 7, 2018

Members of the Executive Board are appointed for an indefinite term.

Summarized below is a brief description of the experience of the individuals who serve as members of the Executive Board as of the date of this Offering Memorandum.

Frank De Moor

Frank De Moor has been Chief Executive Officer and the chairman of the Executive Board since August 2014. He serves as Chairman of the Management Committee and the Corporate Responsibility Committee. Mr. De Moor holds the position of Executive Chairman & Chief Executive Officer of Q Park B.V. Mr. De Moor also holds senior management and director positions at certain affiliate companies of the Group. Mr. De Moor is also the non-executive, independent director of QRF City Retail, a listed Belgian REIT, where he has held the position of chairman of the audit committee since November 2013. In his past career, Mr. De Moor held the position of Chief Executive Officer at Macintosh Retail Group NV, Managing Director at Kwantum Deco Group BV, Director GP Décors SNC, Management Services Director at Tonton Tapis NV, Managing Director at Brantano NV, Branch Manager Distribution Centre Europe & Africa at Federal-Mogul Corp, Senior Consultant Ernst & Whinney Belgium and Systems Analyst at Procter & Gamble Benelux N.V. Mr. De Moor received an Extended Master in Applied Economics (Econometrics) and Business Information from the Catholic University Leuven (KUL Belgium) in 1985.

Sibert Houben

Sibert Houben has been Chief Financial Officer and a member of the Executive Board since August 2018. He serves as Chairman of the Investment Committee. Mr. Houben is also a director on the board of Q-Park Operations Denmark A/S. Within the Executive Board of Q Park B.V., he is also responsible for new business. In that capacity, Mr. Houben led the P1 Acquisition in 2019. From 1999 to 2014 he held various finance roles in Royal Dutch Shell in The Netherlands and in Russia (Sakhalin, Moscow) between 2004 and 2019. In 2015, he joined Maersk Oil in Copenhagen, Denmark where he became Head of Planning, Performance and Economics until 2017 and later Head of Finance and Deputy Chief Financial Officer from 2017 to 2018. He played an integral role in the sale of Maersk Oil to Total SA in 2017. He holds a Master of Science in Economics from the Erasmus University Rotterdam and an Executive Master of Finance and Control from Nyenrode Business University.

Hans Linssen

Hans Linssen joined Q Park B.V. as Concern Director of Financial Planning & Analysis in 2016 to spearhead, manage and streamline the Acquisition process (including primary and supportive processes). He became a member of the Executive Board in January 2018 as Chief Transformation Officer. He is also responsible for the business disciplines ICT, Business Intelligence and Compliance. In 1999, Mr. Linssen joined Macintosh Retail Group N.V. as business controller, became Manager Concern Planning & Economics in 2002 and Group Finance Director in 2009. Mr. Linssen participated in several projects including acquisition and integration of Scapino and Brantano BE/UK (including delisting), divestment and sale process of BelCompany and Kwantum and several other refinancing and working capital improvement programs. He holds a Master of Science in Business Economics from the University of Maastricht in The Netherlands.

Executive Board Committees

The Executive Board has an Investment Committee ("**IC**").

The IC is chaired by Sibert Houben. The IC meets on a weekly basis, and its principal role is to advise on investment proposals from the country management teams with respect to potential new business (including the expansion of our existing business). New business proposals, proposed acquisitions and divestments are submitted to the IC by our local business development ("**BD**") teams. Proposals are reviewed by our IC which provide a recommendation to the Executive Board to either reject the proposal, approve the proposal or to approve the proposal subject to certain conditions. Upon approval of the preliminary proposal, the local BD teams then submit an investment proposal for the IC's review, and upon further approval, the local BD teams are permitted to proceed with the acquisition or new investment plan, including submitting bids in a tender process.

Board of Directors of the Issuer

The following table lists the members of the board of directors of the Issuer (the "**Board**") as of the date of this Offering Memorandum:

Name	Born
Murat Yasar	1979
Augustinus Johannes Antoine Gabriels	1960
Vincent Policard	1974
Ryan Miller	1984

There are no set terms for members of the Board.

Summarized below is a brief description of the experience of the individuals who serve as members of the Board as of the date of this Offering Memorandum.

Murat Yasar

Murat Yasar became a member of the Board in May 2017. From 2015 to present, Mr. Yasar has been a Managing Director, at Avega Netherlands B.V., a Dutch licensed trust office. Prior to this, he was Senior Manager at Athos FBS AG from 2014 to 2015. Since May 2017, in addition to the aforementioned positions, Mr. Yasar has also been a member of various boards including Byzantium Acquisition TopCo B.V., Byzantium Acquisition MidCo 1 B.V., the Parent, Stichting Administratiekantoor Byzantium ManCo B.V. and Byzantium ManCo B.V. He holds a Master's Degree in Economics from Vrije Universiteit Amsterdam as well as a Bachelor's Degree in Economics from the Hogeschool voor Economische Studies (HES) Amsterdam.

Augustinus Johannes Antoine Gabriels

Augustinus Johannes Antoine Gabriels became a member of the Board in May 2017. From 2015 to present, Mr. Gabriels has been a Managing Director at Avega Netherlands B.V., a Dutch licensed trust office. Prior to this he held various positions in the financial sector as Finance Director and Operational Director. Prior to joining Avega Netherlands B.V. he was Business Unit Manager (Finance) at Intertrust. Since May 2017, in addition to the aforementioned positions, Mr. Gabriels has also been a member of various boards including Byzantium Acquisition TopCo B.V., Byzantium Acquisition MidCo 1 B.V., Stichting Administratiekantoor Byzantium ManCo B.V. and Byzantium ManCo B.V. He holds a Bachelor's Degree of Business Administration from Markus Verbeek Praehep Hogeschool Rotterdam.

Corporate Governance and Responsibility

Good corporate governance is at the core of our business model and our systems of governance have been designed to provide the necessary checks and balances between management and employees, as well as between the Executive Board, the Supervisory Board, other managers and our shareholders.

Mitigated Large Company Regime

The Dutch mitigated large company regime (art. 2:265a Dutch Civil Code) applies and grants specific powers to the Supervisory Board. The Supervisory Board has, for example, the power to suspend members of the Executive Board. The General meeting of shareholders has the power to appoint and dismiss the members of the Executive Board. Under the mitigated large company regime, the Supervisory Board members are appointed by the general meeting on a binding nomination from the Supervisory Board. However, the general meeting can also recommend candidates to be nominated by the Supervisory Board.

Responsibility

The Executive Board is responsible for the management of our operations, subject to the supervision of the Supervisory Board. The Executive Board's responsibilities include, among other things, (i) setting the overall business strategy, (ii) setting the overall risk strategy and implementing a sound and consistent risk culture, (iii) establishing, implementing and assessing key policies, (iv) managing the Group on a day-to-day-basis, (v) ensuring and periodically reviewing that we have an adequate, effective and independent internal control framework, including well-functioning risk management, compliance and internal audit functions, (vi) ensuring compliance with several recurring obligations and (vii) developing, adopting, adhering and promoting high ethical and professional standards.

Internal Controls

The Executive Board is responsible for the systems of internal control that are designed in such a way as to safeguard controlled and sound business operations and to ensure the quality of internal and external reporting and compliance with applicable laws, regulations and codes of conduct. In devising internal controls, we have given regard to the nature and extent of the risks that may affect the soundness of the entire enterprise, the likelihood of risks occurring and the cost of control.

Governance and Compliance

We have a general counsel reporting directly to the Chief Executive Officer. Compliance risk covers the risk of legal or regulatory sanctions, material financial loss, or loss to reputation we may suffer as a result of our failure to comply with applicable laws, regulations, rules, internal policies, standards and codes of conduct applicable to our business activities and within the scope of our privacy and compliance function. Compliance risk management is considered to be most effective when a high level of awareness exists within the entire organization. Therefore, compliance risk management aims to constantly contribute to the advancement of compliance with external and internal regulation. Our compliance risk management practices are important to the way we conduct business. The basis for mitigating compliance risk is provided by our compliance risk management framework. The Chief Executive Officer has assigned the task for identifying, assessing, advising, monitoring and reporting compliance risks to the group compliance officer. The group compliance officer is also responsible for the audit of our compliance procedures. A local compliance function exists at each country level.

Procedures with Respect to Conflicts of Interest

Executive Board

The articles of association of Q Park B.V. provide that where an Executive Board member has a direct or indirect personal conflict of interests with Q Park B.V. or the enterprise connected with it, such person will not participate in deliberations and the decision making process with respect to such matter, which shall be decided by the other Executive Board members. If as a consequence of the foregoing the Executive Board would be incapable of adopting a resolution, the decision shall be referred to and adopted by the Supervisory Board.

Supervisory Board

The articles of association of Q Park B.V. provide that where a Supervisory Board member has a direct or indirect personal conflict of interests with Q Park B.V. which entails that such member cannot represent the companies' interests with the required integrity or objectivity, or the enterprise connected with it, the relevant Supervisory Board member will not participate in the deliberations and the decision making process with respect to such matter and the other Supervisory Board members will deliberate and take the decision. If the Supervisory Board as a consequence of the foregoing would be incapable of adopting a resolution the decision shall be referred to and adopted by the general meeting.

Management Equity Plan

Under the existing management equity plan of the Group (the "**Management Equity Plan**"), selected key employees of our management, including the members of the Executive Board, have been provided an opportunity to make an indirect investment alongside the Consortium. As of September 30, 2019, the managers participating in the Management Equity Plan held less than 1% of the capital interest (without voting rights) in the Group. This investment is held indirectly via one or more management holding companies that have issued depositary receipts to each Management Equity Plan participant as evidence of its investment. These depositary receipts expose a Management Equity Plan participant to the full economic risk and benefit of the underlying shares in an indirect parent company of the Group.

Compensation

The compensation for the members of the Executive Board of Q Park B.V. includes fixed remuneration, other short-term employee benefits, post-employment benefits, severance pay and other long-term employee benefits. The aggregate compensation paid to the Executive Board serving during the year ended December 31, 2018 amounted to €1.9 million. The members of the Supervisory Board did not receive compensation for their position as members of the Supervisory Board.

PRINCIPAL SHAREHOLDERS

The issued and outstanding share capital of the Parent is indirectly controlled by KKR. Certain investment funds and entities advised by affiliates of Schroders, EDF, PensionDanmark, Safra, and certain members of our senior management own capital interests in Byzantium Acquisition TopCo B.V.

The relationship among the Consortium members is governed by a subscription and shareholders' agreement relating to Byzantium Acquisition TopCo B.V. dated October 9, 2017 (the "**Shareholders' Agreement**"). Among other provisions, the Shareholders' Agreement provides that the voting rights on the Supervisory Board for the KKR nominees shall at all times exceed those of the other Consortium members' nominees on the Supervisory Board combined, and for the general meeting of shareholders controlled by KKR to appoint the Executive Board (except that KKR shall consult with a certain Consortium member in relation to the appointment or dismissal of the Chief Executive Officer or the Chief Financial Officer and their respective remuneration). Certain matters pertaining to the entities in the structure, including the Parent, the Issuer and Q Park B.V., require the consent of all Consortium members holding no less than 10% of the capital interest in the Group (excluding any holdings by senior management), and certain matters pertaining to the entities in the structure, including the Parent, the Issuer and Q Park B.V., require the consent of a certain Consortium member as long as such Consortium member holds no less than 15% of the capital interest in the Group (excluding any holdings by senior management). The Shareholders' Agreement includes restrictions on the ability of Consortium members to transfer their respective ownership interests in securities issued by Byzantium Acquisition TopCo B.V., as well as tag-along rights for non-KKR Consortium members, drag-along rights for KKR, and a right of first refusal for all Consortium members with respect to ownership interests in securities issued by Byzantium Acquisition TopCo B.V.

KKR

KKR is a leading global investment firm with a long history of investing in Europe. Founded in 1976 and led by Henry Kravis and George Roberts, KKR had $208 billion in assets under management as of September 30, 2019. With offices around the world, KKR manages assets through a variety of investment funds and accounts covering multiple asset classes. KKR seeks to create value by bringing operational expertise to its portfolio companies and through active oversite and monitoring of its investments. KKR complements its investment expertise and strengthens interactions with investors through its client relationships and capital markets platforms.

KKR's investment in the Group is held through KKR Infrastructure, which has a long-term approach to investing. KKR Infrastructure holds approximately 30 infrastructure investments globally within three funds investing across North America, Europe and Asia-Pacific in a number of sub-sectors and geographies and has 37 team members supported by the broader KKR global resources. KKR Infrastructure adopts a differentiated and disciplined risk-based strategy to its investments with focus on downside protection and low risk of capital impairment, and a conservative approach to leverage and structuring. As of September 30, 2019, KKR Infrastructure had a total of $12.7 billion in assets under management across three dedicated funds.

Schroders

Schroder Aida is an affiliate of Schroders with £444.4 billion of assets as of June 30, 2019. Schroder Aida has specialized in infrastructure financing since September 2015 as an investment solution for institutional investors willing to invest in the infrastructure sector through equity or debt. As of December 31, 2018, Schroder Aida raised €2.6 billion of capital in both debt and equity, of which 90% has been invested. Its equity strategy is focused on strategic investments in core European infrastructure assets, generating predictable and resilient distribution to shareholders. Based in Paris, Schroder Aida is led by Charles Dupont and employed 20 professionals as of December 31, 2018. It is jointly owned by Schroders and its management, authorized and regulated in France by the Autorité des Marchés Financiers (AMF) as an asset management company (*Société de Gestion de Portefeuille*).

EDF

Historically, EDF Invest has managed assets that contribute to the long-term financing of future decommissioning of EDF's nuclear power plants in France. As part of its mission is to diversify EDF's portfolio of dedicated assets, EDF has expanded its investments to target the following three asset classes in France and abroad: Infrastructure, Real Estate and Investment Funds. EDF Invest currently manages approximately €6.5 billion of equity.

PensionDanmark

PensionDanmark is a labor market pension fund and among the 50 largest pension funds in Europe. As of December 31, 2019, PensionDanmark managed pension and insurance schemes, healthcare and educational funds on behalf of 750,000 members employed at 26,000 businesses within the Danish private and public sector. PensionDanmark is a not-for-profit and owned by its members, with all profits benefitting its members. In 2018, PensionDanmark generated pension contributions of €1.9 billion and had €32 billion of assets under management.

Safra

The J. Safra Group, with total assets under management of over $242 billion and aggregate stockholders equity of $19.3 billion as of December 31, 2018, is controlled by the Joseph Safra family. The J. Safra Group consists of privately owned banks under the Safra name and investment holdings in asset based business sectors such as real estate and agribusiness. The J. Safra Group's banking interests span over 160 locations globally with more than 33,000 employees associated with the J. Safra Group as of December 31, 2018. With deep relationships in markets worldwide, the J. Safra Group is able to greatly enhance the value of businesses which are part of it.

RELATED PARTY TRANSACTIONS

We enter into transactions with certain related parties or our affiliates from time to time and in the ordinary course of business. The business relations between us and our affiliates are handled on arm's-length terms. Set forth below is a description of certain of our material related party transactions.

Management Equity Plan

We have established a management equity participation program pursuant to which certain members of our senior management own capital interests in Byzantium Acquisition TopCo B.V., an indirect parent company of the Issuer. For further information, see "*Principal Shareholders*."

Monitoring Services Agreements

We have entered into contractual relationships with KKR and Schroders regarding the provision of management, consulting and financial services to the Issuer and its direct and indirect divisions, subsidiaries and entities with participating or minority interests and the Issuer agrees to pay management fees for such services.

Other Related Party Transactions

As of September 30, 2019, the Parent had €78.9 million of outstanding borrowings under a shareholder loan made by Byzantium Acquisition Midco 1 B.V., a portion of which will be repaid as part of the Transactions.

KKR Capital Markets Limited, one of the Initial Purchasers, is an affiliate of KKR and therefore may be deemed an affiliate of the Issuer. In addition, KKR Capstone, an affiliate of KKR, has provided us with consulting services on an arm's length basis.

DESCRIPTION OF OTHER INDEBTEDNESS

The following is a summary of certain provisions of our indebtedness and certain financial arrangements to which we and certain of our subsidiaries are or will be a party. It does not purport to be complete and is subject to, and qualified in its entirety by reference to, the underlying documents.

Revolving Credit Facility Agreement

Overview and Structure

On or around the Issue Date, the Parent, the Issuer and certain of its subsidiaries will enter into a €250 million super senior revolving credit facility agreement (the "**Revolving Credit Facility Agreement**") with, among others, Wilmington Trust (London) Limited as facility agent, Wilmington Trust (London) Limited as security agent and the financial institutions named therein as arrangers and lenders.

Capitalized terms set forth and used in this section entitled "*—Revolving Credit Facility Agreement*" have the same meanings as set forth in the Revolving Credit Facility Agreement, which may have different meanings from the meanings given to such terms used elsewhere in this Offering Memorandum.

The facility made available under the Revolving Credit Facility Agreement (the "**Revolving Credit Facility**") may be utilized by any current or future borrower thereunder in euros, U.S. dollars, Sterling and Danish Kroner or any other currency which is readily available and freely convertible into euro, by the drawing of cash advances, the issuance of letters of credit, bank guarantees and/or the establishment of ancillary facilities. The Revolving Credit Facility may be used for (directly or indirectly) financing or refinancing the general corporate purposes and/or working capital requirements of the Group (including capital expenditure and acquisitions).

In addition, the Issuer may elect to request additional facilities, either as new facilities or additional tranches of the Revolving Credit Facility (each an "**Additional Facility**"), provided that the aggregate principal amount of Indebtedness outstanding under all such Additional Facilities incurred during the life of the Revolving Credit Facility shall not exceed the greater of (a) €225 million and (b) 100% of Relevant EBITDA (unless such indebtedness incurred is otherwise permitted under the terms of the Revolving Credit Facility). The Issuer and the lenders providing an Additional Facility may agree to certain terms applicable to such Additional Facility, including the margin, the termination date and the availability period (where relevant, subject to parameters as set out in the Revolving Credit Facility Agreement).

The Revolving Credit Facility may be utilized until the date falling one month prior to the termination date of the Revolving Credit Facility. The borrowers under the Revolving Credit Facility are the Issuer and Q Park B.V., however, other members of the Group incorporated in The Netherlands, England, France, Germany or any other jurisdiction approved by the lenders may be added as additional borrowers from time to time.

Interest and Fees

Loans under the Revolving Credit Facility Agreement will initially bear interest at rates per annum equal to LIBOR or, for loans denominated in euro, EURIBOR, or for loans denominated in Danish Kroner, CIBOR, plus a margin of 1.50% per annum (which is subject to reduction in accordance with a ratchet linked to the leverage ratio). The margin applicable to an Additional Facility will be agreed between the Issuer and the lenders of that Additional Facility (subject to certain parameters set out in the Revolving Credit Facility Agreement).

A commitment fee is payable on the aggregate undrawn and uncancelled amount of the Revolving Credit Facility until the end of the availability period for the Revolving Credit Facility at a rate of 30% of the margin applicable to the Revolving Credit Facility from time to time. The commitment fee is payable quarterly in arrears, on the last date of availability of the Revolving

Credit Facility and on the date the Revolving Credit Facility is cancelled in full or on the date on which a lender cancels its commitment thereunder. Default interest is calculated as an additional 1% on the overdue amount. The Issuer is also required to pay customary agency fees to the facility agent and the security agent in connection with the Revolving Credit Facility.

Repayments

Each advance will be repaid on the last day of the interest period relating thereto, subject to a netting mechanism applicable to amounts being drawn on the same date. All outstanding amounts under the Revolving Credit Facility will be repaid on the date that is the earlier of 78 months after the Issue Date and the date that is six months prior to the Maturity Date of any outstanding Notes issued by the Issuer or notes issued by any other member of the Group. The termination date for a facility under an additional facility commitment is the date agreed between the Issuer and the relevant lenders. Amounts repaid by the borrowers in respect of loans made under the Revolving Credit Facility may be re-borrowed during the availability period for that facility, subject to certain conditions.

Mandatory Prepayment

The Revolving Credit Facility Agreement allows for voluntary prepayments (subject to minimum amounts). The Revolving Credit Facility Agreement also permits each lender to require the mandatory prepayment of all amounts due to that lender under the Revolving Credit Facility Agreement upon a Change of Control other than where the Issuer has delivered a Specified Change of Control Notice informing the Lender that a Specified Change of Control Event may occur and informing them of the person acquiring a majority of the voting stock of the Issuer or acquiring all or substantially all of the assets of the Group. In such case, Lenders will (subject to completing KYC on the relevant person), not be repaid.

Guarantees

The Parent, the Issuer and Q Park B.V. will provide senior guarantees on the Issue Date of all amounts payable to the finance parties under the Revolving Credit Facility Agreement, in each case subject to the limitations on such guarantees as set out in the Revolving Credit Facility Agreement. Q-Park Real Estate Holding B.V. and Q-Park Operations Holding B.V. will provide the same senior guarantees on the Issue Date.

The Revolving Credit Facility Agreement requires that (subject to agreed security principles and upon request in certain cases) each subsidiary of the Issuer incorporated in The Netherlands, France, Germany, England that is or becomes a Material Subsidiary (which definition includes, among other things, any member of the Group that has earnings before interest, tax, depreciation and amortization representing 5% or more of Consolidated EBITDA or total assets representing 5% or more of the total assets of the Group), and any holding company of that company, will be required to become a guarantor under the Revolving Credit Facility Agreement within the time period specified therein.

Furthermore, if on the last day of a financial year of the Issuer, the guarantors represent less than 70% of the Consolidated EBITDA and/or the total assets of the Issuer and its subsidiaries (subject to certain exceptions), within 60 days of delivery of the annual financial statements for that financial year, subject to agreed security principles additional restricted subsidiaries of the Issuer are required to become additional guarantors of the Revolving Credit Facility Agreement until the 70% coverage requirement is met (calculated as if such additional guarantors had been guarantors on such last day of the relevant financial year).

Security

The Revolving Credit Facility is initially secured by the same Collateral as the Notes. In addition, security must be provided over the shares in any Material Subsidiary or other member of the Group which becomes a guarantor of the Revolving Credit Facility in favor of the relevant security agent under the Revolving Credit Facility.

Representations and Warranties

The Revolving Credit Facility Agreement contains certain customary representations and warranties (subject to certain exceptions and qualifications and with certain representations and warranties being repeated), including status and incorporation, power and authority, binding obligations, non-conflict with laws, constitutional documents or other binding obligations, authorizations, consents and filings and no default.

Covenants

The Revolving Credit Facility Agreement contains certain of the incurrence covenants and related definitions (with certain adjustments) that are set forth in the Indenture. In addition, the Revolving Credit Facility Agreement contains a financial covenant (see "*—Financial Covenant*").

The Revolving Credit Facility Agreement also contains a "notes purchase condition" covenant. Subject to certain exceptions set out in the Revolving Credit Facility Agreement, the Issuer may not, and shall procure that no other member of the Group will, repay, prepay, purchase, defease, redeem or otherwise acquire or retire the principal amount of the Notes (or, in each case, any replacement or refinancing thereof as permitted under the Revolving Credit Facility Agreement from time to time) prior to its scheduled repayment date in any manner which involves the payment of cash consideration by a member of the Group to a person which is not a member of the Group. The exceptions to such covenant include (among other things) payments that do not exceed 50% of the aggregate original principal amount of the Notes (or, in each case, any replacement or refinancing thereof as permitted under the Revolving Credit Facility Agreement from time to time) or any Additional Notes issued at any time after the Issue Date.

The Revolving Credit Facility Agreement also requires certain members of the Group to observe certain affirmative covenants relating to maintenance of guarantor and security coverage and further assurances.

Certain of the covenants under the Revolving Credit Facility Agreement will be suspended upon (i) an achievement of a leverage ratio equal to or less than 4.75 or (ii) an achievement by the Issuer (or any of its affiliates) of a long-term corporate credit rating of Baa3/BBB- or better by at least two of Moody's Investor Services, Inc., Standard & Poor's Investors Ratings Services and Fitch Ratings Limited.

The Revolving Credit Facility contains an information covenant under which, among other things, the Issuer is required to deliver to the facility agent annual financial statements, quarterly financial statements and compliance certificates, provided that delivery of accounts and/or financial statements for any period which comply with the terms of the Indenture (or documentation governing any replacement, equivalent or similar financing from time to time) shall satisfy such requirements.

Financial Covenant

The Revolving Credit Facility Agreement requires the Issuer to comply with a net senior secured leverage ratio for the period of the most recent four consecutive financial quarters ending prior to the date of determination of such ratio. Subject to the satisfaction of certain pre-conditions, the covenant will be tested quarterly.

In the event that the above leverage ratio on the last day of each Measurement Period ending on or after the last day of the second complete financial quarter following the Issue Date exceeds 10.8:1, the Issuer shall confirm that fact in the applicable Compliance Certificate. The financial covenant will not be tested nor required to be satisfied where the relevant loans under the Revolving Credit Facility (less cash and cash equivalents) on the relevant quarter date on which the Measurement Period ends do not exceed 40% of the total commitments under the Revolving Credit Facility.

The Issuer is permitted to prevent or cure breaches of such leverage ratio by applying all or any part of amounts received by the Issuer in cash pursuant to any new equity or permitted subordinated debt (such amount being a cure amount) being added to Consolidated EBITDA or deducted from net indebtedness. There is no requirement to apply any cure amount in prepayment of the Revolving Credit Facility. No more than one cure amount may be taken into account in the calculation of Consolidated EBITDA during each financial year of the Issuer and no more than five cure amounts may be taken into account in the calculation of Consolidated EBITDA and/or deduction from net indebtedness during the term of the Revolving Credit Facility. Breaching the specified financial covenant levels will result only in a drawstop event, and not an event of default.

Events of Default

The Revolving Credit Facility contains events of default which are, with certain adjustments, the same as those applicable to the Notes and set forth in the section entitled "*Description of the Notes—Events of Default*." In addition, the Revolving Credit Facility contains the following events of default (which are subject to certain materiality exceptions and cure periods):

- inaccuracy of a representation or statement when made;
- unlawfulness, repudiation, rescission, invalidity or unenforceability of the Revolving Credit Facility Agreement or any other finance documents entered into in connection with it; and
- non-compliance by a member of the Group with a material obligation under the Intercreditor Agreement.

Ancillary Facilities

We currently have certain ancillary facilities in an amount of €7 million under the Existing Facilities Agreement for the provision of guarantee facilities and overdraft facilities available to certain members of the Group provided by ING Bank N.V. We intend to renew these ancillary facilities as "Ancillary Facilities" under the Revolving Credit Facilities Agreement.

Intercreditor Agreement

General

To establish the relative rights of certain of our creditors under our financing arrangements, the Parent, Q Park B.V. and the Issuer (together with any other entity which accedes or otherwise becomes a party to the Intercreditor Agreement as a debtor, the "**Debtors**") will enter into an Intercreditor Agreement dated on the Issue Date, with, among others, Wilmington Trust (London) Limited as security agent. The Trustee in respect of the Notes shall accede to the Intercreditor Agreement as a Senior Notes Trustee on the Issue Date.

The Intercreditor Agreement will be governed by English law and sets out, among other things, the relative ranking of certain indebtedness of the Debtors, the relative ranking of certain security granted by the collateral providers, when payments can be made in respect of certain debt of the Debtors, when enforcement action can be taken in respect of that indebtedness, the terms pursuant to which certain of that indebtedness will be subordinated upon the occurrence of certain insolvency events and turnover provisions.

The Intercreditor Agreement will provide for Hedge Counterparties and Operating Facility Lenders (each as defined below) to receive guarantees and indemnities from the Debtors on substantially the same terms (including the relevant limitations) as such guarantees and indemnities are provided by the obligors to the finance parties under the Senior Facilities Agreement.

Capitalized terms set forth and used in this section entitled "*—Intercreditor Agreement*" have the same meanings as set forth in the Intercreditor Agreement, which may have different meanings from the meanings given to such terms and used elsewhere in this Offering Memorandum.

Definitions

The following capitalized terms used in this summary of the Intercreditor Agreement have the meaning given to them below:

"**Creditors**" means the Senior Secured Creditors, the Senior Parent Creditors, the Hedge Counterparties, the intra-Group lenders and the investors in the Group.

"**Enforcement Action**" means:

(a) in relation to any liabilities:

(i) the acceleration of any liabilities or the making of any declaration that any liabilities are prematurely due and payable (other than as a result of it becoming unlawful for a Senior Secured Creditor or a Senior Parent Creditor to perform its obligations under, or of any voluntary or mandatory prepayment arising under, any of the debt documents);

(ii) the making of any declaration that any liabilities are payable on demand;

(iii) the making of a demand in relation to a liability that is payable on demand;

(iv) the making of any demand against any member of the Group in relation to any guarantee liabilities of that member of the Group;

(v) the exercise of any right to require any member of the Group to acquire any liability (including exercising any put or call option against any member of the Group for the redemption or purchase of any liability but excluding any such right which arises as a result of the permitted debt purchase transactions provisions of the Senior Facilities Agreement (or any other similar or equivalent provision of any of the Secured Debt Documents) and/or any other acquisition of liabilities, acquisition or transaction which any member of the Group is not prohibited from entering into by the terms of the Secured Debt Documents and excluding any mandatory offer arising as a result of a change of control or asset sale (howsoever described) as set out in the Senior Notes Finance Documents or the Senior Parent Notes Finance Documents (or any other similar or equivalent provision of any of the Secured Debt Documents);

(vi) the exercise of any right of set-off, account combination or payment netting against any member of the Group in respect of any liabilities other than the exercise of any such right:

(A) as close-out netting by a Hedge Counterparty or by a hedging ancillary lender;

(B) as payment netting by a Hedge Counterparty or by a hedging ancillary lender;

(C) as inter-hedging agreement netting by a Hedge Counterparty;

(D) as inter-hedging ancillary document netting by a hedging ancillary lender; and/or

(E) which is otherwise permitted by the terms of any of the Secured Debt Documents, in each case to the extent that the exercise of that right gives effect to a permitted payment; and

(vii) the suing for, commencing or joining of any legal or arbitration proceedings against any member of the Group to recover any liabilities;

(b) the premature termination or close-out of any hedging transaction under any hedging agreement, save to the extent permitted by the Intercreditor Agreement;

(c) the taking of any steps to enforce or require the enforcement of any security (including the crystallization of any floating charge forming part of the security);

(d) the entry into any composition, compromise, assignment or similar arrangement with any member of the Group which owes any liabilities, or has given any security, guarantee or indemnity or other assurance against loss in respect of the liabilities (other than any action permitted under the Intercreditor Agreement) or any debt buy-back, tender offer, exchange offer or similar or equivalent arrangement not otherwise prohibited by the debt documents); or

(e) the petitioning, applying or voting for, or the taking of any steps (including the appointment of any liquidator, receiver, examiner, administrator or similar officer) in relation to the winding up, dissolution, examinership, administration or reorganization of any member of the Group which owes any liabilities, or has given any security, guarantee, indemnity or other assurance against loss in respect of any of the liabilities, or any of such member of the Group's assets or any suspension of payments or moratorium of any indebtedness of any such member of the Group, or any analogous procedure or step in any jurisdiction, except that the following shall not constitute Enforcement Action:

   (i) the taking of any action falling above which is necessary (but only to the extent necessary) to preserve the validity, existence or priority of claims in respect of liabilities, including the registration of such claims before any court or governmental authority and the bringing, supporting or joining of proceedings to prevent any loss of the right to bring, support or join proceedings by reason of applicable limitation periods; or

   (ii) a Senior Secured Creditor or Senior Parent Creditor bringing legal proceedings against any person solely for the purpose of: (a) obtaining injunctive relief (or any analogous remedy outside England and Wales) to restrain any actual or putative breach of any debt document to which it is party, (b) obtaining specific performance (other than specific performance of an obligation to make a payment) with no claim for damages or (c) requesting judicial interpretation of any provision of any debt document to which it is party with no claim for damages; or

   (iii) bringing legal proceedings against any person in connection with any securities violation, securities or listing regulations or common law fraud; or

   (iv) to the extent entitled by law, the taking of any action against any creditor (or any agent, trustee or receiver acting on behalf of that creditor) to challenge the basis on which any sale or disposal is to take place pursuant to the powers granted to those persons under any relevant documentation; or

   (v) any person consenting to, or the taking of any other action pursuant to or in connection with, any merger, consolidation, reorganization or any other similar or equivalent step or transaction initiated or undertaken by a member of the Group (or any analogous procedure or step in any jurisdiction) that is not prohibited by the terms of the Secured Debt Documents to which it is a party.

"**First/Second Lien Discharge Date**" means the later to occur of the Senior Discharge Date and the Second Lien Discharge Date.

"**Group**" means the Parent and its Restricted Subsidiaries (as such term is defined in the Revolving Credit Facility Agreement) for the time being.

"**Hedge Counterparty**" means any person that executes or accedes to the Intercreditor Agreement as a Hedge Counterparty.

"**Hedging Liabilities**" means the liabilities owed by any Debtor to hedge counterparties in respect of certain hedging agreements.

"**Majority Permitted Parent Financing Creditors**" means, in relation to any Permitted Parent Financing Debt, the requisite number or percentage of Permitted Parent Financing Creditors under the Permitted Parent Financing Agreement on whose instructions the Senior Parent Creditor Representative is required to act in relation to the relevant matter.

"**Majority Permitted Second Lien Financing Creditors**" means, in relation to any Permitted Second Lien Financing Debt, the requisite number or percentage of Permitted Second Lien Financing Creditors under the Permitted Second Lien Financing Agreement on whose instructions the Second Lien Creditor Representative is required to act in relation to the relevant matter.

"**Majority Permitted Senior Financing Creditors**" means, in relation to any Permitted Senior Financing Debt, the requisite number or percentage of Permitted Senior Financing Creditors under the Permitted Senior Financing Agreement on whose instructions the Senior Creditor Representative is required to act in relation to the relevant matter.

"**Majority Second Lien Creditors**" means, at any time, those Second Lien Secured Creditors whose Second Lien Secured Credit Participations at that time aggregate more than $66^{2/3}$ per cent. of the Total Second Lien Secured Credit Participations at that time.

"**Majority Second Lien Lenders**" has the meaning given to the term "Majority Lenders" in the Second Lien Facility Agreement.

"**Majority Senior Creditors**" means, at any time, those Senior Creditors whose Senior Credit Participations at that time aggregate more than $66^{2/3}$ per cent. of the total Senior Credit Participations at that time.

"**Majority Senior Lenders**" means, at any time, subject to certain provisions of the Revolving Credit Facility Agreement, a Senior Lender or Senior Lenders commitments under the Revolving Credit Facility Agreement that aggregate at least 66.66 per cent. of the total commitments under the Revolving Credit Facility (or, if the total commitments have been reduced to zero, aggregate at least 66.66 per cent. of the total commitments immediately prior to that reduction).

"**New Debt Financing**" means any new, additional or increased liabilities under any Secured Debt Document and/or in connection with any Debt Refinancing.

"**Operating Facility**" means any facility or financial accommodation (including, without limitation, any overdraft or other current account facility, any foreign exchange facility, any guarantee, bonding, documentary or standby letter of credit facility, any credit card or automated payments facility, any short term loan facility and any derivatives facility) provided to a member of the Group by an Operating Facility Lender which is notified to the Security Agent by the Parent in writing as a facility or financial accommodation to be treated as an "Operating Facility" for the purposes of the Intercreditor Agreement.

"**Operating Facility Document**" means, at the election of the Parent, any document relating to or evidencing an Operating Facility.

"**Operating Facility Lender**" means any person that executes or accedes to the Intercreditor Agreement as an Operating Facility Lender.

"**Operating Facility Liabilities**" means the liabilities owed by any Debtor to the Operating Facility Lenders under or in connection with the Operating Facility Documents.

"**Permitted Parent Financing Agreement**" means, in relation to any Permitted Parent Financing Debt, the facility agreement, indenture or other equivalent document by which that Permitted Parent Financing Debt is made available or, as the case may be, issued.

"**Permitted Parent Financing Creditors**" means, in relation to any Permitted Parent Financing Debt, each of the lenders, holders or other creditors in respect of that Permitted Parent Financing Debt from time to time (including the applicable Senior Parent Creditor Representative).

"**Permitted Parent Financing Debt**" means any indebtedness incurred by any member of the Group which is notified to the Security Agent by the Parent in writing as indebtedness to be treated as "Permitted Parent Financing Debt" for the purposes of the Intercreditor Agreement provided that (a) the incurrence of such indebtedness is not prohibited by the terms of the Secured Debt Documents (as defined below) and (b) the providers of such indebtedness or the agent, trustee or other relevant representative in respect of that Permitted Parent Financing Debt have agreed to become a party to the Intercreditor Agreement in such capacity, in each case to the extent not already a party in that capacity.

"**Permitted Parent Financing Documents**" means, in relation to any Permitted Parent Financing Debt, the Permitted Parent Financing Agreement, any fee letter entered into under or in connection with the Permitted Parent Financing Agreement and any other document or instrument relating to that Permitted Parent Financing Debt and designated as such by the Parent and the Senior Parent Creditor Representative in respect of that Permitted Parent Financing Debt.

"**Permitted Parent Financing Liabilities**" means all liabilities of any Debtor to any Permitted Parent Financing Creditors under or in connection with the Permitted Parent Financing Documents.

"**Permitted Second Lien Financing Agreement**" means, in relation to any Permitted Second Lien Financing Debt, the facility agreement, indenture or other equivalent document by which that Permitted Second Lien Financing Debt is made available or, as the case may be, issued.

"**Permitted Second Lien Financing Creditors**" means, in relation to any Permitted Second Lien Financing Debt, each of the lenders, holders or other creditors in respect of that Permitted Second Lien Financing Debt from time to time (including the applicable Second Lien Creditor Representative).

"**Permitted Second Lien Financing Debt**" means any indebtedness incurred by any member of the Group which is notified to the Security Agent by the Parent in writing as indebtedness to be treated as "Permitted Second Lien Financing Debt" for the purposes of the Intercreditor Agreement provided that (a) the incurrence of such indebtedness is not prohibited by the terms of the Secured Debt Documents (as defined below) and the providers of such indebtedness or the agent, trustee or other relevant representative in respect of that Permitted Second Lien Financing Debt have agreed to become a party to the Intercreditor Agreement in such capacity, in each case to the extent not already a party in that capacity.

"**Permitted Second Lien Financing Documents**" means, in relation to any Permitted Second Lien Financing Debt, the Permitted Second Lien Financing Agreement, any fee letter entered into under or in connection with the Permitted Second Lien Financing Agreement and any other document or instrument relating to that Permitted Second Lien Financing Debt and designated as such by the Parent and the Second Lien Creditor Representative in respect of that Permitted Second Lien Financing Debt.

"**Permitted Second Lien Financing Liabilities**" means all liabilities of any Debtor to any Permitted Second Lien Financing Creditors under or in connection with the Permitted Second Lien Financing Documents.

"**Permitted Senior Financing Agreement**" means, in relation to any Permitted Senior Financing Debt, the facility agreement, indenture or other equivalent document by which that Permitted Senior Financing Debt is made available or, as the case may be, issued.

"**Permitted Senior Financing Creditors**" means, in relation to any Permitted Senior Financing Debt, each of the lenders, holders or other creditors in respect of that Permitted Senior Financing Debt from time to time (including the applicable Senior Creditor Representative).

"**Permitted Senior Financing Debt**" means any indebtedness incurred by any member of the Group which is notified to the Security Agent by the Parent in writing as indebtedness to be treated as "Permitted Senior Financing Debt" for the purposes of the Intercreditor Agreement provided that (a) the incurrence of such indebtedness is not prohibited by the terms of the Secured Debt Documents (as defined below) and (b) the providers of such indebtedness or the agent, trustee or other relevant representative in respect of that Permitted Senior Financing Debt have agreed to become a party to the Intercreditor Agreement in such capacity, in each case to the extent not already a party in that capacity.

"**Permitted Senior Financing Documents**" means, in relation to any Permitted Senior Financing Debt, the Permitted Senior Financing Agreement, any fee letter entered into under or in connection with the Permitted Senior Financing Agreement and any other document or instrument relating to that Permitted Senior Financing Debt and designated as such by the Parent and the Senior Creditor Representative under that Permitted Senior Financing Debt.

"**Permitted Senior Financing Liabilities**" means all liabilities of any Debtor to any Permitted Senior Financing Creditors under or in connection with the Permitted Senior Financing Documents.

"**Primary Creditors**" means the Senior Secured Creditors and the Senior Parent Creditors and each a "Primary Creditor."

"**Relevant Original Transaction Security**" means any Transaction Security granted by any Debtor over its French assets, other than the Supplemental Security.

"**Relevant Original Transaction Security Beneficiaries**" means the Secured Parties which are beneficiaries of the Relevant Original Transaction Security.

"**Second Lien Arranger Liabilities**" means the liabilities owed by the Debtors to any Second Lien Arranger under or in connection with the Second Lien Finance Documents.

"**Second Lien Debt**" means any indebtedness outstanding under any Second Lien Facility.

"**Second Lien Discharge Date**" means the date that the Second Lien Lender Liabilities and the Permitted Second Lien Financing Liabilities have been discharged.

"**Second Lien Facility**" has the meaning given to the term "Facility" in the Second Lien Facility Agreement.

"**Second Lien Facility Agreement**" means, in relation to any Second Lien Debt, the second lien facility agreement or other equivalent document by which that Second Lien Debt is made available or, as the case may be, issued.

"**Second Lien Lenders**" means each Lender under and as defined in the Second Lien Facility Agreement.

"**Second Lien Liabilities**" means the Second Lien Lender Liabilities and any Permitted Second Lien Financing Liabilities.

"**Second Lien Lender Liabilities**" means the liabilities owed by the Debtors to the Second Lien Lenders under the Second Lien Finance Documents.

"**Second Lien Secured Creditors**" means the Second Lien Facility Finance Parties and/or the Permitted Second Lien Financing Creditors, as the context requires.

"**Secured Debt Documents**" means the Senior Facilities Finance Documents, the Senior Notes Finance Documents, the Permitted Senior Financing Documents, the hedging agreements regulated by the Intercreditor Agreement, the Operating Facility Finance Documents, the Second Lien Finance Documents, the Permitted Second Lien Financing Documents, the Senior Parent Notes Finance Documents and/or the Permitted Parent Financing Documents.

"**Secured Party**" means, to the extent legally possible and subject to the Agreed Security Principles, each of the Security Agent, any receiver or delegate and each of the creditor representatives of the relevant secured creditors, the arrangers under the Revolving Credit Facility Agreement, the Operating Facility Lenders, the Senior Secured Creditors and the Senior Parent Creditors from time to time but, to the extent required by the Intercreditor Agreement, only if it is a party to the Intercreditor Agreement or has acceded to it, in the appropriate capacity, pursuant to its terms.

“**Security Agent**” means Wilmington Trust (London) Limited.

“**Senior Agent Liabilities**” means the liabilities owed by the Debtors to the Senior Facility Agent under or in connection with the Senior Facilities Finance Documents.

“**Senior Arranger Liabilities**” means the liabilities owed by the Debtors to any Senior Arranger under or in connection with the Senior Facilities Finance Documents.

“**Senior Creditors**” means the Senior Lenders and the Hedge Counterparties.

“**Senior Creditor Liabilities**” means the Senior Lender Liabilities, the Hedging Liabilities and the Operating Facility Liabilities.

“**Senior Creditor Representative**” means in relation to any Permitted Senior Financing Debt, the agent, trustee or other relevant representative in respect of that Permitted Senior Financing Debt.

“**Senior Discharge Date**” means the date that the Senior Lenders Liabilities, the Hedging Liabilities, the Senior Notes Liabilities and the Permitted Senior Financing Liabilities have been discharged.

“**Senior Facilities Agreement**” means the Revolving Credit Facility Agreement.

“**Senior Financing Agreement**” means the Senior Facilities Agreement, the Second Lien Facility Agreement, any Senior Notes Indenture, any Permitted Senior Financing Agreement and/or any Permitted Second Lien Financing Agreement, as the context requires.

“**Senior Lender**” means each of the lenders, clearing facility lenders, issuing banks and ancillary lenders under the Senior Facilities Agreement.

“**Senior Lender Liabilities**” means the liabilities owed by the Debtors to the Senior Lenders under the Senior Facilities finance documents.

“**Senior Liabilities**” means the Senior Creditor Liabilities, the Second Lien Lender Liabilities, the Senior Notes Liabilities, the Permitted Senior Financing Liabilities and the Permitted Second Lien Financing Liabilities (as applicable).

“**Senior Notes**” means high yield notes, exchange notes, debt securities and/or other debt instruments issued or to be issued by any member of the Group which are notified to the Security Agent by the Parent in writing as indebtedness to be treated as “Senior Notes” for the purposes of the Intercreditor Agreement.

“**Senior Notes Liabilities**” means the liabilities owed by the Debtors to the Senior Notes Finance Parties under the Senior Notes Finance Documents (excluding any Senior Notes Trustee Amounts).

“**Senior Noteholders**” means the registered holders from time to time of the applicable Senior Notes.

“**Senior Notes/Permitted Financing Credit Participations**” means the aggregate of all the Senior Secured Credit Participations at any time of the Senior Notes Creditors and the Permitted Senior Financing Creditors.

“**Senior Notes Creditors**” means, on and from the first Senior Notes Issue Date, the Senior Noteholders and each Senior Notes Trustee.

“**Senior Notes Finance Documents**” means, generally, the Senior Notes, each indenture for the Senior Notes, guarantees of the Senior Notes, the Intercreditor Agreement, the relevant security documents securing the liabilities in respect of the Senior Notes and any other document entered into in connection with the Senior Notes and designated as such by the Parent and the applicable Senior Notes Trustee.

“**Senior Notes Trustee**” means any entity acting as trustee under any issue of Senior Notes (to the extent it has acceded in such capacity to the Intercreditor Agreement in accordance with its terms) in each case as the context requires.

"**Senior Parent Creditors**" means, on and from the first Senior Parent Notes Issue Date, the Senior Parent Noteholders, the Senior Parent Notes Trustee and any Permitted Parent Financing Creditors.

"**Senior Parent Creditor Representative**" means in relation to any Permitted Parent Financing Debt, the agent, trustee or other relevant representative in respect of that Permitted Parent Financing Debt.

"**Senior Parent Debt Issuer**" means, in relation to any Senior Parent Notes or Permitted Parent Financing Debt, the member of the Group which is the issuer, or, as the case may be, the borrower of those Senior Parent Notes or that Permitted Parent Financing Debt, provided that no member of the Group which is:

(a) an issuer or, as the case may be, a borrower of any outstanding Senior Term Debt, outstanding Senior Notes, outstanding Second Lien Debt, outstanding Permitted Senior Financing Debt or outstanding Permitted Second Lien Financing Debt; or

(b) a subsidiary of a member of the Group falling within (a) above (other than a subsidiary which is a financing vehicle), may be a Senior Parent Debt Issuer.

"**Senior Parent Finance Parties**" means any Senior Parent Notes Trustee (on behalf of itself and the Senior Parent Noteholders that it represents), any Senior Parent Noteholder, the Security Agent and the Permitted Parent Financing Creditors.

"**Senior Parent Liabilities**" means the Senior Parent Notes Liabilities and any Permitted Parent Financing Liabilities.

"**Senior Parent Notes**" means high yield notes, exchange notes, debt securities and/or other debt instruments issued or to be issued by any member of the Group which are notified to the Security Agent by the Parent in writing as indebtedness to be treated as "Senior Parent Notes" for the purposes of the Intercreditor Agreement.

"**Senior Parent Noteholders**" means the holders of the Senior Parent Notes.

"**Senior Parent Notes Finance Documents**" means, generally, the Senior Parent Notes, each indenture for Senior Parent Notes, guarantees of the Senior Parent Notes, the Intercreditor Agreement, the relevant security documents securing the liabilities in respect of the Senior Parent Notes and any other document designated as such by the Parent and the applicable Senior Parent Notes Trustee.

"**Senior Parent Notes Liabilities**" means, generally, the liabilities owed by any Debtor to the Senior Parent Notes Creditors and the Security Agent under the finance documents for the Senior Parent Notes (excluding, generally, certain amounts owed to the relevant Senior Parent Notes Trustee in respect of each issuance of Senior Parent Notes).

"**Senior Parent Notes Trustee**" means any entity acting as trustee under any issue of Senior Parent Notes (to the extent it has acceded in such capacity to the Intercreditor Agreement in accordance with its terms) in each case as the context requires.

"**Senior Secured Creditors**" means the Senior Creditors, the Senior Notes Creditors, the Second Lien Lenders, the Permitted Senior Financing Creditors and/or the Permitted Second Lien Financing Creditors, as the context requires.

"**Supplemental Security**" means any security which is granted by a Debtor pursuant to a Security Document governed by French law:

(a) over any charged property subject to Relevant Original Transaction Security in accordance with the section entitled "*—Supplemental Security*" to secure Hedging Liabilities or Operating Facility Liabilities; and/or

(b) over any charged property subject to Relevant Original Transaction Security to secure any new debt financing, it being understood that the Secured Parties which are beneficiaries of Supplemental Security will have all the rights of a Secured Party under the Intercreditor Agreement (including under the provisions set out under the caption "*—Application of Proceeds*") regardless of the ranking of the security stated in the Security Document creating the Supplemental Security or the chronological order in which such security is granted.

Debt Refinancing

The Intercreditor Agreement shall permit any of the liabilities under the debt documents to be refinanced, replaced, increased or otherwise restructured in whole or in part including by way of Permitted Senior Financing Debt, Second Lien Debt, Permitted Second Lien Financing Debt and/or Permitted Parent Financing Debt or the issue of additional Senior Notes and the introduction of a "super senior" credit facility (the "**Priority Facility**") or the establishment of new or additional Operating Facilities (each a "**Debt Refinancing**").

Each party to the Intercreditor Agreement shall be required to enter into any amendment to or replacement of the then current Secured Debt Documents and/or take such other action as is required by the Parent in order to facilitate such a Debt Refinancing including changes to, the taking of, or release and retake of any guarantee or security, subject to certain conditions. At the option of the Parent, a Debt Refinancing may be made available on a basis which is senior to, *pari passu* with or junior to any of the other liabilities, shall be entitled to benefit from all or any of the security, may be made available on a secured or unsecured basis (subject to certain restrictions) and may be effected in whole or in part by way of a debt exchange, non-cash rollover or other similar or equivalent transaction, in each case unless otherwise prohibited by the Debt Financing Agreements.

Under the terms of the Intercreditor Agreement each agent, each Secured Party and each Primary Creditor agrees that it shall co-operate with the Parent, each other member of the Group and each agent in order to facilitate any Debt Refinancing (including by way of, at the request and cost of the Parent, executing any document or agreement and/or giving instructions to any person).

In the event of any refinancing or replacement of all or any part of the Senior Lender Liabilities (or any such refinancing or replacement indebtedness from time to time), the Parent shall be entitled to require that the definition of Instructing Group (as defined below) is amended such that the relevant refinancing or replacement indebtedness is treated in the same manner as the Senior Facilities (meaning that for the purpose of calculating the voting entitlement of any person, at the option of the Parent all or any part of the relevant refinancing or replacement indebtedness may be treated as Senior Secured Credit Participations of the Senior Creditors and not Senior Notes/Permitted Financing Credit Participations).

In the event that any Priority Facility becomes subject to the provisions of the Intercreditor Agreement, the Parent shall be entitled to require that all or any part of the liabilities in relation to Hedging Liabilities and/or the Operating Facility Liabilities shall rank in right and priority of payment *pari passu* with that Priority Facility (which, for the avoidance of doubt, may result in such Hedging Liabilities and/or, as the case may be, Operating Facility Liabilities ranking ahead of the Senior Notes liabilities, the Permitted Senior Financing liabilities, the Senior Parent Notes Liabilities and/or the Permitted Parent Financing Liabilities) in each case unless otherwise prohibited by the Debt Financing Agreements.

Any Priority Facility implemented pursuant to a Debt Refinancing shall comply with, among others, the following limitations:

Ranking of a Priority Facility

No liabilities or obligations in respect of any Priority Facility may rank in right and priority of payment ahead of the Senior Lender Liabilities (other than amounts of the type set out in paragraphs (i) and (ii) under the caption "*—Application of Proceeds*").

Subject to the paragraph above and to the extent not otherwise prohibited by the Debt Financing Agreements, any Priority Facility shall rank in right and priority of payment as determined by the Parent.

Enforcement: Priority Facility

The right of the lenders or other creditors in respect of a Priority Facility to:

(a) instruct the Security Agent to enforce the security;

(b) give or refrain from giving instructions to the Security Agent to enforce or refrain from enforcing the security as they see fit; and/or

(c) otherwise provide instructions as, or as part of, an Instructing Group,

shall be generally consistent with, or otherwise not materially less favorable to the other Secured Parties than, those customary for facilities of a similar nature to that Priority Facility (if any), in each case as at the date such Priority Facility is contractually committed by the relevant member(s) of the Group and as determined by the Parent (with any such determination to be conclusive).

Option to Purchase

(a) The Senior Notes Creditors and the Permitted Senior Financing Creditors shall be provided with an 'option to purchase' right in relation to any liabilities in respect of a Priority Facility consistent in all material respects with the 'option to purchase' right provided in relation to the Senior Lender Liabilities as set out under the caption "*—Restrictions Relating to Senior Secured Liabilities—Option to Purchase: Senior Secured Creditors*."

(b) The Senior Parent Notes Trustee and any Senior Parent Creditor Representative(s) shall be provided with an 'option to purchase' right in relation to any liabilities in respect of a Priority Facility consistent in all material respects with the 'option to purchase' right as set out under the paragraph captioned "*—Restrictions Relating to Senior Parent Creditors and Senior Parent Liabilities—Option to Purchase: Senior Parent Creditors*."

Supplemental Security

Without prejudice to the provisions set out under the caption *"—Ranking and Priority"* and *"—Application of Proceeds"* and the other rights of the Debtors under the Intercreditor Agreement and the debt documents, if any member of the Group enters into any hedging agreement or Operating Facility Document at any time after the date of the Intercreditor Agreement (which is not already secured by the Relevant Original Transaction Security), any Debtor may, subject to the terms of the Intercreditor Agreement, at any time grant to the relevant Hedge Counterparty or, as the case may be, Operating Facility Lender Supplemental Security securing all or any Hedging Liabilities arising under the relevant hedging agreement or, as the case may be, all or any Operating Facility Liabilities arising under the relevant Operating Facility Document. A Debtor may grant Supplemental Security to any secured creditor in connection with all or any part of any New Debt Financing.

The Relevant Original Transaction Security Beneficiaries agree that Supplemental Security may be granted by any Debtor in order to secure all or any part of any Hedging Liabilities, any Operating Facility Liabilities and/or any New Debt Financing.

For the avoidance of doubt, nothing set out this caption shall:

(a) restrict the rights of the Relevant Original Transaction Security Beneficiaries to enforce and/or to release all or any part of the Relevant Original Transaction Security in accordance with the terms of the Intercreditor Agreement and the other Debt Documents; or

(b) restrict, limit or prejudice the rights and other benefits of the Debtors or any member of the Group under the Intercreditor Agreement or any other Debt Document.

Each of the Secured Parties agrees not to take any action to challenge the validity or enforceability of the Supplemental Security by reason of it being expressed to be second ranking (or any other lower ranking).

Ranking and Priority

Priority of Debts

Subject to the provisions set out under the caption "*—Senior Parent Liabilities and Security*" below, the Intercreditor Agreement provides that the liabilities owed by the Debtors (other than any Senior Parent Debt Issuer to the extent relating to liabilities in respect of Senior Parent Notes and/or Permitted Parent Financing Debt where that Senior Parent Debt Issuer is the issuer or the borrower) to the Primary Creditors and the Operating Facility Lenders shall rank in right and priority of payment in the following order and are postponed and subordinated to any prior ranking liabilities as follows:

(a) **first**, the Senior Lender Liabilities, the Senior Notes Liabilities, the Permitted Senior Financing Liabilities, the Hedging Liabilities, the Operating Facility Liabilities, the Second Lien Lender Liabilities, the Permitted Second Lien Financing Liabilities, the Senior Arranger Liabilities, the Second Lien Arranger Liabilities, the Senior Agent Liabilities, amounts due to the Senior Notes Trustee, the Second Lien Agent Liabilities and amounts due to the Senior Parent Notes Trustee *pari passu* and without any preference amongst them; and

(b) **second**, the Senior Parent Notes Liabilities and the Permitted Parent Financing Liabilities *pari passu* and without any preference amongst them.

The liabilities owed by any Senior Parent Debt Issuer (to the extent relating to liabilities in respect of Senior Parent Notes and/or Permitted Parent Financing Debt where that Senior Parent Debt Issuer is the issuer or the borrower) to the Primary Creditors and the Operating Facility Lenders shall rank pari passu in right and priority of payment without any preference amongst them.

Priority of Security

The Intercreditor Agreement provides that the security shall secure the liabilities (but only to the extent that such security is expressed to secure those liabilities) in the following order:

(a) **first**, the Senior Lender Liabilities, the Senior Notes Liabilities, the Permitted Senior Financing Liabilities, the Hedging Liabilities, the Operating Facility Liabilities, the Senior Arranger Liabilities, the Senior Agent Liabilities, amounts due to the Senior Notes Trustee, the Second Lien Agent Liabilities and amounts due to the Senior Parent Notes Trustee *pari passu* and without any preference amongst them;

(b) **second**, the Second Lien Lender Liabilities, the Permitted Second Lien Financing Liabilities and the Second Lien Arranger Liabilities *pari passu* and without any preference amongst them; and

(c) **third**, the Senior Parent Notes Liabilities and the Permitted Parent Financing Liabilities *pari passu* and without any preference amongst them.

Senior Parent Liabilities and Security

The Senior Parent Notes liabilities and the Permitted Parent Financing Liabilities owed by a Senior Parent Debt Issuer (to the extent relating to liabilities in respect of Senior Parent Notes and/or Permitted Parent Financing Debt where that Senior Parent Debt Issuer is the issuer or, as the case may be, the borrower) are senior obligations of that Senior Parent Debt Issuer. Notwithstanding the preceding sentence, the Senior Parent Notes Creditors and the Permitted Parent Financing Creditors agree that, until the First/Second Lien Discharge Date, they may not take any steps to appropriate the assets of a Senior Parent Debt Issuer subject to the Security Documents in connection with any Enforcement Action, other than as expressly permitted by the Intercreditor Agreement.

For the avoidance of doubt, the restrictions set out in the preceding paragraph shall not impair the right of the Senior Parent Creditors and/or the Permitted Parent Financing Creditors to institute suit for the recovery of any payment due by a Senior Parent Debt Issuer in respect of the Senior Parent Liabilities and/or the Permitted Parent Financing Liabilities (in each case to the extent relating to liabilities in respect of Senior Parent Notes and/or Permitted Parent Financing Debt where that Senior Parent Debt Issuer is the issuer or, as the case may be, the borrower).

Intra-Group Liabilities and Investor Liabilities

The Intercreditor Agreement provides that the intra-Group liabilities and the liabilities of the Group to an investor are postponed and subordinated to the liabilities owed by the Debtors to the Primary Creditors and the Operating Facility Lenders, but does not purport to rank any of those liabilities as between themselves.

Additional and/or Refinancing Debt

The Creditors and the Operating Facility Lenders acknowledge in the Intercreditor Agreement that the Debtors (or any of them) may wish to incur incremental borrowing liabilities (including guarantees of such liabilities) or refinance or replace borrowing liabilities (including incurring guarantee liabilities in respect of such refinancing or replacement). Such liabilities are intended to rank *pari passu* with any other liabilities and/or share *pari passu* in any security and/or to rank behind any other liabilities and/or to share in any security behind any such other liabilities.

The Creditors and the Operating Facility Lenders undertake in the Intercreditor Agreement (at the cost of the Debtors) to co-operate with the Parent and the Debtors with a view to enabling and facilitating such financing, refinancing or replacement and such sharing in the security (provided it is not prohibited by the terms of the Debt Financing Agreements at such time) to take place in a timely manner. In particular, but without limitation, each of the Secured Parties authorizes and directs each of its respective agents and the Security Agent to execute any amendment to or replacement of the Intercreditor Agreement and such other debt documents and/or (subject to certain pre-conditions) release and retake of security required by the Parent to reflect, enable and/or facilitate any such arrangements (including, as regards the ranking of any such arrangements).

If a Debtor incurs any new, additional or increased liabilities under any Secured Debt Document and/or in connection with any Debt Refinancing, at the option of the Parent, the relevant Debtor may (but subject to the relevant Debt Financing being elected to be secured in accordance with the applicable terms of the Intercreditor Agreement and subject to the agreed security principles) grant to the relevant Secured Parties in respect of all or any part of such New Debt Financing additional security by executing additional security documents which will benefit from the order of priority and ranking set out in the Intercreditor Agreement.

Restrictions Relating to Senior Secured Liabilities

The Parent and the Debtors may make payments of the Senior Liabilities at any time.

The Intercreditor Agreement provides that the Senior Secured Creditors, the Operating Facility Lenders, the Parent and the Debtors may at any time amend or waive the terms of the finance documents in relation to the Senior Facilities (the "**Senior Facilities Finance Documents**"), the Senior Notes, the Permitted Senior Financing Debt, the Second Lien Facility (the "**Second Lien**

Facility Finance Documents"), the Permitted Second Lien Financing Documents and/or any Operating Facility Documents in accordance with their respective terms from time to time (and subject only to any consent required under them).

Security and Guarantees: Senior Secured Creditors

The Senior Secured Creditors and the Operating Facility Lenders may take, accept or receive the benefit of:

(a) any security from any member of the Group in respect of any of the Senior Liabilities in addition to the shared security provided that, to the extent legally possible and subject to certain agreed security principles:

(i) the security provider becomes party to the Intercreditor Agreement as a Debtor (if not already a party in that capacity);

(ii) all amounts actually received or recovered by any Senior Secured Creditor or Operating Facility Lender with respect to any such security shall immediately be paid to the Security Agent and applied in accordance with the provisions set out under the caption "—*Application of Proceeds*;" and

(iii) any such security may only be enforced in accordance with the provisions set out under the caption "—*Enforcement of Security—Security Held by Other Creditors*;"

(b) any guarantee, indemnity or other assurance against loss from any member of the Group regarding any of the Senior Liabilities in addition to those in:

(i) the Senior Facilities Agreement, any Senior Notes Indenture, any Permitted Senior Financing Document, the Second Lien Facility Agreement, any Permitted Second Lien Financing Document or any Operating Facility Document;

(ii) the Intercreditor Agreement; or

(iii) any guarantee, indemnity or other assurance against loss in respect of any of the liabilities, the benefit of which (however conferred) is, to the extent legally possible and subject to certain agreed security principles, given to, or expressed to be given to, all the senior secured parties in respect of their Senior Liabilities,

provided that (except for any guarantee, indemnity or other assurance against loss permitted to be given to any ancillary lender or issuing bank), to the extent legally possible, and subject to certain agreed security principles,

(A) the guarantee provider becomes party to the Intercreditor Agreement as a Debtor (if not already a party in that capacity); and

(B) such guarantee, indemnity or assurance against loss is expressed to be subject to the Intercreditor Agreement; and

(c) any security, guarantee, indemnity or other assurance against loss from any member of the Group in connection with:

(i) any escrow or similar or equivalent arrangements entered into in respect of amounts which are being held (or will be held) by a person which is not a member of the Group prior to release of those amounts to a member of the Group; or

(ii) any actual or proposed defeasance, redemption, prepayment, repayment, purchase or other discharge of any Senior Lender Liabilities, Operating Facility Liabilities, Senior Notes liabilities, Permitted Senior Financing Liabilities and/or Second Lien Liabilities (in each case provided that such defeasance, redemption, prepayment, repayment, purchase or other discharge is not prohibited by the terms of the Intercreditor Agreement).

All amounts actually received or recovered by any Senior Secured Creditor or Operating Facility Lender with respect to any such security shall immediately be paid to the Security Agent and applied in accordance with the provisions set out under the caption "*—Application of Proceeds*."

Any such Security may only be enforced in accordance with the terms of the Intercreditor Agreement which relate to security held by someone other than the Security Agent.

Any such guarantee, indemnity or assurance against loss is expressed to be subject to the terms of the Intercreditor Agreement.

Restriction on Enforcement: Senior Lenders, Operating Facility Lenders, Senior Notes Creditors and Permitted Senior Financing Creditors

The Intercreditor Agreement provides that no Senior Lender, Operating Facility Lender, Senior Notes Creditor or Permitted Senior Financing Creditor may take certain Enforcement Action without the prior written consent of an Instructing Group (as defined below).

Notwithstanding the above restriction or anything to the contrary in the Intercreditor Agreement, after the occurrence of certain specified insolvency events (an "**Insolvency Event**") in relation to the Parent or a Debtor, each Senior Lender, Operating Facility Lender, Senior Notes Creditor and/or Permitted Senior Financing Creditor may, to the extent it is permitted to do so under the relevant Debt Documents, take certain Enforcement Action and/or claim in the winding up, dissolution, administration, reorganization or similar insolvency event or process in relation to that Debtor for liabilities owing to it (but no Senior Secured Creditor or Operating Facility Lender may direct the Security Agent to enforce the common security in any manner).

Option to Purchase: Senior Notes Creditors and Permitted Senior Financing Creditors

Senior Notes Creditors holding at least a simple majority of the Senior Notes Liabilities or Permitted Senior Financing Creditors holding at least a simple majority of the Permitted Senior Financing Liabilities (the "**Senior Secured Acquiring Creditors**") may, after the occurrence of an acceleration event which is continuing, by giving not less than ten (10) days' notice to the Security Agent (with the first notice to prevail in the event that more than one set of Creditors serves such a notice), require the transfer to them (or to a nominee or nominees), in accordance with the applicable transfer provisions of the Intercreditor Agreement, of all, but not part, of the rights, benefits and obligations in respect of the Senior Lender Liabilities and the Operating Facility Liabilities (a "**Senior Liabilities Transfer**") if:

(i) that transfer is lawful and, subject to paragraph (ii) below, otherwise permitted by the terms of the Senior Facilities Agreement and the Operating Facility Documents;

(ii) any conditions relating to such a transfer contained in the Senior Facilities Agreement and the Operating Facility Documents are complied with, other than:

(A) any requirement to obtain the consent of, or consult with, a member of the Group in relation to such transfer, which consent or consultation shall not be required; and

(B) to the extent to which all the Senior Secured Acquiring Creditors provide cash cover for any letter of credit, the consent of the relevant letter of credit issuing bank relating to such transfer;

(iii) the Senior Facility Agent, on behalf of the Senior Lenders, is paid an amount equal to the aggregate of:

(A) any amounts provided as cash cover by the Senior Secured Acquiring Creditors for any letter of credit (as envisaged in paragraph (ii)(B) above);

(B) all of the Senior Lender Liabilities at that time (whether or not due), including all amounts that would have been payable under the Senior Facilities Agreement if the Senior Facilities were being prepaid by the relevant Debtors on the date of that payment; and

(C) all costs and expenses (including legal fees) incurred by the Senior Facility Agent and/or the Senior Lenders and/or the Security Agent as a consequence of giving effect to that transfer;

(iv) the Operating Facility Lenders are paid an amount equal to the aggregate of:

(A) all of the Operating Facility Liabilities at that time (whether or not due), including all amounts that would have been payable under the Operating Facility Documents if the Operating Facilities were being prepaid by the relevant Debtors on the date of that payment; and

(B) all costs and expenses (including legal fees) incurred by the Operating Facility Lenders and/or the Security Agent as a consequence of giving effect to that transfer;

(v) as a result of that transfer:

(A) the Senior Lenders have no further actual or contingent liability to a Debtor under the Senior Facilities Finance Documents; and

(B) the Operating Facility Lenders have no further actual or contingent liability to a Debtor under the Operating Facility Documents;

(vi) an indemnity is provided from each of the Senior Secured Acquiring Creditors (other than any Senior Agent) or from another third party acceptable to all the Senior Lenders and the Operating Facility Lenders in a form reasonably satisfactory to each Senior Lender and Operating Facility Lender in respect of all costs, expenses, losses and liabilities which may be sustained or incurred by any Senior Lender or Operating Facility Lender in consequence of any sum received or recovered by any Senior Lender or Operating Facility Lender from any person being required (or it being alleged that it is required) to be paid back by or clawed back from any Senior Lender or Operating Facility Lender for any reason;

(vii) the transfer is made without recourse to, or representation or warranty from, the Senior Lenders or the Operating Facility Lenders, except that each Senior Lender and Operating Facility Lender shall be deemed to have represented and warranted on the date of that transfer that it has the corporate power to effect that transfer and it has taken all necessary action to authorize the making by it of that transfer; and

(viii) the Senior Parent Creditors have not exercised their rights to purchase as described under the provisions set out in the paragraph captioned "*—Option to Purchase: Senior Parent Creditors*" or having exercised such rights, have not failed to complete the acquisition of the relevant Senior Secured Liabilities in accordance with such provisions.

Subject to the Intercreditor Agreement, the Senior Secured Acquiring Creditors may only require a Senior Liabilities Transfer if, at the same time, they require a transfer of the Hedging Liabilities in accordance with the Intercreditor Agreement and if, for any reason, such transfer cannot be made in accordance with the Intercreditor Agreement, no Senior Liabilities Transfer may be required to be made.

At the request of a Senior Agent (on behalf of the Senior Secured Acquiring Creditors), the Senior Facility Agent and the Operating Facility Lenders shall notify that Senior Agent of the foregoing payable sums in connection with such transfer.

Instructing Group

The term "**Instructing Group**" means at any time:

(a) prior to the Senior Discharge Date:

(i) in relation to any instructions to the Security Agent to enforce the security or refrain or cease from enforcing the security or to take any other Enforcement Action:

(A) those Senior Instructing Group Creditors whose Senior Secured Credit Participations at that time aggregate to more than $66^2/_3$% of the Total Senior Instructing Group Credit Participations at that time; and/or

(B) prior to the Senior Lender Discharge Date, the Majority Senior Creditors,

in each case as applicable in accordance with the provisions set out under the caption "*—Consultation Period*;" or

(ii) in relation to any other matter:

(A) those Senior Instructing Group Creditors whose Senior Secured Credit Participations at that time aggregate to more than $66^2/_3$% of the Total Senior Instructing Group Credit Participations at that time; and

(B) prior to the Senior Lender Discharge Date, the Majority Senior Creditors; and

(b) on or after the Senior Discharge Date but before the Second Lien Discharge Date, and subject always to the provisions set out under the caption "*—Payment Blockage Provisions—Restrictions on Enforcement by Second Lien Secured Creditors*," those Second Lien Secured Creditors whose Second Lien Secured Credit Participations at that time aggregate to more than $66^2/_3$ per cent. of the Total Second Lien Secured Credit Participations at that time; and

(c) on or after the First/Second Lien Discharge Date but before the Senior Parent Discharge Date, and subject always to the provisions set out under the caption "*—Payment Blockage Provisions—Restrictions on Enforcement by Senior Parent Creditors*," the Majority Senior Parent Creditors.

In the foregoing definition of "Instructing Group":

"**Majority Senior Parent Creditors**" means, at any time, those Senior Parent Creditors whose Senior Parent Credit Participations at that time aggregate to more than $66^2/_3$% of the total aggregate amount of all Senior Parent Credit Participations at that time.

"**Senior Instructing Group Creditors**" means:

(a) prior to the Senior Lender Discharge Date, the Senior Secured Creditors (other than the Senior Creditors and the Second Lien Secured Creditors); and

(b) on and after the Senior Lender Discharge Date, the Senior Secured Creditors (other than the Senior Lenders and the Second Lien Secured Creditors).

"**Senior Lender Discharge Date**" means the first date on which all Senior Lender Liabilities have been fully and finally discharged, whether or not as the result of an enforcement, and the Senior Lenders are under no further obligation to provide financial accommodation to any of the Debtors under any of the Senior Facilities Finance Documents.

"**Second Lien Secured Credit Participation**" means:

(a) in relation to a Second Lien Lender, its second lien commitments; and

(b) in relation to a Permitted Second Lien Financing Creditor, the aggregate amount of its commitments under each Permitted Second Lien Financing Agreement (drawn or undrawn and calculated in a manner consistent with the second lien commitments) and/

or the principal amount of outstanding Permitted Second Lien Financing Debt held by that Permitted Second Lien Financing Creditor (as applicable and without double counting).

"**Senior Parent Credit Participation**" means:

(a) in relation to a Senior Parent Noteholder, the principal amount of outstanding Senior Parent Notes Liabilities held by that Senior Parent Noteholder; and

(b) in relation to a Permitted Parent Financing Creditor, the aggregate amount of its commitments under each Permitted Parent Financing Agreement (drawn or undrawn and calculated in a manner consistent with the senior commitments) and/or the principal amount of outstanding Permitted Parent Financing Debt held by that Permitted Parent Financing Creditor (as applicable and without double counting).

"**Senior Secured Credit Participation**" means:

(a) in relation to a Senior Creditor, its Senior Credit Participation in relation to the Senior Facilities Agreement and the hedging agreements only;

(b) in relation to a Senior Noteholder, the principal amount of outstanding Senior Notes liabilities held by that Senior Noteholder; and

(c) in relation to a Permitted Senior Financing Creditor, the aggregate amount of its commitments under each Permitted Senior Financing Agreement (drawn or undrawn and calculated in a manner consistent with the senior commitments) and/or the principal amount of outstanding Permitted Senior Financing Debt held by that Permitted Senior Financing Creditor (as applicable and without double counting).

"**Total Senior Instructing Group Credit Participations**" means:

(a) prior to the Senior Lender Discharge Date, the aggregate of all the Senior Secured Credit Participations at any time (excluding the Senior Secured Credit Participations of the Senior Creditors and the Second Lien Secured Creditors); and

(b) on and after the Senior Lender Discharge Date, the aggregate of all the Senior Secured Credit Participations at any time (excluding the Senior Secured Credit Participations of the Senior Lenders and the Second Lien Secured Creditors).

"**Total Second Lien Secured Credit Participations**" means the aggregate of all the Second Lien Secured Credit Participations at any time.

"**Total Senior Secured Credit Participations**" means the aggregate of all the Senior Secured Credit Participations at any time.

Restrictions Relating to Second Lien Secured Creditors and Second Lien Liabilities

Restriction on Payment and Dealings

The Intercreditor Agreement provides that, until the Senior Discharge Date, no Debtor shall (and the Parent shall ensure that no member of the Group will) make any payment of, or exercise any set-off against, the Second Lien Liabilities at any time unless:

(a) that payment or set-off is permitted by the provisions set out below under the captions "*—Permitted Second Lien Liabilities Payments*," and the fourth paragraph under the caption "*—Effect of Insolvency Event; Filing of Claims*" or by a refinancing of the Second Lien Debt or the Permitted Second Lien Financing Debt as permitted by the Intercreditor Agreement; or

(b) the taking or receipt of that payment or exercise of that set-off is permitted by the provisions set out below under the caption "*—Permitted Second Lien Enforcement.*"

Permitted Second Lien Liabilities Payments

Prior to the Senior Discharge Date, any member of the Group may, directly or indirectly, make payments with respect to the Second Lien Liabilities at any time:

(a) if:

(i) the payment is of:

(A) any of the principal amount of the Second Lien Liabilities which is either (1) not prohibited from being paid by the Senior Financing Agreements; or (2) paid on or after the final maturity date of the relevant Second Lien Liabilities (subject to certain conditions); or

(B) any other amount which is not an amount of principal or capitalized interest;

(ii) no Second Lien Payment Stop Notice (as defined below) is outstanding;

(iii) no payment default under the Senior Facilities Agreement, the Senior Notes Indenture or any Permitted Senior Financing Documents (the "**Senior Payment Default**") has occurred and is continuing;

(b) if the Majority Senior Lenders, the Senior Notes Trustee and the Permitted Majority Senior Financing Creditors or the Senior Creditor Representative in respect of that Permitted Senior Financing Debt (as applicable) (the "**Required Senior Consent**") give prior consent to that payment being made; or

(c) if the payment is of Second Lien Agent Liabilities;

(d) of any costs and expenses of any holder of security in relation to protection, preservation or enforcement of such security;

(e) of costs, commissions, taxes, fees and expenses incurred in respect of or in relation to (or reasonably incidental to) any of the Second Lien Debt Documents (including in relation to any reporting or listing requirements under such documents);

(f) if the Payment is funded directly or indirectly with Second Lien Debt, Permitted Second Lien Financing Debt, Permitted Parent Financing Debt and/or the proceeds of any indebtedness incurred under or pursuant to any Second Lien Debt Document and/or Senior Parent Notes;

(g) if the payment is funded directly or indirectly with the proceeds of an Equity Contribution or Available Shareholder Amounts; or

(h) of any other amount not exceeding €5,000,000 (or its equivalent) in aggregate in any financial year of the Parent.

On or after the Senior Discharge Date, the Debtors may make payments to the Second Lien Creditors in respect of the Second Lien liabilities in accordance with the terms of the Second Lien Finance Documents, as applicable.

Payment Blockage Provisions—Restrictions on Enforcement by Second Lien Secured Creditors

Until the Senior Discharge Date, except with the Required Senior Consent, no Debtor shall make (and the Parent shall procure that no other member of the Group shall make), and no Second Lien Secured Creditor may receive from any other member of the Group, any Permitted Second Lien Payment (other than, for the avoidance of doubt, a roll-up or capitalization of any amount and Second Lien Agent Liabilities, and payments permitted under (b) to (f) under the caption "*—Permitted Second Lien Liabilities Payments*") if:

(a) a Senior Payment Default is continuing; or

(b) an insolvency event of default under the Senior Facilities Agreement, the Senior Notes Indenture and/or any Permitted Senior Financing Agreement (a "**Material Event of Default**") is continuing, from the date which is one Business Day after the date on which any Senior Agent delivers a notice (a "**Second Lien Payment Stop Notice**") specifying the event or circumstance in relation to that Material Event of Default to the Parent, the Security Agent and the Senior Parent Agents until the earliest of:

   (i) the date falling 120 days after delivery of that Second Lien Payment Stop Notice;

   (ii) in relation to payments of Second Lien Liabilities, if a Second Lien Standstill Period is in effect at any time after delivery of that Second Lien Payment Stop Notice, the date on which that Second Lien Standstill Period expires;

   (iii) the date on which the relevant Material Event of Default has been remedied or waived in accordance with the Senior Facilities Agreement, the Senior Notes Indenture or any Permitted Senior Financing Agreement (as applicable);

   (iv) the date on which the Senior Agent which delivered the relevant Second Lien Payment Stop Notice delivers a notice to the Parent, the Security Agent and the Second Lien Agents cancelling the Second Lien Payment Stop Notice;

   (v) the Senior Discharge Date; and

   (vi) the date on which the Security Agent or a Second Lien Agent takes Enforcement Action permitted under the Intercreditor Agreement against a Debtor.

Unless each of the Second Lien Agents waives this requirement, (i) a new Second Lien Payment Stop Notice may not be delivered unless and until 360 days have elapsed since the delivery of the immediately prior Second Lien Payment Stop Notice; and (ii) no Second Lien Payment Stop Notice may be delivered by a Senior Agent in reliance on a Material Event of Default more than 75 days after the date that Senior Agent received notice of that Material Event of Default.

The Senior Agents may only serve one Second Lien Payment Stop Notice with respect to the same event or set of circumstances. Subject to the immediately preceding paragraph, this shall not affect the right of the Agents to issue a Second Lien Payment Stop Notice in respect of any other event or set of circumstances. No Second Lien Payment Stop Notice may be served by an Agent in respect of a Material Event of Default which had been notified to the Agents at the time at which an earlier Second Lien Payment Stop Notice was issued.

Any failure to make a payment due under the Second Lien Debt Documents as a result of the issue of a Second Lien Payment Stop Notice or the occurrence of a Senior Payment Default shall not prevent (i) the occurrence of an Event of Default (as defined under a Second Lien Financing Agreement) as a consequence of that failure to make a payment in relation to the relevant Second Lien Debt Document; or (ii) the issue of a Second Lien Enforcement Notice on behalf of the Second Lien Secured Creditors.

Payment Obligations and Capitalization of Interest Continue

No Debtor shall be released from the liability to make any payment (including of default interest, which shall continue to accrue) under any Second Lien Debt Document by the operation of the provisions set out under each section above under the caption "*—Restrictions Relating to Second Lien Secured Creditors and Second Lien Liabilities*" even if its obligation to make such payment is restricted at any time by the terms of any of those provisions.

The accrual and capitalization of interest (if any) in accordance with the Second Lien Debt Documents shall continue notwithstanding the issue of a Second Lien Payment Stop Notice.

Cure of Payment Stop—Second Lien Secured Creditors

If:

(i) at any time following the issue of a Second Lien Payment Stop Notice or the occurrence of a Senior Payment Default, that Second Lien Payment Stop Notice ceases to be outstanding and/or, as the case may be, the Senior Payment Default ceases to be continuing; and

(ii) any Debtor then promptly pays to the Second Lien Secured Creditors an amount equal to any Payments which had accrued under the Second Lien Debt Documents and which would have been Permitted Second Lien Payments but for that Second Lien Payment Stop Notice or Senior Payment Default,

then any Event of Default (including any cross default or similar provision under any other Debt Document) which may have occurred as a result of that suspension of Payments shall be waived and any Second Lien Enforcement Notice which may have been issued as a result of that Event of Default shall be waived, in each case without any further action being required on the part of the Second Lien Secured Creditors or any other Creditor or Operating Facility Lender.

Restrictions on Enforcement by Second Lien Secured Creditors

Until the Senior Discharge Date, except with the prior consent of or as required by an Instructing Group:

(i) no Second Lien Secured Creditor shall direct the Security Agent to enforce or otherwise require the enforcement of any security; and/or

(ii) no Second Lien Secured Creditor shall take or require the taking of any Enforcement Action in relation to the Second Lien Liabilities,

except as permitted under the provisions set out below under the caption "*—Permitted Second Lien Enforcement*" below, *provided*, *however*, that no such action required by the Security Agent need be taken except to the extent the Security Agent otherwise is entitled under the Intercreditor Agreement to direct such action.

Permitted Second Lien Enforcement

Subject to the provisions set out under the caption "*—Enforcement on behalf of Second Lien Secured Creditors*," the restrictions set out under the caption "*—Payment Blockage Provisions—Restrictions on Enforcement by Second Lien Secured Creditors*" above will not apply if:

(i) an Event of Default (as defined under a Second Lien Financing Agreement, a "**Second Lien Event of Default**") (the "**Relevant Second Lien Default**") is continuing;

(ii) each Senior Agent has received a notice of the Relevant Second Lien Default specifying the event or circumstance in relation to the Relevant Second Lien Default from the relevant Second Lien Agent;

(iii) a Second Lien Standstill Period (as defined below) has elapsed; and

(iv) the Relevant Second Lien Default is continuing at the end of the relevant Second Lien Standstill Period.

Promptly upon becoming aware of a Second Lien Event of Default, the relevant Second Lien Agent may by notice (a "**Second Lien Enforcement Notice**") in writing notify the Senior Agents of the existence of such Second Lien Event of Default.

Second Lien Standstill Period

In relation to a Relevant Second Lien Default, a Second Lien Standstill Period shall mean the period beginning on the date (the "**Second Lien Standstill Start Date**") the relevant Senior Agent serves a Second Lien Enforcement Notice on each of the Senior Agents in respect of such Second Lien Event of Default and ending on the earlier to occur of:

(i) the date falling 120 days after the Second Lien Standstill Start Date;

(ii) the date the Senior Secured Parties (other than the Second Lien Secured Creditors) take any Enforcement Action in relation to a particular Second Lien Borrower or Second Lien Guarantor, provided, however, that if a Senior Parent Standstill Period ends pursuant to this paragraph, the Second Lien Secured Creditors may only take the same Enforcement Action in relation to the relevant Second Lien Borrower or Second Lien Guarantor as the Enforcement Action taken by the Senior Secured Parties (other than the Second Lien Secured Creditors) against such Second Lien Borrower or Second Lien Guarantor and not against any other member of the Group;

(iii) the date of an Insolvency Event in relation to the relevant Second Lien Borrower or a particular Second Lien Guarantor against whom Enforcement Action is to be taken;

(iv) the expiry of any other Second Lien Standstill Period outstanding at the date such first-mentioned Second Lien Standstill Period commenced (unless that expiry occurs as a result of a cure, waiver or other permitted remedy);

(v) the date on which the consent of each of the Senior Facility Agent (acting on the instructions of the Majority Senior Lenders), any Senior Notes Trustee (acting on behalf of the Senior Noteholders) and any Senior Creditor Representative (acting on the instructions the Majority Permitted Senior Financing Creditors) has been obtained; and

(vi) a failure to pay the principal amount outstanding under any Second Lien Facility or on any Permitted Second Lien Financing Debt, as the case may be, at the final stated maturity of the amounts outstanding on that Second Lien Facility or on that Permitted Second Lien Financing Debt, as the case may be (provided that, unless the Senior Lender Discharge Date has occurred or as otherwise agreed by the Majority Senior Lenders and the Parent, such final stated maturity does not fall on a date prior to the date falling 85 months after the Issue Date).

Subsequent Second Lien Facility Defaults

The Second Lien Secured Creditors may take Enforcement Action under the provisions set out in caption "*—Permitted Second Lien Enforcement*" in relation to a Relevant Second Lien Default even if, at the end of any relevant Second Lien Standstill Period or at any later time, a further Second Lien Standstill Period has begun as a result of any other Second Lien Event of Default.

Enforcement on behalf of Second Lien Secured Creditors

If the Security Agent has notified the Second Lien Agents that it is enforcing Security created pursuant to any Security Document over shares of a Second Lien Borrower or a Second Lien Guarantor, no Second Lien Secured Creditor may take any action referred to under the provisions set out under the caption "*—Permitted Second Lien Enforcement*" against that Second Lien Borrower or Second Lien Guarantor (or any Subsidiary of that Second Lien Borrower or Second Lien Guarantor) while the Security Agent is taking steps to enforce that Security in accordance with the instructions of an Instructing Group where such action might be reasonably likely to adversely affect such enforcement or the amount of proceeds to be derived therefrom.

Option to Purchase: Second Lien Secured Creditors

Subject to the following paragraphs, any of the Second Lien Agent(s) (on behalf of the Second Lien Secured Creditors) may, after an acceleration event under any of the Senior Facilities Agreement, the Senior Notes Indenture or in relation to any Permitted Senior Financing Debt which is continuing, by giving not less than 10 days' notice to the Security Agent, require the transfer to the Second Lien Secured Creditors (or to a nominee or nominees) of all, but not part, of the rights, benefits and obligations in respect of the Senior Lender Liabilities, the Senior Notes Liabilities, any Permitted Senior Financing Liabilities and the Operating Facility Liabilities if:

(i) that transfer is lawful and, subject to paragraph (ii) below, otherwise permitted by the terms of the Senior Facilities Agreement (in the case of the Senior Lender Liabilities), any Senior Notes Indenture(s) pursuant to which any Senior Notes remain outstanding (in the case of the Senior Notes Liabilities), any Permitted Senior Financing Agreement pursuant to which any relevant Permitted Senior Financing Liabilities remain outstanding (in the case of the Permitted Senior Financing Liabilities) and/or any Operating Facility Documents pursuant to which any relevant Operating Facility Liabilities remain outstanding (in the case of the Operating Facility Liabilities);

(ii) any conditions relating to such a transfer contained in the Senior Facilities Agreement (in the case of the Senior Lender Liabilities), any Senior Notes Indenture(s) pursuant to which any Senior Notes remain outstanding (in the case of the Senior Notes Liabilities), any Permitted Senior Financing Agreement pursuant to which any relevant Permitted Senior Financing Liabilities remain outstanding (in the case of the Permitted Senior Financing Liabilities) and/or any Operating Facility Documents pursuant to which any relevant Operating Facility Liabilities remain outstanding (in the case of the Operating Facility Liabilities) are complied with, in each case, other than as specified in the Intercreditor Agreement;

(iii) each of the Senior Facility Agent (on behalf of the Senior Lenders), the applicable Senior Notes Trustee (on behalf of the relevant Senior Noteholders), the applicable Senior Creditor Representative (on behalf of the relevant Permitted Senior Financing Creditors) and the Operating Facility Lenders is paid the amounts required under the Intercreditor Agreement;

(iv) as a result of that transfer the Senior Lenders, the Senior Notes Creditors, the Permitted Senior Financing Creditors and the Operating Facility Lenders have no further actual or contingent liability to the Parent or any other Debtor under the relevant Secured Debt Documents;

(v) an indemnity is provided from each Second Lien Secured Creditor (other than any Second Lien Agent) (or from another third party acceptable to all the Senior Lenders, the Senior Notes Creditors, the Permitted Senior Financing Creditors and the Operating Facility Lenders) in a form reasonably satisfactory to each Senior Lender, Senior Notes Creditor, Permitted Senior Financing Creditor and Operating Facility Lender in respect of all costs, expenses, losses and liabilities which may be sustained or incurred by any Senior Lender, Senior Notes Creditor, Permitted Senior Financing Creditor or Operating Facility Lender in consequence of any sum received or recovered by any Senior Lender, Senior Notes Creditor, Permitted Senior Financing Creditor or Operating Facility Lender from any person being required (or it being alleged that it is required) to be paid back by or clawed back from any Senior Lender, Senior Notes Creditor, Permitted Senior Financing Creditor or Operating Facility Lender for any reason; and

(vi) the transfer is made without recourse to, or representation or warranty from, the Senior Lenders, the Senior Notes Creditors, the Permitted Senior Financing Creditors or the Operating Facility Lenders, except that each Senior Lender, Senior Notes Creditor, Permitted Senior Financing Creditor and Operating Facility Lender shall be deemed to have represented and warranted on the date of that transfer that it has the corporate power to effect that transfer and it has taken all necessary action to authorise the making by it of that transfer.

Subject to the terms of the Intercreditor Agreement, a Second Lien Agent (on behalf of all the Second Lien Secured Creditors) may only require a transfer of Senior Secured Liabilities if, at the same time, they require a transfer of hedging liabilities regulated by the Intercreditor Agreement and if, for any reason, such transfer cannot be made in accordance with the Intercreditor Agreement, no transfer of Senior Secured Liabilities may be required to be made.

At the request of a Second Lien Agent (on behalf of all the Second Lien Secured Creditors), the Senior Facility Agent, any relevant Senior Notes Trustee, any relevant Senior Creditor Representative and the Operating Facility Lenders shall notify the Second Lien Agents of the foregoing payable sums in connection with such transfer.

Restrictions Relating to Senior Parent Creditors and Senior Parent Liabilities

Restriction on Payment and Dealings

The Intercreditor Agreement provides that, until the First/Second Lien Discharge Date, no Senior Parent Debt Issuer shall (and the Parent shall ensure that no member of the Group will):

(a) pay, repay, prepay, redeem, acquire or defease any principal, interest or other amount on or in respect of, or make any distribution in respect of, any Senior Parent Notes liabilities and any Permitted Parent Financing Liabilities in cash or in kind or apply any such money or property in or towards discharge of any Senior Parent Notes Liabilities and any Permitted Parent Financing Liabilities except as permitted by the provisions set out below under the captions "*—Permitted Senior Parent Payments,*" "*—Permitted Senior Parent Enforcement*," and the fourth paragraph under the caption "*—Effect of Insolvency Event; Filing of Claims*" or by a refinancing of the Senior Parent Notes or the Permitted Parent Financing Debt as permitted by the Intercreditor Agreement;

(b) exercise any set-off against any Senior Parent Notes liabilities and any Permitted Parent Financing Liabilities, except as permitted by the provisions set out under the caption "*—Permitted Senior Parent Payments*" below, the provisions set out under the caption "*—Payment Blockage Provisions—Restrictions on Enforcement by Senior Parent Creditors*" below or the fourth paragraph under the caption "*—Effect of Insolvency Event; Filing of Claims*" below or by a refinancing of the Senior Parent Notes or the Permitted Parent Financing Debt as permitted by the Intercreditor Agreement; or

(c) create or permit to subsist any security over any assets of any member of the Group or give any guarantee (and the Senior Parent Notes Trustee or Senior Parent Creditor Representative, as the case may be, may not, and no Senior Parent Creditor may, accept the benefit of any such security or guarantee from any member of the Group) for, or in respect of, any Senior Parent Notes liabilities or any Permitted Parent Financing Liabilities other than:

    (i) guarantees by a member of the Group of any obligations of the Group under the Senior Parent Notes Finance Documents and/or the Permitted Parent Financing Documents;

    (ii) at the option of the Parent, all or any of the security (provided that, for the avoidance of doubt, each of the parties agrees that the security shall rank and secure any Senior Parent Notes and any Permitted Parent Financing Debt as set out in "*—Ranking and Priority—Priority of Security*);" and

    (iii) any security over any assets of any Senior Parent Debt Issuer (other than, any such assets over which a Senior Parent Debt Issuer has granted security);

    (iv) any other security or guarantee provided by a member of the Group (the "**Credit Support Provider**") provided that, to the extent legally possible:

        (A) the Credit Support Provider becomes party to the Intercreditor Agreement as a Debtor (if not already a party in that capacity);

        (B) all amounts actually received or recovered by the Senior Parent Notes Trustee, the Senior Parent Creditor Representative or the Senior Parent Creditors, as the case may be, with respect to any such security shall immediately be paid to the Security Agent and applied in accordance with the provisions set out under the caption "*—Application of Proceeds*;"

(C) any such security may only be enforced in accordance with the provisions set out under the caption "*—Enforcement of Security—Security Held by Other Creditors*;" and

(D) such guarantee is expressed to be subject to the Intercreditor Agreement; and

(v) any security, guarantee, indemnity or other assurance against loss from any member of the Group in connection with:

(A) any escrow or similar or equivalent arrangements entered into in respect of amounts which are being held (or will be held) by a person which is not a member of the Group prior to release of those amounts to a member of the Group; or

(B) any actual or proposed defeasance, redemption, prepayment, repayment, purchase or other discharge of any Senior Lender Liabilities, Operating Facility Liabilities, Senior Notes liabilities and/or any Permitted Senior Financing Liabilities (in each case provided that such defeasance, redemption, prepayment, repayment, purchase or other discharge is not prohibited by the terms of the Intercreditor Agreement).

Permitted Senior Parent Payments

Prior to the First/Second Lien Discharge Date, any member of the Group may, directly or indirectly, make payments with respect to the Senior Parent Notes liabilities and any Permitted Parent Financing Liabilities then due in accordance with the finance documents in relation to the Senior Parent Notes and the Permitted Parent Financing Debt (such payments, collectively, "**Permitted Senior Parent Payments**"):

(a) if:

(i) the payment is of:

(A) any of the principal amount of the Senior Parent Notes liabilities and the Permitted Parent Financing Liabilities which is either (1) not prohibited from being paid by the Senior Financing Agreements; or (2) paid on or after the final maturity date of the relevant Senior Parent Notes liabilities and Permitted Parent Financing Liabilities (subject to certain conditions); or

(B) any other amount which is not an amount of principal or capitalized interest;

(ii) no Senior Parent Payment Stop Notice (as defined below) is outstanding;

(iii) no Senior Payment Default has occurred and is continuing; and

(iv) no payment default under the Second Lien Facility Agreement or the Permitted Second Lien Financing Documents has occurred and is continuing;

(b) if the Required Senior Consent has been obtained;

(c) if consent has been obtained from the Majority Second Lien Lenders and the Majority Permitted Second Lien Financing Creditors or the Creditor Representative in respect of that Permitted Second Lien Financing Debt Senior Lenders (as applicable);

(d) if the payment is of certain amounts due to the Senior Parent Notes Trustee for its own account;

(e) if the payment is made by the relevant Senior Parent Debt Issuer and funded directly or indirectly with amounts which have not been received by that Senior Parent Debt Issuer from another member of the Group;

(f) of any costs and expenses of any holder of security in relation to protection, preservation or enforcement of such security;

(g) of costs, commissions, taxes, fees and expenses incurred in respect of or in relation to (or reasonably incidental to) any of the Senior Parent Notes Indenture and any Permitted Parent Financing Documents (including in relation to any reporting or listing requirements under such documents);

(h) if the payment is funded directly or indirectly with Permitted Parent Financing Debt and/or the proceeds of any indebtedness incurred under or pursuant to any Senior Parent Notes;

(i) if the payment is funded directly or indirectly with the proceeds of an Equity Contribution or Available Shareholder Amounts; or

(j) of any other amount not exceeding €5,000,000 (or its equivalent) in aggregate in any financial year of the Parent.

On or after the First/Second Lien Discharge Date, the Debtors may make payments to the Senior Parent Creditors in respect of the Senior Parent Notes liabilities and any Permitted Parent Financing Liabilities, in accordance with the Senior Parent Notes Indenture and the Permitted Parent Financing Documents, as applicable.

Payment Blockage Provisions—Restrictions on Enforcement by Senior Parent Creditors

Until the Senior Discharge Date, except with the Required Senior Consent, and until the Second Lien Discharge Date, except with the Required Second Lien Consent, no Senior Parent Debt Issuer shall make (and the Parent shall procure that no other member of the Group shall make), and neither the Senior Parent Notes Trustee, any holder of Senior Parent Notes or the Permitted Parent Financing Creditors may receive from any other members of the Group, any Permitted Senior Parent Payment (other than, for the avoidance of doubt, a roll-up or capitalization of any amount and certain amounts due to the Senior Parent Notes Trustee for its own account, payments funded by amounts not received from another member of the Group or payments funded by Permitted Parent Financing Debt and/or the proceeds of any indebtedness incurred or pursuant to any Senior Parent Notes) if:

(a) a Senior Payment Default is continuing; or

(b) an event of default under the Senior Facilities Agreement, the Senior Notes Indenture and/or any Permitted Senior Financing Agreement (a "**Senior Event of Default**") (other than a Senior Payment Default) is continuing, from the date which is one business day after the date on which any of the Senior Facility Agent, the Senior Notes Trustee and any Senior Creditor Representative (together, the "**Senior Agents**") delivers a payment stop notice (a "**Senior Parent Payment Stop Notice**") specifying the event or circumstance in relation to that Senior Event of Default to the Parent, the Security Agent, the Senior Parent Notes Trustee and any Senior Parent Creditor Representative until the earliest of:

    (i) the date falling 179 days after delivery of that Senior Parent Payment Stop Notice;

    (ii) in relation to payments of the Senior Parent Notes liabilities and any Permitted Parent Financing Liabilities, if a Parent standstill period is in effect at any time after delivery of that payment stop notice, the date on which that standstill period expires;

    (iii) the date on which the relevant Senior Event of Default has been remedied or waived in accordance with the Senior Facilities Agreement, the Senior Notes Indenture or any Permitted Senior Financing Agreement (as applicable);

    (iv) the date on which the Senior Agent which delivered the relevant Senior Parent Payment Stop Notice delivers a notice to the Parent, the Security Agent, the Senior

Parent Notes Trustee and the Senior Parent Creditor Representative cancelling the Senior Parent Payment Stop Notice;

(v) the First/Second Lien Discharge Date; and

(vi) the date on which the Security Agent, the Senior Parent Notes Trustee and any Senior Parent Creditor Representative take Enforcement Action permitted under the Intercreditor Agreement against a Debtor.

Unless the Senior Parent Notes Trustee and any Senior Parent Creditor Representative waive this requirement, (i) a new Senior Parent Payment Stop Notice may not be delivered unless and until 360 days have elapsed since the delivery of the immediately prior Senior Parent Payment Stop Notice; and (ii) no Senior Parent Payment Stop Notice may be delivered by a Senior Agent in reliance on a Senior Event of Default more than 45 days after the date that Senior Agent received notice of that Senior Event of Default.

The Senior Agents may only serve one Senior Parent Payment Stop Notice with respect to the same event or set of circumstances. Subject to the immediately preceding paragraph, this shall not affect the right of the Senior Agents to issue a Senior Parent Payment Stop Notice in respect of any other event or set of circumstances. No Senior Parent Payment Stop Notice may be served by a Senior Agent in respect of a Senior Event of Default which had been notified to the Senior Agents at the time at which an earlier Senior Parent Payment Stop Notice was issued.

Any failure to make a payment due under any Senior Parent Notes Indenture and any Permitted Parent Financing Documents as a result of the issue of a Senior Parent Payment Stop Notice or the occurrence of a Senior Payment Default shall not prevent (i) the occurrence of an Event of Default (as defined in any Senior Parent Notes Indenture or any Permitted Parent Financing Documents, as applicable) as a consequence of that failure to make a payment in relation to the relevant Senior Parent Notes Indenture and any Permitted Parent Financing Documents; or (ii) the issue of a Senior Parent Enforcement Notice (as defined below) on behalf of the Senior Parent Creditors.

Payment Obligations and Capitalization of Interest Continue

Neither the relevant Senior Parent Debt Issuer nor any other Debtor shall be released from the liability to make any payment (including of default interest, which shall continue to accrue) under any Senior Parent Notes Indenture and any Permitted Parent Financing Document by the operation of the provisions set out under each section above under the caption "*—Restrictions Relating to Senior Parent Creditors and Senior Parent Liabilities*" even if its obligation to make such payment is restricted at any time by the terms of any of those provisions.

The accrual and capitalization of interest (if any) in accordance with any Senior Parent Notes Indenture and any Permitted Parent Financing Document shall continue notwithstanding the issue of a Senior Parent Payment Stop Notice.

Cure of Payment Stop—Senior Parent Creditors

If:

(i) at any time following the issue of a Senior Parent Payment Stop Notice or the occurrence of a Senior Payment Default, that Senior Parent Payment Stop Notice ceases to be outstanding and/or, as the case may be, the Senior Payment Default ceases to be continuing; and

(ii) the relevant Senior Parent Debt Issuer or the relevant Debtor then promptly pays to the Senior Parent Creditors an amount equal to any payments which had accrued under any Senior Parent Notes Indenture and any Permitted Parent Financing Document and which would have been Permitted Senior Parent Payments but for that Senior Parent Payment Stop Notice or Senior Payment Default, then any Event of Default (including any cross default or similar provision under any other debt document) which may have occurred as a result of that suspension of payments shall be waived and any Senior Parent Enforcement Notice which may have been issued as a result of that Event of Default shall be waived, in each case without any further action being required on the part of the Senior Parent Creditors or any other Creditor or Operating Facility Lender.

Restrictions on Amendments and Waivers

The Intercreditor Agreement provides that the Senior Parent Creditors, the relevant Senior Parent Debt Issuers and other Debtors may amend or waive the terms of the Senior Parent Notes Finance Documents and/or the Permitted Parent Financing Documents in accordance with their respective terms from time to time (and subject only to any consent required under them).

Restrictions on Enforcement by Senior Parent Creditors

Until the First/Second Lien Discharge Date, except with the prior consent of or as required by an Instructing Group:

(i) no Senior Parent Creditor shall direct the Security Agent to enforce, or otherwise require the enforcement of, any security; and/or

(ii) no Senior Parent Creditor shall take or require the taking of any Enforcement Action in relation to the guarantees by a member of the Group of any of the obligations of any member of the Group under the Senior Parent Notes Finance Documents and/or Permitted Parent Financing Documents,

except as permitted under the provisions set out below under the caption "—*Permitted Senior Parent Enforcement*" below, *provided*, *however*, that no such action required by the Security Agent need be taken except to the extent the Security Agent otherwise is entitled under the Intercreditor Agreement to direct such action.

Permitted Senior Parent Enforcement

The restrictions set out under the caption "—*Payment Blockage Provisions—Restrictions on Enforcement by Senior Parent Creditors*" above will not apply if:

(i) an Event of Default (as defined in any Senior Parent Notes Finance Document and any Permitted Parent Financing Agreement, as applicable, each a "**Senior Parent Event of Default**") (the "**Relevant Senior Parent Default**") is continuing;

(ii) each Senior Agent has received a notice of the Relevant Senior Parent Default specifying the event or circumstance in relation to the Relevant Senior Parent Default from the Senior Parent Notes Trustee or any Senior Parent Creditor Representative (as the case may be);

(iii) a Senior Parent Standstill Period (as defined below) has elapsed; and

(iv) the Relevant Senior Parent Default is continuing at the end of the relevant Senior Parent Standstill Period.

Promptly upon becoming aware of a Senior Parent Event of Default, the Senior Parent Notes Trustee or any Senior Parent Creditor Representative, as the case may be, may by notice (a "**Senior Parent Enforcement Notice**") in writing notify the Senior Agents of the existence of such Senior Parent Event of Default.

Senior Parent Standstill Period

In relation to a Relevant Senior Parent Default, a Senior Parent Standstill Period shall mean the period beginning on the date (the "**Senior Parent Standstill Start Date**") the relevant Senior

Agent serves a Senior Parent Enforcement Notice on each of the Senior Agents in respect of such Senior Parent Event of Default and ending on the earlier to occur of:

(i) the date falling 179 days after the Senior Parent Standstill Start Date (the "**Senior Parent Standstill Period**");

(ii) the date the Senior Secured Parties take any Enforcement Action in relation to a particular guarantor of the Senior Parent Notes and/or any Permitted Parent Financing Debt (a "**Senior Parent Guarantor**"), provided, however, that if a Senior Parent Standstill Period ends pursuant to this paragraph, the Senior Parent Creditors may only take the same Enforcement Action in relation to the Senior Parent Guarantor as the Enforcement Action taken by the Senior Secured Parties against such Senior Parent Guarantor and not against any other member of the Group;

(iii) the date of an Insolvency Event in relation to the relevant Senior Parent Debt Issuer or a particular Senior Parent Guarantor against whom Enforcement Action is to be taken;

(iv) the expiry of any other Senior Parent Standstill Period outstanding at the date such first-mentioned Senior Parent Standstill Period commenced (unless that expiry occurs as a result of a cure, waiver or other permitted remedy);

(v) the date on which the consent of each of the Senior Facility Agent (acting on the instructions of the Majority Senior Lenders), the Second Lien Facility Agent (acting on the instructions of the Majority Second Lien Lenders), any Senior Notes Trustee (acting on behalf of the Senior Noteholders), any Senior Creditor Representative (acting on the instructions the Majority Permitted Senior Financing Creditors) and any Second Lien Creditor Representative (acting on the instructions of the Majority Permitted Second Lien Financing Creditors) has been obtained; and

(vi) a failure to pay the principal amount outstanding on any Senior Parent Notes or on any Permitted Parent Financing Debt, as the case may be, at the final stated maturity of the amounts outstanding on the Senior Parent Notes or on the Permitted Parent Financing Debt, as the case may be (provided that (i) unless the Senior Lender Discharge Date has occurred or as otherwise agreed by the Majority Senior Lenders and the Parent, such final stated maturity does not fall on a date prior to the date falling 85 months after the Issue Date; and (ii) if any Second Lien Debt has been incurred, unless the Second Lien Lender Discharge Date has occurred or as otherwise agreed by the Majority Second Lien Lenders and the Parent, such final stated maturity does not fall on a date prior to the date falling 85 months after the Issue Date).

Subsequent Senior Parent Event of Default

The Senior Parent Finance Parties may take Enforcement Action under the provisions set out in caption "*—Permitted Senior Parent Enforcement*" above in relation to a Relevant Senior Parent Default even if, at the end of any relevant Senior Parent Standstill Period or at any later time, a further Senior Parent Standstill Period has begun as a result of any other Senior Parent Event of Default.

Enforcement on Behalf of Senior Parent Creditors

If the Security Agent has notified the Senior Parent Agents that it is enforcing security created pursuant to any security document over shares of a Senior Parent Guarantor, no Senior Parent Creditor may take any action referred to under the provisions set out under the caption "*—Permitted Senior Parent Enforcement*" above against that Senior Parent Guarantor (or any subsidiary of that Senior Parent Guarantor) while the Security Agent is taking steps to enforce that security in accordance with the instructions of an Instructing Group where such action might be reasonably likely to adversely affect such enforcement or the amount of proceeds to be derived therefrom.

Option to Purchase: Senior Parent Creditors

Subject to paragraphs (ii) and (iii) below any of the Senior Parent Notes Trustee and any Senior Parent Creditor Representative (on behalf of the Senior Parent Creditors) may, after an acceleration event under any of the Senior Facilities Agreement, the Senior Notes or in relation to any Permitted Senior Financing Debt which is continuing, by giving not less than 10 days' notice to the Security Agent, require the transfer to the Senior Parent Creditors (or to a nominee or nominees) of all, but not part, of the rights, benefits and obligations in respect of the Senior Secured Liabilities and the Operating Facility Liabilities if:

(i) that transfer is lawful and, subject to paragraph (ii) below, otherwise permitted by the terms of the Senior Facilities Agreement (in the case of the Senior Lender Liabilities), the Second Lien Facility Agreement (in the case of the Second Lien Lenders Liabilities), any Senior Notes Indenture(s) pursuant to which any Senior Notes remain outstanding (in the case of the Senior Notes liabilities), any Permitted Senior Financing Agreement pursuant to which any relevant Permitted Senior Financing Liabilities remain outstanding (in the case of the Permitted Senior Financing Liabilities), any Permitted Second Lien Financing Agreement pursuant to which any relevant Permitted Second Lien Financing Liabilities remain outstanding (in the case of the Permitted Second Lien Financing Liabilities) and/or any Operating Facility Documents pursuant to which any relevant Operating Facility Liabilities remain outstanding (in the case of the Operating Facility Liabilities) (as applicable);

(ii) any conditions relating to such a transfer contained in the Senior Facilities Agreement (in the case of the Senior Lender Liabilities)), the Second Lien Facility Agreement (in the case of the Second Lien Lenders Liabilities), any Senior Notes Indenture(s) pursuant to which any Senior Notes remain outstanding (in the case of the Senior Notes liabilities), any Permitted Senior Financing Agreement pursuant to which any relevant Permitted Senior Financing Liabilities remain outstanding (in the case of the Permitted Senior Financing Liabilities), any Permitted Second Lien Financing Agreement pursuant to which any relevant Permitted Second Lien Financing Liabilities remain outstanding (in the case of the Permitted Second Lien Financing Liabilities) and/or any Operating Facility Documents pursuant to which any relevant Operating Facility Liabilities remain outstanding (in the case of the Operating Facility Liabilities) are complied with, in each case, other than as specified in the Intercreditor Agreement;

(iii) each of the Senior Facility Agent (on behalf of the Senior Lenders), the Senior Notes Trustee (on behalf of the relevant Senior Noteholders), the applicable Senior Creditor Representative (on behalf of the relevant Permitted Senior Financing Creditors), the Operating Facility Lenders, the Second Lien Facility Agent (on behalf of the Second Lien Lenders) and the applicable Second Lien Creditor Representative (on behalf of the relevant Permitted Second Lien Financing Creditors) is paid the amounts required under the Intercreditor Agreement;

(iv) as a result of that transfer the Senior Lenders, the Second Lien Lenders, the Senior Noteholders, the Permitted Senior Financing Creditors, the Permitted Second Lien Financing Creditors and the Operating Facility Lenders have no further actual or contingent liability to the Parent or any other Debtor under the relevant Secured Debt Documents;

(v) an indemnity is provided from each Senior Parent Creditor (other than any Senior Parent Agent) (or from another third party acceptable to all the Senior Lenders, the Second Lien Lenders, the Senior Notes Creditors, the Permitted Senior Financing Creditors, the Permitted Second Lien Financing Creditors and the Operating Facility Lenders) in a form reasonably satisfactory to each Senior Lender, Second Lien Lender, Senior Notes Creditor, Permitted Senior Financing Creditor, Permitted Second Lien Financing Creditor and Operating Facility Lender in respect of all costs, expenses, losses and liabilities which may be sustained or incurred by any Senior Lender, Second Lien Lender, Senior Notes

Creditor, Permitted Senior Financing Creditor, Permitted Second Lien Financing Creditor or Operating Facility Lender in consequence of any sum received or recovered by any Senior Lender, Second Lien Lender, Senior Notes Creditor, Permitted Senior Financing Creditor, Permitted Second Lien Financing Creditor or Operating Facility Lender from any person being required (or it being alleged that it is required) to be paid back by or clawed back from any Senior Lender, Second Lien Lender, Senior Notes Creditor, Permitted Senior Financing Creditor, Permitted Second Lien Financing Creditor or Operating Facility Lender for any reason; and

(vi) the transfer is made without recourse to, or representation or warranty from, the Senior Lenders, the Second Lien Lenders, the Senior Notes Creditors, the Permitted Senior Financing Creditors, the Permitted Second Lien Financing Creditors or the Operating Facility Lenders, except that each Senior Lender, Second Lien Lender, Senior Notes Creditor, Permitted Senior Financing Creditor, Permitted Second Lien Financing Creditor and Operating Facility Lender shall be deemed to have represented and warranted on the date of that transfer that it has the corporate power to effect that transfer and it has taken all necessary action to authorise the making by it of that transfer.

Subject to the Intercreditor Agreement, the Senior Parent Notes Trustee or any Senior Parent Creditor Representative (on behalf of all the Senior Parent Creditors) may only require a transfer of Senior Secured Liabilities if, at the same time, they require a transfer of hedging liabilities regulated by the Intercreditor Agreement and if, for any reason, such transfer cannot be made in accordance with the Intercreditor Agreement, no transfer of Senior Secured Liabilities may be required to be made.

At the request of the Senior Parent Notes Trustee or any Senior Parent Creditor Representative (on behalf of all the Senior Parent Creditors), the Senior Facility Agent, the Senior Notes Trustee, any relevant Senior Creditor Representative, the Operating Facility Lenders, the Second Lien Facility Agent and any relevant Second Lien Creditor Representative shall notify the Senior Parent Notes Trustee and any Senior Parent Creditor Representative of the foregoing payable sums in connection with such transfer.

Effect of Insolvency Event; Filing of Claims

The Intercreditor Agreement provides that, among other things, after the occurrence of an Insolvency Event in relation to any Debtor, or, following an acceleration event which is continuing, any member of the Group, any party entitled to receive a distribution out of the assets of that member of the Group in respect of liabilities owed to that party shall (in the case of any Creditor or Operating Facility Lender, only to the extent that such distribution would otherwise constitute a receipt or recovery of a type subject to the provisions set out below under the caption"—*Turnover*" and, in all cases, if prior to a distress event, only if required by the Security Agent acting on the instructions of an Instructing Group), subject to receiving payment instructions and any other relevant information from the Security Agent and to the extent it is able to do so, direct the person responsible for the distribution of the assets of that member of the Group to pay that distribution to the Security Agent until the liabilities owing to the Secured Parties have been paid in full. In this respect, the Security Agent shall apply distributions paid to it in accordance with the provisions set out under the caption "—*Application of Proceeds*" below.

Subject to certain exceptions, to the extent that any member of the Group's liabilities are discharged by way of set-off (mandatory or otherwise) after the occurrence of an Insolvency Event in relation to that member of the Group, any Creditor and any Operating Facility Lender which benefited from that set-off shall (in the case of any Creditor or Operating Facility Lender, only to the extent that such distribution would otherwise constitute a receipt or recovery of a type subject to the provisions set out below under the caption "—*Turnover*" and, in all cases, if prior to a distress event, only if required by the Security Agent acting on the instructions of an Instructing Group), subject to receiving payment instructions and any other relevant information from the Security Agent, pay an amount equal to the amount of the liabilities owed to it which are discharged by that set-off to the Security Agent for application in accordance with the provisions set out under the caption "*—Application of Proceeds*" below and subject to certain exceptions.

Subject to the provisions set out under the caption "*—Application of Proceeds*" below, if the Security Agent or any other Secured Party receives a distribution in a form other than in cash in respect of any of the liabilities, the liabilities will not be reduced by that distribution until and except to the extent that the realization proceeds are actually applied towards the liabilities.

After the occurrence of an Insolvency Event in relation to any Debtor (or, following an acceleration event which is continuing, any member of the Group), each Creditor and each Operating Facility Lender irrevocably authorizes the Security Agent, on its behalf, to:

(i) take any Enforcement Action (in accordance with the terms of the Intercreditor Agreement) against that member of the Group;

(ii) demand, sue, prove and give receipt for any or all of that member of the Group's liabilities;

(iii) collect and receive all distributions on, or on account of, any or all of that member of the Group's liabilities; and

(iv) file claims, take proceedings and do all other things the Security Agent considers reasonably necessary to recover that member of the Group's liabilities.

Each Creditor and Operating Facility Lender will (i) do all things that the Security Agent (acting in accordance with the terms of the Intercreditor Agreement) reasonably requests in order to give effect to the matters referred to in this "*—Effect of Insolvency Event; Filing of Claims*" section and (ii) if the Security Agent is not entitled to take any of the actions contemplated by this "*—Effect of Insolvency Event; Filing of Claims*" section or if the Security Agent (acting in accordance with the terms of the Intercreditor Agreement) requests that a Creditor or Operating Facility Lender take that action, undertake that action itself in accordance with the instructions of the Security Agent or grant a power of attorney to the Security Agent (on such terms as the Security Agent (acting in accordance with the terms of the Intercreditor Agreement) may reasonably require, although neither the Senior Notes Trustee nor the Senior Parent Notes Trustee shall be under any obligation to grant such powers of attorney) to enable the Security Agent to take such action.

Turnover

Subject to certain exceptions, the Intercreditor Agreement provides that if any Creditor or Operating Facility Lender receives or recovers from any member of the Group:

(i) any payment or distribution of, or on account of or in relation to, any of the liabilities which is prohibited under the Intercreditor Agreement or, following the occurrence of a Senior Distress Event which is continuing, any Senior Lender Liabilities, Hedging Liabilities, Senior Notes Liabilities, Permitted Senior Financing Liabilities or Operating Facility Liabilities;

(ii) other than as referred to in the second paragraph of the caption "*—Effect of Insolvency Event; Filing of Claims*" any amount by way of set-off in respect of any of the liabilities owed to it which does not give effect to a payment permitted under the Intercreditor Agreement;

(iii) notwithstanding paragraphs (i) and (ii) above, other than as referred to in the second paragraph of the caption "*—Effect of Insolvency Event; Filing of Claims*" any amount:

(A) on account of, or in relation to, any of the liabilities after the occurrence of a distress event (including as a result of any litigation or proceedings against a member of the Group other than after the occurrence of an Insolvency Event in respect of that member of the Group); or

(B) by way of set-off in respect of any of the liabilities owed to it after the occurrence of a distress event,

other than, in each case, any amount received or recovered in accordance with the provisions set out below the caption "—*Application of Proceeds*;"

(iv) the proceeds of any enforcement of any security except in accordance with the provisions set out below under the caption "—*Application of Proceeds*;" or

(v) subject to certain exceptions, any distribution in cash or in kind or payment of, or on account of or in relation to, any of the liabilities owed by any member of Group which is not in accordance with the provisions set out under the caption "—*Application of Proceeds*" and which is made as a result of, or after, the occurrence of an Insolvency Event in respect of that member of Group,

that Creditor or Operating Facility Lender will, subject to certain exceptions: (i) in relation to receipts and recoveries not received or recovered by way of set-off (x) hold an amount of that receipt or recovery equal to the relevant liabilities (or if less, the amount received or recovered) on trust for the Security Agent and subject to receiving payment instructions and any other relevant information from the Security Agent, promptly pay that amount to the Security Agent for application in accordance with the terms of the Intercreditor Agreement and (y) subject to receiving payment instructions and any other relevant information the Security Agent, promptly pay an amount equal to the amount (if any) by which the receipt or recovery exceeds the relevant liabilities to the Security Agent for application in accordance with the terms of the Intercreditor Agreement; and (ii) in relation to receipts and recoveries received or recovered by way of set-off, subject to receiving payment instructions and any other relevant information from the Security Agent, promptly pay an amount equal to that recovery to the Security Agent for application in accordance with the terms of the Intercreditor Agreement.

Enforcement of Security

Enforcement Instructions

The Security Agent may refrain from enforcing the security unless instructed otherwise by (i) an Instructing Group; (ii) if required as set out in the third paragraph of this section, the Majority Second Lien Creditors or (iii) if required as set out under the fourth paragraph of this section, the Majority Senior Parent Creditors.

Subject to the security having become enforceable in accordance with its terms (i) an Instructing Group; (ii) to the extent permitted to enforce or to require the enforcement of the security prior to the Senior Discharge Date as described under the caption "—*Restrictions Relating to Second Lien Liabilities*" above, the Majority Second Lien Creditors or (iii) to the extent permitted to enforce or to require the enforcement of the security prior to the First/Second Lien Discharge Date as described under the provisions under the caption "—*Restrictions Relating to Senior Parent Creditors and Senior Parent Liabilities*" above, the Majority Senior Parent Creditors, may give or refrain from giving, instructions to the Security Agent to enforce, or refrain from enforcing, the security as they see fit.

Prior to the Senior Discharge Date, (i) if an Instructing Group has instructed the Security Agent not to enforce or to cease enforcing the security or (ii) in the absence of instructions from an Instructing Group, and, in each case, an Instructing Group has not required any Debtor to make a distressed disposal, the Security Agent shall give effect to any instructions to enforce the security which the Majority Second Lien Creditors are then entitled to give to the Security Agent as described under the provisions under the caption "—*Permitted Second Lien Enforcement*" above.

Prior to the First/Second Lien Discharge Date, (i) if an Instructing Group has instructed the Security Agent not to enforce or to cease enforcing the security or (ii) in the absence of instructions from an Instructing Group, and, in each case, an Instructing Group has not required any Debtor to make a distressed disposal, the Security Agent shall give effect to any instructions to enforce the security which the Majority Senior Parent Creditors are then entitled to give to the Security Agent as described under the provisions under the caption "*—Permitted Senior Parent Enforcement*" above.

Subject to certain provisions of the Intercreditor Agreement, no secured party shall have any independent power to enforce, or to have recourse to enforce, any security or to exercise any rights or powers arising under the security documents except through the Security Agent in the manner contemplated by the Intercreditor Agreement.

Manner of Enforcement

If the security is being enforced as set forth above under the caption "*—Enforcement of Security—Enforcement* Instructions," the Security Agent shall enforce the security in such manner (including, without limitation, the selection of any administrator, examiner or equivalent officer of any Debtor to be appointed by the Security Agent) as:

(a) an Instructing Group;

(b) prior to the Senior Discharge Date, if (i) the Security Agent has, pursuant to the third paragraph under the caption "*—Enforcement of Security*" above, given effect to instructions given by the Majority Second Lien Creditors to enforce the security; and (ii) an Instructing Group has not given instructions as to the manner of enforcement of the security, the Majority Second Lien Creditors;

(c) prior to the First/Second Lien Discharge Date, if (i) the Security Agent has, pursuant to the fourth paragraph under the caption "*—Enforcement of Security*" above, given effect to instructions given by the Majority Senior Parent Creditors to enforce the security; and (ii) an Instructing Group has not given instructions as to the manner of enforcement of the security, the Majority Senior Parent Creditors,

shall instruct or, in the absence of any such instructions, as the Security Agent sees fit (it being understood that, absent such instructions, the Security Agent may elect to take no action).

Exercise of Voting Rights

To the fullest extent permitted under applicable law, each Creditor (other than the Senior Notes Trustee and the Senior Parent Notes Trustee) and each Operating Facility Lender shall agree with the Security Agent that it will cast its vote in any proposal put to the vote by, or under the supervision of, any judicial or supervisory authority in respect of any insolvency, pre-insolvency or rehabilitation or similar proceedings relating to any member of the Group as instructed by the Security Agent. The Security Agent shall give instructions for the purposes of this paragraph as directed by an Instructing Group. Notwithstanding the foregoing, no party can exercise or require any other Creditor or Operating Facility Lender under the Intercreditor Agreement to exercise its power of voting or representation to waive, reduce, discharge, extend the due date for payment or otherwise reschedule any of the liabilities owed to that Creditor or Operating Facility Lender.

Waiver of Rights

To the extent permitted under applicable law and subject to certain provisions of the Intercreditor Agreement, each of the Secured Parties and the Debtors waives all rights it may otherwise have to require that the security be enforced in any particular order or manner or at any particular time, or that any sum received or recovered from any person, or by virtue of the enforcement of any of the security or of any other security interest, which is capable of being applied in or towards discharge of any of the secured obligations, is so applied.

Security Held by Other Creditors

If any security is held by a Creditor or Operating Facility Lender other than the Security Agent, then that Creditor or Operating Facility Lender may only enforce that security in accordance with instructions given by an Instructing Group pursuant to the terms of the Intercreditor Agreement (and for this purpose references to the Security Agent shall be construed as references to that Creditor or Operating Facility Lender).

Consultation Period

(a) Subject to paragraph (d) below, before giving any instructions to the Security Agent to enforce the security or refrain or cease from enforcing the security or to take any other Enforcement Action, the creditor representative(s) of the creditors of the Group represented in the Instructing Group concerned (and, if applicable, any relevant Hedge Counterparties) shall consult with each other creditor representative, each other Hedge Counterparty, each Operating Facility Lender and the Security Agent in good faith about the instructions to be given by the Instructing Group for a period of not less than 30 days from the date on which details of the proposed instructions are received by such creditor representative(s), Hedge Counterparties, Operating Facility Lenders and the Security Agent (or such shorter period as each creditor representative, Hedge Counterparty, Operating Facility Lender and the Security Agent shall agree) (the "**Consultation Period**"), and only following the expiry of a Consultation Period shall the Instructing Group be entitled to give any instructions to the Security Agent to enforce the security or refrain or cease from enforcing the security or take any other Enforcement Action.

(b) Subject to paragraph (c) below, in the event conflicting instructions are received from any other Instructing Group, the Security Agent shall enforce the security, refrain or cease from enforcing the security or, as the case may be, take the relevant other Enforcement Action in accordance with the instructions given by an Instructing Group referred to in paragraph (a)(i)(A) of the definition of Instructing Group as set out above (in each case provided that such instructions are consistent with any applicable requirements of the Intercreditor Agreement and the Security Documents) and the terms of all instructions given by any other Instructing Group shall be deemed revoked.

(c) Prior to the Senior Lender Discharge Date, if:

(i) the Senior Creditors have not been fully repaid within six months of the end of the first Consultation Period;

(ii) the Security Agent has not commenced any enforcement of the security (or a transaction in lieu thereof) or other Enforcement Action within three months of the end of the first Consultation Period; or

(iii) an Insolvency Event has occurred and the Security Agent has not commenced any enforcement of the security (or a transaction in lieu thereof) or other Enforcement Action at that time,

then the Security Agent shall follow the instructions given by the Majority Senior Creditors (in each case provided that such instructions are consistent with any applicable requirements of the Intercreditor Agreement and the relevant security documents).

(d) Subject to paragraph (c) above, no Agent or Hedge Counterparty shall be obliged to consult in accordance with paragraph (a) above and an Instructing Group shall be entitled to give any instructions to the Security Agent to enforce the security or take any other Enforcement Action prior to the end of a Consultation Period (in each case provided that such instructions are consistent with any applicable requirements of the Intercreditor Agreement and the Security Documents) if:

(i) the security has become enforceable as a result of an Insolvency Event; or

(ii) the Instructing Group or any creditor representative of the Creditors represented in the Instructing Group determines in good faith (and notifies each other creditor representative, the Hedge Counterparties and the Security Agent) that to enter into such consultations and thereby delay the commencement of enforcement of the security would reasonably be expected to have a material adverse effect on:

(A) the Security Agent's ability to enforce any of the security; or

(B) the realization proceeds of any enforcement of the security,

and, where this paragraph (d) applies:

any instructions shall be limited to those necessary to protect or preserve the interests of the Senior Secured Creditors on behalf of which the relevant Instructing Group is acting in relation to the matters referred to in sub-paragraphs (A) and (B) above; and

the Security Agent shall act in accordance with the instructions first received.

(e) As soon as reasonably practicable following receipt of any instructions from an Instructing Group to enforce the security, refrain or cease from enforcing the security or, as the case may be, take any other Enforcement Action, the Security Agent shall provide a copy of such instructions to each Agent, Hedge Counterparty and Operating Facility Lender (unless it received those instructions from that person).

Duties Owed

Pursuant to the Intercreditor Agreement, each of the secured parties and the Debtors acknowledges that, in the event that the Security Agent enforces, or is instructed to enforce, the security prior to the First/Second Lien Discharge Date, the duties of the Security Agent and of any receiver or delegate owed to the Senior Parent Creditors in respect of the method, type and timing of that enforcement or of the exploitation, management or realization of any of that security shall, subject to the section entitled Distressed Disposals below, be no different to or greater than the duty that is owed by the Security Agent, receiver or delegate to the Debtors under general law.

Proceeds of Disposals

Non-Distressed Disposals

The Security Agent is irrevocably authorized and instructed (at the request and cost of the relevant Debtor or the Parent) to promptly release (or procure that any other relevant person releases):

(i) any security (and/or any other claim relating to a debt document) over any asset which is the subject of:

(A) a disposal not prohibited by the terms of the Senior Facilities Agreement, any Senior Notes Indenture, any Permitted Senior Financing Agreement, the Second Lien Facility Agreement, any Permitted Second Lien Financing Agreement, any Senior Parent Notes Indenture and any Permitted Parent Financing Agreement (each a "**Debt Financing Agreement**") (including a disposal to a member of the Group, but without prejudice to any obligation of any member of the Group in a Debt Financing Agreement to provide replacement security); or

(B) any other transaction not prohibited by the terms of any Debt Financing Agreement pursuant to which that asset will cease to be held or owned by a member of the Group;

(ii) any security (and/or any other claim relating to a debt document) over any document or other agreement requested in order for any member of the Group to effect any amendment or waiver in respect of that document or agreement or otherwise exercise any rights, comply with any obligations or take any action in relation to that document or agreement (in each case to the extent not prohibited by the terms of any Debt Financing Agreement);

(iii) any security (and/or any other claim relating to a debt document) over any asset of any member of the Group which has ceased to be a Debtor (or will cease to be a Debtor simultaneously with such release); and

(iv) any security (and/or any other claim relating to a debt document) over any other asset to the extent that such release is in accordance with the terms of the Debt Financing Agreements.

In the case of a disposal of shares or other ownership interests in a Debtor (or any holding company of any Debtor), or any other transaction pursuant to which a Debtor (or any holding company of any Debtor) will cease to be a member of the Group or a Debtor (including in connection with the resignation of that Debtor or the Debtor being designated as an Unrestricted Subsidiary), the Security Agent (on behalf of itself and the Secured Parties) shall (at the request and cost of the relevant Debtor or the Parent) promptly release (or procure the release of) that Debtor and its subsidiaries (and its and their assets) from all present and future liabilities under the Secured Debt Documents.

When making any request for a release pursuant to this "*—Non-Distressed Disposals*" section, the Parent shall confirm in writing to the Security Agent that:

(i) in the case of any release requested pursuant to paragraph (i) or (ii) above, the relevant disposal or other action is not prohibited by the terms of any Debt Financing Agreement; or

(ii) in the case of any release requested pursuant to paragraph (iv) above, the relevant release is in accordance with terms of the Debt Financing Agreements,

and the Security Agent shall be entitled to rely on that confirmation for all purposes under the Secured Debt Documents.

The Security Agent shall (at the cost and expense of the relevant Debtor or the Parent but without the need for any further consent, sanction, authority or further confirmation from any Creditor, Operating Facility Lender, other Secured Party or Debtor) promptly enter into and deliver such documentation and/or take such other action as the Parent (acting reasonably) shall require to give effect to any release or other matter described above.

Without prejudice to the foregoing and for the avoidance of doubt, if requested by the Parent in accordance with the terms of any of the Debt Financing Agreements (and provided that the requested action is not expressly prohibited by any of the other Debt Financing Agreements), the Security Agent and the other Creditors and Operating Facility Lenders shall (at the cost of the relevant Debtor and/or the Parent) promptly execute any guarantee, security or other release and/or any amendment, supplement or other documentation relating to the Security Documents as contemplated by the terms of any of the Debt Financing Agreements (and the Security Agent is authorized to execute, and will promptly execute if requested by the Parent, without the need for any further consent, sanction, authority or further confirmation from any Creditor or Operating Facility Lender, any such release or document on behalf of the Creditors and the Operating Facility Lenders). When making any request pursuant to this paragraph (d) the Parent shall confirm in writing to the Security Agent that such request is in accordance with the terms of a Debt Financing Agreement (and the requested action is not expressly prohibited by way of any of the other Debt Financing Agreements) and the Security Agent shall be entitled to rely on that confirmation for all purposes under the Secured Debt Documents.

Notwithstanding anything to the contrary in any Debt Document, nothing in any Security Document shall operate or be construed so as to prevent any transaction, matter or other step not prohibited by the terms of the Intercreditor Agreement or the Debt Financing Agreements (a "**Permitted Transaction**"). The Security Agent (on behalf of itself and the Secured Parties) hereby agrees (and is irrevocably authorized and instructed to do so without any consent, sanction, authority or further confirmation from any Party) that it shall (at the request and cost of the relevant Debtor or the Parent) promptly execute any release or other document and/or take such other action under or in relation to any Debt Document (or any asset subject or expressed to be subject to any Security Document) as is requested by the Parent in order to complete, implement or facilitate a Permitted Transaction.

If any member of the Group is required or permitted under the Senior Debt Documents to apply the proceeds of any disposal or other transaction in prepayment, redemption or any other discharge or reduction of the Senior Liabilities then no such application of those proceeds shall require the consent of any other party or result in any breach of any Senior Parent Finance Documents and such application shall discharge in full any obligation to apply those proceeds in prepayment, redemption or other discharge or reduction of any Senior Parent Liabilities. This paragraph is without prejudice to any right of any member of the Group to apply any proceeds of any disposal or other transaction in prepayment, redemption or any other discharge or reduction of any Senior Parent Liabilities to the extent permitted or contemplated by the Intercreditor Agreement or any other Senior Debt Document.

The Security Agent is irrevocably authorized by each Secured Party to (and will on the request and at the cost of the Parent):

(i) release the security; and

(ii) release each investor, each Debtor and each other member of the Group from all liabilities, undertakings and other obligations under the Secured Debt Documents,

on the Final Discharge Date (or at any time following such date on the request of the Parent).

Distressed Disposals

Generally, a "**Distressed Disposal**" is a disposal of an asset of a member of the Group which is (a) being effected at the request of an Instructing Group in circumstances where a security interest has become enforceable in accordance with the terms of the relevant security document(s), (b) being effected by enforcement of a security interest in accordance with the terms of the relevant security document(s) or (c) being disposed of to a third party subsequent to a distress event.

If a Distressed Disposal of any asset of a member of the Group is being effected, the Security Agent is irrevocably authorized (at the cost of the relevant Debtor, or the Parent and without any consent, sanction, authority or further confirmation from any Creditor, Operating Facility Lender, other Secured Party or Debtor):

(i) to release the security interest or any other claim over that asset and execute and deliver or enter into any release of that security interest or claim and issue any letters of non-crystallization of any floating charge or any consent to dealing that may, in the discretion of the Security Agent, be considered necessary or desirable;

(ii) if the asset which is disposed of consists of shares in the capital of a Debtor to release:

  (A) that Debtor and any subsidiary of that Debtor from all or any part of its borrowing liabilities, its guarantee liabilities and its other liabilities;

  (B) any security granted by that Debtor or any subsidiary of that Debtor over any of its assets; and

  (C) any other claim of an investor, an intra-group lender, or another Debtor over that Debtor's assets or over the assets of any subsidiary of that Debtor,

  on behalf of the relevant Creditors, Operating Facility Lenders, Debtors and certain creditor representatives;

(iii) if the asset which is disposed of consists of shares in the capital of any holding company of a Debtor, to release:

  (A) that holding company and any subsidiary of that holding company from all or any part of its borrowing liabilities, its guarantees liabilities and its other liabilities;

(B) any security interest granted by that holding company or any subsidiary of that holding company over any of its assets; and

(C) any other claim of any investor, any intra-group lender or another Debtor over that holding company's assets or the assets of any subsidiary of that holding company,

on behalf of the relevant Creditors, Operating Facility Lenders, Debtors and certain creditor representatives;

(iv) if the asset which is disposed of consists of shares in the capital of a Debtor or the holding company of a Debtor and the Security Agent (acting in accordance with the Intercreditor Agreement) decides to dispose of all or any part of the liabilities or the Debtor liabilities owed by that Debtor or holding company or any subsidiary of that Debtor or holding company:

(A) (if the Security Agent (acting in accordance with the Intercreditor Agreement) does not intend that any transferee of those liabilities or Debtor liabilities (the "Transferee") will be treated as a Primary Creditor or a Secured Party for the purposes of the Intercreditor Agreement), to execute and deliver or enter into any agreement to dispose of all or part of those liabilities or Debtor liabilities, provided that, notwithstanding any other provision of any debt document, the Transferee shall not be treated as a Primary Creditor or a Secured Party for the purposes of the Intercreditor Agreement; and

(B) (if the Security Agent (acting in accordance with the Intercreditor Agreement) does intend that any Transferee will be treated as a Primary Creditor or a Secured Party for the purposes of the Intercreditor Agreement), to execute and deliver or enter into any agreement to dispose of: all (and not part only) of the liabilities owed to the Primary Creditors and Operating Facility Lenders and all or part of any other liabilities and the Debtor liabilities,

on behalf of, in each case, the relevant Creditors, Operating Facility Lenders and Debtors;

(v) if the asset which is disposed of consists of shares in the capital of a Debtor or the holding company of a Debtor (the "**Disposed Entity**") and the Security Agent (acting in accordance with the Intercreditor Agreement) decides to transfer to another Debtor (the "**Receiving Entity**") all or any part of the Disposed Entity's obligations or any obligations of any subsidiary of that Disposed Entity in respect of the intra-Group liabilities or the Debtor liabilities, to execute and deliver or enter into any agreement to:

(A) agree to the transfer of all or part of the obligations in respect of those intra-group liabilities or Debtor liabilities on behalf of the relevant intra-group lenders and Debtors to which those obligations are owed and on behalf of the Debtors which owe those obligations; and

(B) (if the Receiving Entity is a holding company of the Disposed Entity which is also a guarantor of Senior Liabilities) to accept the transfer of all or part of the obligations in respect of those intra-group liabilities or Debtor liabilities on behalf of the Receiving Entity or Receiving Entities to which the obligations in respect of those intra-group liabilities or Debtor liabilities are to be transferred.

The net proceeds of each Distressed Disposal (and the net proceeds of any disposal of liabilities or Debtor liabilities) shall be paid to the Security Agent for application in accordance with the provisions set out under the caption "*—Application of Proceeds*" (to the extent that the asset disposed of constituted charged property), as if those proceeds were the proceeds of an enforcement of the relevant security interest and, to the extent that any disposal of liabilities or Debtor liabilities has occurred, as if that disposal of liabilities or Debtor liabilities had not occurred.

In the case of a Distressed Disposal (or a disposal of liabilities) effected by, or at the request of, the Security Agent (acting in accordance with the Intercreditor Agreement), the Security Agent shall take reasonable care to obtain a fair market price in the prevailing market conditions (though the Security Agent shall not have any obligation to postpone any such Distressed Disposal or disposal of liabilities in order to achieve a higher price).

Where borrowing liabilities, guarantee liabilities and/or other liabilities would otherwise be released pursuant to the Intercreditor Agreement, the Creditor or Operating Facility Lender concerned may elect to have those borrowing Liabilities, guarantee liabilities and/or other liabilities transferred to the Parent in which case the Security Agent is irrevocably authorized (to the extent legally possible and at the cost of the relevant Debtor or the Parent and without any consent, sanction, authority or further confirmation from any Creditor, Operating Facility Lender, other Secured Party or Debtor) to execute such documents as are required to so transfer those borrowing liabilities, guarantee liabilities and/or other liabilities.

Subject to the immediately following two paragraphs, in the case of a Distressed Disposal effected by or at the request of the Security Agent (acting in accordance with the Intercreditor Agreement), unless the consent of each Senior Agent is otherwise obtained, it is a further condition to any release, transfer or disposal that the proceeds of such disposal are in cash (or substantially all in cash) and such sale or disposal is made pursuant to a public auction in respect of which the Primary Creditors are entitled to participate or where a financial adviser selected by the Security Agent has delivered an opinion in respect of such sale or disposal that the amount received in connection therewith is fair from a financial point of view taking into account all relevant circumstances, including the method of enforcement, provided that the liability of such financial adviser may be limited to the amount of its fees in respect of such engagement (it being acknowledged that the Security Agent shall have no obligation to select or engage any financial adviser unless it shall have been indemnified and/or secured and/or prefunded to its satisfaction).

If prior to the Second Lien Discharge Date a Distressed Disposal is being effected such that any Second Lien Liabilities will be released or disposed of, or any security securing the Second Lien Liabilities will be released, it is a further condition to the release that either:

(a) each Second Lien Agent has approved the release; or

(b) where shares or assets of a Second Lien Borrower or a Second Lien Guarantor are sold:

  (i) the proceeds of such sale or disposal are in cash (or substantially in cash); and

  (ii) all claims of the Senior Creditors, the Senior Notes Creditors, the Permitted Senior Financing Creditors and the Operating Facility Lenders (other than in relation to performance bonds or guarantees or similar instruments) against a member of the Group (if any) all of whose shares (other than any minority interest not owned by members of the Group) are sold or disposed of pursuant to such Enforcement Action, are unconditionally released and discharged or sold or disposed of concurrently with such sale (and are not assumed by the purchaser or one of its affiliates) and all security under the security documents in respect of the assets that are sold or disposed of is simultaneously and unconditionally released and discharged concurrently with such sale, provided that if each of the Senior Facility Agent, any Senior Notes Trustee and any Senior Creditor Representative (acting reasonably and in good faith):

    (A) determines that the Senior Secured Creditors will recover a greater amount if any such claim is sold or otherwise transferred to the purchaser or one of its Affiliates and not released and discharged; and

    (B) serves a written notice on the Security Agent confirming the same, the Security Agent shall be entitled to sell or otherwise transfer such claim to the purchaser or one of its affiliates; and

(iii) such sale or disposal is made:

(A) pursuant to a public auction in respect of which the Primary Creditors are entitled to participate; or

(B) where a financial adviser selected by the Security Agent has delivered an opinion in respect of such sale or disposal that the amount received in connection therewith is fair from a financial point of view, taking into account all relevant circumstances, including the method of enforcement, provided that the liability of such financial adviser may be limited to the amount of its fees in respect of such engagement (it being acknowledged that the Security Agent shall have no obligation to select or engage any financial adviser unless it shall have been indemnified and/or secured and/or prefunded to its satisfaction).

If prior to the first date on which the discharge date for the Senior Parent Notes and any Permitted Parent Financing Debt has occurred, a Distressed Disposal is being effected such that, generally, the guarantees of the Senior Parent Notes and the guarantees of any Permitted Parent Financing Debt or any security over the assets of a Senior Parent Debt Issuer or any Senior Parent Guarantor will be released and/or the Senior Parent Notes liabilities and any Permitted Parent Financing Liabilities will be released, it is a further condition to the release that either:

(i) the Senior Parent Notes Trustee and any Senior Parent Creditor Representative has approved the release; or

(ii) where shares or assets of a Senior Parent Guarantor or assets of the Senior Parent Debt Issuer are sold:

(A) the proceeds of such sale or disposal are in cash (or substantially in cash);

(B) all claims of the Senior Secured Creditors and the Operating Facility Lenders (other than in relation to performance bonds or guarantees or similar instruments) against a member of the Group (if any), all of whose shares (other than any minority interest not owned by members of the Group) are sold or disposed of pursuant to such Enforcement Action, are unconditionally released and discharged or sold or disposed of concurrently with such sale (and are not assumed by the purchaser or one of its affiliates), and all security interests under the security documents in respect of the assets that are sold or disposed of is simultaneously and unconditionally released and discharged concurrently with such sale, provided that, if each Senior Agent (acting reasonably and in good faith):

(I) determines that the Senior Secured Creditors will recover a greater amount if such claim is sold or otherwise transferred to the purchaser or one of its affiliates and not released or discharged; and

(II) serves a written notice on the Security Agent confirming the same,

the Security Agent shall be entitled to sell or otherwise transfer such claim to the purchaser or one of its affiliates; and

(C) such sale or disposal is made:

(I) pursuant to a public auction in respect of which the Primary Creditors are entitled to participate; or

(II) where a financial adviser selected by the Security Agent has delivered an opinion in respect of such sale or disposal that the amount received in connection therewith is fair from a financial point of view, taking into account all relevant circumstances, including the method of enforcement, provided that the liability of such financial adviser may be limited to the amount of its fees in respect of such engagement (it being acknowledged that the Security Agent shall have no obligation to select or engage any financial adviser unless it shall have been indemnified and/or secured and/or prefunded to its satisfaction).

Application of Proceeds

The Intercreditor Agreement provides that secured parties may only benefit from Recoveries (as defined below) to the extent that the liabilities of such secured parties has the benefit of the guarantees or security under which such Recoveries are received and provided that, in all cases, the rights of such secured parties shall in any event be subject to the priorities set out in this section.

Order of Application

The Intercreditor Agreement provides that all amounts from time to time received or recovered by the Security Agent pursuant to the terms of any debt document or in connection with the realization or enforcement of all or any part of the relevant security interests (for the purposes of this "*—Application of Proceeds*" section and the "*—Equalization of the Senior Secured Creditors*" section, the "Recoveries") shall be applied by the Security Agent at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this "*—Application of Proceeds*" section), in the following order of priority:

(i) in discharging any sums owing to the Senior Agent (in respect of the amounts due to the Senior Agent), any Senior Creditor Representative (in respect of amounts due to the Senior Creditor Representative), any Senior Parent Creditor Representative (in respect of amounts due to the Senior Parent Creditor Representative), any Second Lien Agent (in respect of amounts due to Second Lien Agent), any Second Lien Creditor Representative (in respect of amounts due to Second Lien Creditor Representative) or certain amounts due to the Senior Notes Trustee or amounts due to the Senior Parent Notes Trustee, or any sums owing to the Security Agent, any receiver or any delegate on a pro rata and pari passu basis;

(ii) in payment of all costs and expenses incurred by any agent, Primary Creditor or Operating Facility Lender in connection with any realization or enforcement of the security taken in accordance with the terms of the Intercreditor Agreement or any action taken at the request of the Security Agent under the Intercreditor Agreement;

(iii) in respect of Recoveries resulting from the realization or enforcement of all or any part of the security or a transaction in lieu thereof, in payment to:

   (A) the Senior Facility Agent on its own behalf and on behalf of the arrangers under the Revolving Credit Facility Agreement and the Senior Lenders;

   (B) the Hedge Counterparties; and

   (C) the Operating Facility Lenders; for application towards the discharge of:

      (I) the liabilities of the Debtors owing to the arrangers under or in connection with the Senior Facilities Finance Documents and the Senior Lender Liabilities (in accordance with the terms of the finance documents relating to the Senior Facilities);

      (II) the Hedging Liabilities (on a pro rata basis between the Hedging Liabilities of each Hedge Counterparty); and

      (III) the Operating Facility Liabilities (on a pro rata basis between the Operating Facility Liabilities of each Operating Facility Lender),

   on a pro rata basis and pari passu between the immediately preceding paragraphs (I) to (III) above;

(iv) in payment to:

   (A) the Senior Facility Agent on its own behalf and on behalf of the arrangers under the Revolving Credit Facility Agreement and the Senior Lenders;

(B) the Hedge Counterparties;

(C) the Operating Facility Liabilities (on a pro rata basis between the Operating Facility Liabilities of each Operating Facility Lender);

(D) the Senior Notes Trustee on its own behalf and on behalf of the holders of the Senior Notes; and

(E) each Senior Creditor Representative on its own behalf and on behalf of the arrangers with respect to the Permitted Senior Financing Debt and the Permitted Senior Financing Creditors;

for application towards the discharge of:

(I) the liabilities of the Debtors owed to the arrangers under or in connection with the Revolving Credit Facility and the Senior Lender Liabilities (in accordance with the terms of the finance documents in relation to the Revolving Credit Facility);

(II) the Hedging Liabilities (on a pro rata basis between the Hedging Liabilities of each Hedge Counterparty); and

(III) the Operating Facility Liabilities (on a pro rata basis between the Operating Facility Liabilities of each Operating Facility Lender);

(IV) the Senior Notes liabilities (other than sums owing to the Security Agent) (in accordance with the terms of the Indenture and other finance documents for the Senior Notes); and

(V) the liabilities of the Debtors owing to the arrangers of the Permitted Senior Financing Debt and the Permitted Senior Financing Liabilities (other than the liabilities owing to a Senior Creditor Representative) (in accordance with the terms of the Permitted Senior Financing Documents and, if there is more than one Permitted Senior Financing Agreement, on a pro rata basis between the Permitted Senior Financing Debt in respect of each Permitted Senior Financing Agreement),

on a pro rata basis and pari passu between the immediately preceding paragraphs (I) to (V) above;

(v) in payment to:

(A) the Second Lien Facility Agent on its own behalf and on behalf of the Second Lien Arrangers and the Second Lien Lenders; and

(B) each Second Lien Creditor Representative on its own behalf and on behalf of the Permitted Second Lien Financing Arrangers and the Permitted Second Lien Financing Creditors, for application towards the discharge of:

(I) the Second Lien Arranger Liabilities and the Second Lien Lender Liabilities (in accordance with the terms of the Second Lien Finance Documents); and

(II) the Permitted Second Lien Financing Arranger Liabilities and the Permitted Second Lien Financing Liabilities (other than the Permitted Second Lien Financing Agent Liabilities) (in accordance with the terms of the Permitted Second Lien Financing Documents and, if there is more than one Permitted Second Lien Financing Agreement, on a pro rata basis between the Permitted Second Lien Financing Debt in respect of each Permitted Second Lien Financing Agreement),

on a pro rata basis and pari passu between the immediately preceding paragraphs (I) and (II) above;

(vi) in payment to:

(A) each Senior Parent Notes Trustee on its own behalf and on behalf of the Senior Parent Noteholders; and

(B) each Senior Parent Creditor Representative on its own behalf and on behalf of the arrangers under the Permitted Parent Financing Debt and the Permitted Parent Financing Creditors,

for application towards the discharge of:

(I) the Senior Parent Notes liabilities (other than any sums owing to the Security Agent) (in accordance with the terms of the Senior Parent Notes Finance Documents); and

(II) the liabilities of the Debtors owed to the arrangers of the Permitted Parent Financing Debt and the Permitted Parent Financing Liabilities (other than the liabilities owing to a Senior Parent Creditor Representative) (in accordance with the terms of the Permitted Parent Financing Documents and, if there is more than one Permitted Parent Financing Agreement, on a pro rata basis between the Permitted Parent Financing Debt in respect of each Permitted Parent Financing Agreement),

on a pro rata basis and pari passu between the immediately preceding paragraphs (I) and (II) above;

(vii) if none of the Debtors is under any further actual or contingent liability under any Secured Debt Document, in payment to any person to whom the Security Agent is obliged to pay in priority to any Debtor; and

(viii) the balance, if any, in payment to the relevant Debtor.

The Security Agent is authorized under the Intercreditor Agreement to hold any non-cash consideration received or recovered in connection with the realization or enforcement of all or any part of the security until cash is received for any such non-cash consideration, provided that the Security Agent may distribute any such non-cash consideration to a Secured Party which has agreed, on terms satisfactory to the Security Agent, to receive such non-cash consideration and the liabilities owed to that Secured Party shall be reduced by an amount equal to the value of that non-cash consideration upon receipt by that Secured Party of that non-cash consideration.

Liabilities of the Senior Parent Debt Issuer

Generally, all amounts from time to time received or recovered by the Security Agent from or in respect of the Senior Parent Debt Issuer pursuant to the terms of any debt document (other than in connection with the realization or enforcement of all or any part of the relevant security interests) shall be held by the Security Agent on trust to apply them at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law in the following order of priority:

(i) in accordance with paragraph (i) of the section captioned "*—Application of Proceeds—Order of Application;*"

(ii) in accordance with paragraph (ii) of the section captioned "*—Application of Proceeds—Order of Application;*"

(iii) in accordance with paragraphs (iv) to (vi) of the section captioned "*—Application of Proceeds—Order of Application,*" *provided* that payments will be made on a pro rata basis and *pari passu* between each of the payments referred to in paragraphs (iv) and (to the extent relating to liabilities in respect of Senior Parent Notes and/or Permitted Parent Financing Debt where the relevant Senior Parent Debt Issuer is the issuer or, as the case may be, the borrower) (v);

(iv) if none of the Debtors is under any further actual or contingent liability under any Secured Debt Document, in payment to any person to whom the Security Agent is obliged to pay in priority to any Debtor; and

(v) the balance, if any, in payment to the relevant Debtor.

Equalization of the Senior Secured Creditors

If, for any reason, any Senior Creditor Liabilities, Senior Notes Liabilities, Permitted Senior Financing Liabilities or Operating Facility Liabilities remain unpaid after the relevant enforcement date and the resulting losses are not borne by the relevant Senior Secured Creditors and the Operating Facility Lenders in the proportions which their respective exposures at the relevant enforcement date bore to the aggregate exposures of all the relevant Senior Secured Creditors and the Operating Facility Lenders at the enforcement date (or, in the case of Recoveries resulting from the realization or enforcement of all or any part of the security or a transaction in lieu thereof, in a manner reflecting the order of priority contemplated in under the section "*—Application of Proceeds—Order of Application*"), the relevant Senior Secured Creditors and the Operating Facility Lenders will make such payments among themselves as the Security Agent shall require to put the relevant Senior Secured Creditors and the Operating Facility Lenders in such a position that (after taking into account such payments) those losses are borne in those proportions (or, as the case may be, to otherwise reflect the order of priority contemplated under the section "*—Application of Proceeds—Order of Application*").

Turnover of Enforcement Proceeds

If:

(a) the Security Agent or the relevant Agent is not entitled, for reasons of applicable law, to pay amounts received pursuant to the making of a demand under any guarantee, indemnity or other assurance against loss or the enforcement of the security to the Senior Secured Creditors and the Operating Facility Lenders but is entitled to distribute those amounts to Creditors (such Creditors, the "**Receiving Creditors**") who, in accordance with the terms of the Intercreditor Agreement, are subordinated in right and priority of payment to the Senior Secured Creditors and the Operating Facility Lenders; and

(b) the First/Second Lien Discharge Date has not yet occurred (nor would occur after taking into account such payments),

then the Receiving Creditors shall make such payments to the Senior Secured Creditors and the Operating Facility Lenders as the Security Agent shall require to place the Senior Secured Creditors and the Operating Facility Lenders in the position they would have been in had such amounts been available for application against the Senior Liabilities and the Operating Facility Liabilities, provided this shall not apply to any receipt or recovery that has been distributed by:

(i) a Senior Notes Trustee to the Senior Noteholders in accordance with the Senior Notes Finance Documents;

(ii) a Senior Parent Notes Trustee to the Senior Parent Noteholders in accordance with the Senior Parent Notes Finance Documents;

(iii) a Senior Creditor Representative to the Permitted Senior Financing Creditors in accordance with the Permitted Senior Financing Documents;

(iv) a Second Lien Creditor Representative to the Permitted Second Lien Financing Creditors in accordance with the Permitted Second Lien Financing Documents; or

(v) a Senior Parent Creditor Representative to the Permitted Parent Financing Creditors in accordance with the Permitted Parent Financing Documents, unless the Senior Notes Trustee, the Senior Parent Notes Trustee, the Senior Creditor Representative, the Second Lien Creditor Representative or the Senior Parent Creditor Representative (as applicable) had received at least two Business Days' prior written notice (in accordance with the Intercreditor Agreement) that an acceleration event or an insolvency event in relation to a Debtor had occurred or that the receipt or recovery falls within the provisions set out under the caption "—*Turnover*" prior to distribution of the relevant amount.

Group Pushdown

The Intercreditor Agreement, generally, provides that on, in contemplation of, or after, a public equity offering (an "IPO Event"), the Parent shall be entitled to require (by written notice to the Security Agent (a "**Pushdown Notice**")) that the terms of this Agreement shall operate (with effect from the date specified in the relevant Pushdown Notice) on the basis that:

(i) the Group shall comprise only the IPO Entity (as defined below) and its restricted subsidiaries from time to time (subject to the exclusions set out in the definition of Group);

(ii) the IPO Entity shall take on the Parent's role under the Intercreditor Agreement;

(iii) none of the representations, warranties, undertakings or other provisions of the Intercreditor Agreement shall apply to any holding company of the IPO Entity (whether in its capacity as a Debtor or otherwise);

(iv) no event, matter or circumstance relating to any holding company of the IPO Entity (whether in its capacity as a Debtor or otherwise) shall, or shall be deemed to, directly or indirectly constitute or result in a breach of any representation, warranty, undertaking or other term of the Intercreditor Agreement or a default or an event of default;

(v) each holding company of the IPO Entity shall be irrevocably and unconditionally released from all obligations under the Intercreditor Agreement and the security documents (including any security granted by any such holding company; and

(vi) unless otherwise notified by the Parent:

(A) each person which is party to the Intercreditor Agreement as an investor shall be irrevocably and unconditionally released from the Intercreditor Agreement and all obligations and restrictions under the Intercreditor Agreement (and from the date specified by the Parent that person shall cease to be party to the Intercreditor Agreement as an investor and shall have no further rights or obligations under the Intercreditor Agreement as an investor); and

(B) there shall be no obligation or requirement for any person to become party to the Intercreditor Agreement as an investor,

such amendments being a "**Group Pushdown**."

In the event that any person is released from or does not become party to the Intercreditor Agreement as an investor as a consequence of the above paragraph, any term of any debt document which requires or assumes that any person be an investor or that any liabilities or obligations to such person be subject to the Intercreditor Agreement or otherwise subordinated shall cease to apply.

The Parent must provide written notice to the Security Agent in order to implement a Group Pushdown. Such a notice may be revoked prior to the IPO Event to which it relates provided that (where requested by an Instructing Group) any security which was released is reinstated and any investor which was released from its obligations under the Intercreditor Agreement accedes again.

The parties to the Intercreditor Agreement shall be required to enter into any amendment to or replacement of it and/or take such other action as is required by the Parent to facilitate or reflect any of the matters contemplated by the preceding paragraph and the Security Agent is irrevocably authorized to promptly execute any release or other document and/or take such other action under or in relation to any Debt Document (or any asset subject or expressed to be subject to any security document) as is requested in order to complete, implement or facilitate such matters.

In the foregoing clause, the "**IPO Entity**" shall be any member of the Group notified to the Security Agent by the Parent in writing as the person to be treated as the IPO Entity in relation to the relevant IPO Event, provided that (x) the IPO Entity shall be the member of the Group who will issue shares, or whose shares are to be sold, pursuant to that IPO Event (or a holding company of such member of the Group) and (y) the Parent may not designate a Subsidiary of a borrower or, as the case maybe, an issuer under a Debt Financing Agreement as the IPO Entity where to do so is expressly prohibited by the terms of that Debt Financing Agreement (unless on or prior to the date on which that borrower or, as the case may be, issuer will cease to be a member of the Group ceases to be a borrower or, as the case may be, issuer under that Debt Financing Agreement).

Required Consents

The Intercreditor Agreement provides that, subject to certain exceptions, it and/or a security document may be amended or waived only with the written consent of:

(i) if the relevant amendment or waiver (the "**Proposed Amendment**") is prohibited by the Senior Facilities Agreement, the Senior Facility Agent (acting on the instructions of the requisite Senior Lenders in accordance with the applicable provisions of the Senior Facilities Agreement);

(ii) if any Senior Notes have been issued and the Proposed Amendment is prohibited by the terms of the relevant Senior Notes Indenture, the Senior Notes Trustee;

(iii) if any Second Lien Debt has been incurred and the Proposed Amendment is prohibited by the terms of the Second Lien Facility Agreement, the Second Lien Facility Agent (acting on the instructions of the requisite Second Lien Lenders in accordance with the terms of the Second Lien Facility Agreement);

(iv) if any Permitted Senior Financing Debt has been incurred and the Proposed Amendment is prohibited by the terms of the relevant Permitted Senior Financing Agreement, the Senior Creditor Representative in respect of that Permitted Senior Financing Debt (if applicable, acting on the instructions of the Majority Permitted Senior Financing Creditors);

(v) if any Permitted Second Lien Financing Debt has been incurred and the Proposed Amendment is prohibited by the terms of the relevant Permitted Second Lien Financing Agreement, the Second Lien Creditor Representative in respect of that Permitted Second Lien Financing Debt (if applicable, acting on the instructions of the Majority Permitted Second Lien Financing Creditors);

(vi) if any Senior Parent Notes have been issued and the Proposed Amendment is prohibited by the terms of the relevant Senior Parent Notes Indenture, the Senior Parent Notes Trustee;

(vii) if any Permitted Parent Financing Debt has been incurred and the Proposed Amendment is prohibited by the terms of the relevant Permitted Parent Financing Agreement, the Senior Parent Creditor Representative in respect of that Permitted Parent Financing Debt (if applicable, acting on the instructions of the Majority Permitted Parent Financing Creditors);

(viii) if a Hedge Counterparty is providing hedging to a Debtor under a hedging agreement, that Hedge Counterparty (in each case only to the extent that the relevant amendment or waiver adversely affects the continuing rights and/or obligations of that Hedge

Counterparty and is an amendment or waiver which is expressed to require the consent of that Hedge Counterparty under the applicable hedging agreement, as notified by the Parent to the Security Agent at the time of the relevant amendment or waiver);

(ix) if an Operating Facility Lender is providing one or more facility to a Debtor under an Operating Facility Document, that Operating Facility Lender (in each case only to the extent that the relevant amendment or waiver adversely affects the continuing rights and/or obligations of that Operating Facility Lender and is an amendment or waiver which is expressed to require the consent of that Operating Facility Lender under the applicable Operating Facility Document, as notified by the Parent to the Security Agent at the time of the relevant amendment or waiver);

(x) certain investors (as permitted under the Intercreditor Agreement); and

(xi) the Parent.

Notwithstanding the foregoing, any amendment or waiver of any Secured Debt Document that is made or effected in connection with any Debt Refinancing (see "*—Debt Refinancing*"), any incurrence of additional and/or refinancing debt (as referred to in "*—Ranking and Priority—Additional and/or Refinancing Debt*") or Non-Distressed Disposal (see "*—Proceeds of Disposals—Non-Distressed Disposals*") or in connection with any other provision of any Secured Debt Document (provided that such amendment or waiver is not expressly prohibited by the terms of any other Secured Debt Document) shall be binding on all parties to the Intercreditor Agreement.

The Intercreditor Agreement or a security document may be amended by the Parent and the Security Agent without the consent of any other party, to cure defects, resolve ambiguities or reflect changes in each case of a minor technical or administrative nature or as otherwise for the benefit of all or any of the Secured Parties. Any amendment, waiver or consent which relates only to the rights or obligations applicable to creditors under a particular Debt Financing Agreement (and which does not materially and adversely affect the rights or interests of creditors under other Debt Financing Agreements) may be approved with only the consent of the creditor representative in respect of that Debt Financing Agreement and the Parent.

Amendments and Waivers: Security Documents

Subject to the paragraph below and to certain exceptions under the Intercreditor Agreement and unless the provisions of any debt document expressly provide otherwise, the Security Agent may, if authorized by an Instructing Group, and if the Parent consents, amend the terms of, waive any of the requirements of or grant consents under, any of the security documents which shall be binding on each party.

Subject to the second and third paragraphs of the section captioned "*—Exceptions*" below, any amendment or waiver of, or consent under, any security document which would adversely affect the nature or scope of the charged property or the manner in which the proceeds of enforcement of the security are distributed requires approval as set out under the section captioned "*—Required Consents.*"

Exceptions

Subject to the following paragraph of this "*—Exceptions*" section, an amendment, waiver or consent which adversely relates to the express rights or obligations of an agent, an arranger or the Security Agent (in each case in such capacity) may not be effected without the consent of that agent, that arranger or the Security Agent (as the case may be) at such time.

The foregoing shall not apply:

- to any release of security, claim or liabilities; or
- to any consent,

which, in each case, the Security Agent gives in accordance with the provisions set out under the caption "*—Proceeds of Disposals*" above.

The first paragraph of this "*—Exceptions*" section shall apply to an arranger only to the extent that the arranger liabilities are then owed to that arranger.

Agreement to Override

Unless expressly stated otherwise in the Intercreditor Agreement, the Intercreditor Agreement overrides anything in the debt documents to the contrary.

Bilateral Facilities

From time to time, we enter into bilateral facilities, including (among other things) secured and unsecured bilateral facilities, local lines, project facilities, governmental loans, with certain of our local lenders. Following this Offering and the use of proceeds therefrom, we expect the following bilateral facilities to remain in place. As of the date of this Offering Memorandum, none of the facilities are secured by the Collateral.

France

Certain of our French subsidiaries Q-Park France SAS, Grenobloise de Stationnement SAS, Parkings de Savoie SAS, Société Saint-Germain Stationnement SAS, Châlon Stationnement SAS and Chartres Stationnement SAS have entered into operating term loan project facilities in an aggregate amount of up to €26.0 million as of September 30, 2019 to finance the construction costs and operating costs of car parks located in certain French cities (Bethune, Plessis-Robinson, Grenoble, Chambéry, Saint-Germain en Laye, Châlon sur Saône and Chartres) which tenor is based on the concession agreement entered into with the relevant city (or the hospital center of Chambery). These project financings are secured by an assignment of receivables by way of security (*Dailly assignment*), relating to the receivables held by the relevant French company against the relevant public entity in relation to the fees and indemnities payable by the French public entity to the French company (except Grenobloise de Stationnement which is only secured by an undertaking from the city of Grenoble to take over the borrowings subscribed by Grenobloise de Stationnement in case of unilateral termination from the city of Grenoble). Two other financings are secured by a corporate guarantee (in the form of a first demand guarantee or a personal guarantee), particularly where a corporate reorganization or a substitution of the concessionaire has occurred.

The interest rate for each project facility is as agreed from time to time between the relevant project facility provider and relevant member of the Group. The project facilities contain customary representations, undertakings, default and indemnities for facilities of this nature.

Denmark

We have an operational term debt facility with respect to our Danish operations, pursuant to a credit facility dated April 2013 among, *inter alias*, Q-Park Real Estate Denmark ApS as borrower and Nykredit as lender (the "**Danish Bilateral Facility**"). Such Danish Bilateral Facility has been utilized for the development of our owned car parking facilities in Denmark. As of September 30, 2019, we had borrowings of DKK144 million (€19.2 million) outstanding under such facility. The Danish Bilateral Facility is secured by mortgages over real estate. The Danish Bilateral Facility carries an interest at a rate of 0.4% per annum and contains customary representations, undertakings, default and indemnities for facilities of this nature.

Germany

One of our German subsidiaries, Q-Park Operations Germany GmbH & Co KG (formerly known as Q-Park GmbH & Co. KG), has entered into an interest-free loan with the city of Ludwigshafen for an amount of €818 thousand. The loan was entered into to finance the construction of certain of our parking facilities. The loan amortizes on an annual basis, and as of September 30, 2019, approximately €450 thousand was outstanding under such loan. The loan is unsecured.

Belgium

We have bilateral facilities with KBC Bank relating to the provision of, amongst other things, lines of credit, guarantees and bonds that have been made available to Q Park B.V. The bilateral facilities are in an aggregatge amount of up to €7 million. A mortgage mandate in respect of a certain real estate facility in Brussels, Belgium will be granted in favor of KBC Bank in connection with those bilateral facilities.

Hedging Arrangements

From time to time, we enter into interest rate swaps and interest rate caps to hedge against interest rate risk. Our current interest rate swaps are due to expire in 2027, while our current interest rate caps are due to expire in January 2021. It is currently expected that such interest rate swaps and interest rate caps will be rolled over. As of December 31, 2018, our interest derivatives had a total negative market value of €33.4 million. Such interest rate swaps and interest rate caps will be secured by the Collateral. Under the terms of the Intercreditor Agreement, counterparties under these hedging obligations will receive proceeds from the enforcement of the Collateral in priority to holders of the Notes. See "*Summary—The Offering—Collateral*."

DESCRIPTION OF THE NOTES

The following is a description of the €1,455,000,000 aggregate principal amount of Notes comprising €425,000,000 aggregate principal amount of 1.500% Senior Secured Notes due 2025 (the "**2025 Notes**"), €630,000,000 aggregate principal amount of 2.000% Senior Secured Notes due 2027 (the "**2027 Notes,**" and together with the 2025 Notes, the "**Fixed Rate Notes**"), and €400,000,000 aggregate principal amount of Floating Rate Notes due 2026 (the "**Floating Rate Notes**", and, together with the Fixed Rate Notes, the "**Notes**"). The Notes will be issued by Q-Park Holding I B.V., a private limited company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands (the "**Issuer**"), unconditionally guaranteed by Q-Park Holding B.V. ("**Parent**"), Q Park B.V., Q-Park Real Estate Holding B.V. and Q-Park Operations Holding B.V. (together, including Parent, the "**Initial Guarantors**") and, on or following the Issue Date, be unconditionally guaranteed by certain additional Restricted Subsidiaries of the Parent (the "**Additional Guarantors**" and together with the Initial Guarantors, the "**Guarantors**"). Unless the context otherwise requires, in this "*Description of the Notes,*" the "**Parent**" refers only to Q-Park Holding B.V., and any successor obligor to Q-Park Holding B.V. on its Guarantee (the "**Parent Guarantee**"), and not to any of its subsidiaries, and the "**Issuer**" refers only to Q-Park Holding I B.V., and any successor obligor to Q-Park Holding I B.V. on the Notes, and not to any of its subsidiaries.

The Issuer intends to use the proceeds from the offering of the Notes sold on the Issue Date, to (i) repay and cancel certain existing term indebtedness of Q-Park Holding B.V., (ii) repay a portion of existing shareholder loans, and (iii) pay fees, costs and expenses incurred in connection with the foregoing. See "*Use of Proceeds*."

The Issuer will issue the Notes under an indenture (the "**Indenture**") to be dated as of the Issue Date among, *inter alios*, the Issuer, the Initial Guarantors and BNY Mellon Corporate Trustee Services Limited (the "**Trustee**"). The Notes will be issued in private transactions that are not subject to the registration requirements of the Securities Act. See "*Transfer Restrictions*." The terms of the Notes include those stated in the Indenture. The Indenture will not be qualified under, incorporate provisions by reference to, or otherwise be subject to, the Trust Indenture Act.

The Indenture will be subject to the terms of the Intercreditor Agreement (defined below) and any Additional Intercreditor Agreements (defined below), and in the case of certain conflicts between the terms of the Indenture and the Intercreditor Agreement, the terms of the Intercreditor Agreement will prevail. The terms of the Intercreditor Agreement are important to understanding the relative ranking of indebtedness and security, the ability to make payments in respect of the indebtedness, the procedures for undertaking enforcement action, the subordination of certain indebtedness, turnover obligations, release of security and guarantees, and the payment waterfall for amounts received by the Security Agent. See "*Description of Other Indebtedness—Intercreditor Agreement*" for a description of certain terms of the Intercreditor Agreement.

The following is a summary of the material provisions of the Indenture and the Notes, and refers to the Intercreditor Agreement and the other Security Documents (defined below) and does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all provisions of the Indenture, the Notes, the Intercreditor Agreement and the other Security Documents, respectively. Because this description is a summary, it may not contain all the information that is important to you. You should read the Indenture, the Notes, the Intercreditor Agreement and the other Security Documents in their entirety. Copies of such documents are available as described under "*Available Information*." You can find the definitions of certain terms used in this description under "*—Certain Definitions*."

Brief Description of the Notes and the Notes Guarantees

The Notes

The Notes will be:

- senior secured obligations of the Issuer, secured as set forth under "*—Security*";

- senior in right of payment to any Subordinated Indebtedness (defined below) of the Issuer;
- *pari passu* in right of payment with all of the Issuer's existing and future debt that is not subordinated in right of payment to the Notes;
- effectively senior in right of payment to any existing or future unsecured debt of the Issuer, or debt that is secured on a basis junior to the Notes, to the extent of the value of the Collateral that is available to satisfy the obligations under the Notes;
- effectively subordinated to any existing and future debt of the Issuer that is secured by property or assets that do not secure the Notes, or that is secured on a super priority basis by property or assets that secure the Notes, including the Senior Credit Facilities, any Operating Facilities and any hedging obligations that are secured on a super priority basis, to the extent of the value of the property and assets securing such debt;
- structurally subordinated to any existing or future debt of subsidiaries of the Issuer that do not guarantee the Notes, including obligations to trade creditors; and
- unconditionally guaranteed on a senior secured basis by the Guarantors as set forth under "*—The Notes Guarantees*".

The Notes Guarantees

The Notes Guarantees will be:

- senior secured obligations of the relevant Guarantor, secured as set forth under "*—Security*";
- senior in right of payment to any Subordinated Indebtedness of the relevant Guarantor;
- *pari passu* in right of payment with any senior debt of the relevant Guarantor that is not subordinated in right of payment to its Notes Guarantee;
- effectively senior in right of payment to any existing or future unsecured debt of the relevant Guarantor, or debt that is secured on a basis junior to its Notes Guarantee, to the extent of the value of the Collateral that is available to satisfy the obligations under the Notes;
- effectively subordinated to any existing and future debt of the relevant Guarantor that is secured by property or assets that do not secure the Notes, or that is secured on a super priority basis, including the Senior Credit Facilities Agreement and any hedging secured on a super priority basis, to the extent of the value of the property and assets securing such debt, including debt outstanding under the Senior Credit Facilities Agreement;
- structurally subordinated to any existing or future debt of subsidiaries of the relevant Guarantor, other than the Issuer, that do not guarantee the Notes, including obligations to trade creditors; and
- subject to certain contractual and legal limitations, including the limitations described herein and in "*Risk Factors—Risks related to the Notes, the Guarantees and our Structure—The Guarantees and the Collateral will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defenses that may limit their validity and enforceability" and "Limitations on Validity and Enforceability of the Guarantees and the Collateral and Certain Insolvency Law Considerations*."

Principal and Maturity

The Issuer will issue €425,000,000 in aggregate principal amount of 2025 Notes on the Issue Date. The 2025 Notes will mature on March 1, 2025. The 2025 Notes will be issued in minimum denominations of €100,000 and in integral multiples of €1,000 in excess thereof.

The Issuer will issue €630,000,000 in aggregate principal amount of 2027 Notes on the Issue Date. The 2027 Notes will mature on March 1, 2027. The 2027 Notes will be issued in minimum denominations of €100,000 and in integral multiples of €1,000 in excess thereof.

The Issuer will issue €400,000,000 in aggregate principal amount of Floating Rate Notes on the Issue Date. The Floating Rate Notes will mature on March 1, 2026. The Floating Rate Notes will be issued in minimum denominations of €100,000 and in integral multiples of €1,000 in excess thereof.

The rights of holders of beneficial interests in the Notes to receive payments on the Notes are subject to applicable procedures of Euroclear and Clearstream. If the due date for any payment in respect of any Notes is not a Business Day (defined below) at the place at which such payment is due to be paid, the Holder thereof will not be entitled to payment of the amount due until the next succeeding Business Day at such place, and will not be entitled to any further interest or other payment as a result of any such delay.

Interest

Fixed Rate Notes

Interest on the 2025 Notes will accrue at the rate of 1.500% per annum, and interest on the 2027 Notes will accrue at the rate of 2.000% per annum. Interest on the Fixed Rate Notes will be payable, in cash, semi-annually in arrear on March 1 and September 1 of each year, commencing on September 1, 2020. The Issuer will pay interest to the holders of record on the Business Day immediately preceding the applicable interest payment date.

Interest on the Fixed Rate Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of original issuance. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months. Each interest period shall end on (but not include) the relevant interest payment date.

If the interest payment date in respect of any Notes is not a Business Day, the Holder thereof will not be entitled to payment of the amount due until the next succeeding Business Day, and will not be entitled to any further interest or other payment as a result of any such delay.

Floating Rate Notes

Interest on the Floating Rate Notes will accrue at a rate per annum computed against the principal outstanding on the Floating Rate Notes (the "**Applicable Rate**"), reset quarterly, equal to EURIBOR plus 2.000%, as determined by an agent appointed by the Issuer to calculate EURIBOR for the purposes of the indenture (the "**Calculation Agent**"), which shall initially be The Bank of New York Mellon, London Branch.

Interest on the Floating Rate Notes will be payable quarterly in arrear on March 1, June 1, September 1 and December 1 of each year, commencing on June 1, 2020. The Issuer will pay interest to the holders of record on the Business Day immediately preceding the applicable interest payment date. The Floating Rate Notes will bear interest from the Issue Date or, if interest has already been paid, from the date it was most recently paid.

The Calculation Agent will, as soon as practicable after 11:00 a.m., London time, on each Determination Date, determine the Applicable Rate, and calculate the aggregate amount of interest payable on the Floating Rate Notes in respect of the following Interest Period (the "**Interest Amount**"). The Interest Amount will be calculated by applying the Applicable Rate to the principal amount of the Floating Rate Notes outstanding at the commencement of the Interest Period, multiplying each such amount by the actual number of days in the Interest Period concerned divided by 365.

All percentages resulting from any of the above calculations will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point, with five one millionths of a percentage point being rounded upwards (e.g., 4.876545% (or 0.04876545) being rounded to 4.87655% (or 0.0487655)). All euro amounts used in or resulting from such calculations will be rounded to the nearest euro cent (with one half euro cent being rounded upwards). The determination of the

Applicable Rate and the Interest Amount by the Calculation Agent shall, in the absence of wilful default, bad faith or manifest error, be binding on all parties. The Trustee and the Paying Agent shall not be responsible for, nor incur any liability in connection with, any loss resulting from any calculation made, or intended to be made, by the Calculation Agent.

The Calculation Agent will, upon the written request of the holder of any Floating Rate Notes, provide the interest rate then in effect with respect to the Floating Rate Notes. The rights of holders of beneficial interests in the Floating Rate Notes to receive the payments of interest on the Floating Rate Notes will be subject to applicable procedures of Euroclear and Clearstream, as applicable.

Interest will be computed on the basis of a 365 day year and the actual number of days elapsed. The Applicable Rate on the Floating Rate Notes will in no event be higher than the maximum rate permitted by applicable law.

Set forth below is a summary of certain of the defined terms used in the Indenture relating to the calculation of interest on the Floating Rate Notes:

"**Determination Date**," with respect to an Interest Period, will be the day that is two TARGET Settlement Days preceding the first day of such Interest Period.

"**EURIBOR**" with respect to an Interest Period, will be the rate (expressed as a percentage per annum) for deposits in euro for a three-month period beginning on the day that is two TARGET Settlement Days after the Determination Date that appears on Reuters Page 248 as of 11:00 a.m., Brussels time, on the Determination Date; provided, however, that EURIBOR shall never be less than 0%. If Reuters Page 248 does not include such a rate or is unavailable on a Determination Date, the Issuer will request the principal London office of each of four major banks in the eurozone inter bank market, as selected by the Issuer, to provide such bank's offered quotation (expressed as a percentage per annum) as of approximately 11:00 a.m., Brussels time, on such Determination Date, to prime banks in the eurozone inter bank market for deposits in a Representative Amount in euro for a three-month period beginning on the day that is two TARGET Settlement Days after the Determination Date. If at least two such offered quotations are so provided, the rate for the Interest Period will be the arithmetic mean of such quotations. If fewer than two such quotations are so provided, the Issuer will request each of three major banks in London, as selected by the Issuer, to provide such bank's rate (expressed as a percentage per annum), as of approximately 11:00 a.m., London time, on such Determination Date, for loans in a Representative Amount in euro to leading European banks for a three-month period beginning on the day that is two TARGET Settlement Days after the Determination Date. If at least two such rates are so provided, the rate for the Interest Period will be the arithmetic mean of such rates. If fewer than two such rates are so provided then the rate for the Interest Period will be the rate in effect with respect to the immediately preceding Interest Period.

In the event that EURIBOR is no longer being calculated or administered or is otherwise no longer generally accepted in the eurozone for the purposes of determining floating rates of interest in respect of euro-denominated securities, the alternative basis for determining the rate of interest on the Floating Rate Notes will be any successor rate generally accepted in the eurozone for the purposes of determining floating rates of interest in respect of euro-denominated securities, as identified by the Issuer in good faith; provided that, in the event that there is no generally accepted successor rate to EURIBOR in the good faith judgment of the Issuer, the Issuer, in consultation with an Independent Financial Advisor, shall determine a reasonably appropriate alternative basis for determining the rate of interest (and any applicable adjustment spread to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to holders as a result of the replacement of EURIBOR) on the Floating Rate Notes; provided, further, that any such alternative basis adopted pursuant to this paragraph shall in all cases never be less than 0%. Following the adoption of an alternative basis pursuant to this paragraph, all references to ''EURIBOR'' in the Indenture shall be deemed to refer to such alternative basis. The Issuer shall promptly thereafter notify the holders of the Floating Rate Notes and (via an Officer's

Certificate) the Calculation Agent of the new rate replacing EURIBOR, and the Calculation Agent shall be entitled to rely on such (without liability to any Person) as sufficient evidence thereof.

"**eurozone**" means the region comprised of member states of the European Union that adopt the euro.

"**Interest Period**" means the period commencing on and including an interest payment date and ending on but excluding the next succeeding interest payment date, with the exception that the first Interest Period shall commence on and include the Issue Date and end on and exclude the first interest payment date.

"**Representative Amount**" means the greater of (a) €1.0 million and (b) an amount that is representative for a single transaction in the relevant market at the relevant time.

"**Reuters Page 248**" means the display page so designated by Reuters (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor).

"**TARGET Settlement Day**" means any day on which the Trans European Automated Real Time Gross Settlement Express Transfer (TARGET) System is open.

Additional Notes

From time to time, subject to compliance with the covenants described under the headings "*—Certain Covenants—Limitation on Indebtedness*" *and* "*—Certain Covenants—Limitation on Liens,*" the Issuer is permitted to issue additional Notes, which shall have terms substantially identical to the Notes except in respect of any of the following terms which shall be set forth in an Officer's Certificate (defined below) supplied to the Trustee ("**Additional Notes**"):

(1) the title of such Additional Notes;

(2) the aggregate principal amount of such Additional Notes;

(3) the date or dates on which such Additional Notes will be issued and will mature;

(4) the rate or rates (which may be fixed or floating) at which such Additional Notes shall bear interest and, if applicable, the interest rate basis, formula or other method of determining such interest rate or rates, the date or dates from which such interest shall accrue, the interest payment dates on which such interest shall be payable or the method by which such dates will be determined, the record dates for the determination of holders thereof to whom such interest is payable and the basis upon which such interest will be calculated;

(5) the currency or currencies in which such Additional Notes shall be denominated and the currency in which cash or government obligations in connection with such series of Additional Notes may be payable;

(6) the date or dates and price or prices at which, the period or periods within which, and the terms and conditions upon which, such Additional Notes may be redeemed, in whole or in part;

(7) in the case of Additional Notes denominated in a currency other than euro: (i) the denominations in which such Additional Notes shall be issued and redeemed, (ii) the Other Government Obligations that will apply to such Additional Notes and (iii) the clearing system that will apply with respect to such Additional Notes; and

(8) the ISIN, Common Code, CUSIP or other securities identification numbers with respect to such Additional Notes.

Such Additional Notes will be treated, along with all other Notes, as a single class for the purposes of the Indenture with respect to waivers, amendments and all other matters which are not specifically distinguished for such series. Unless the context otherwise requires, for all purposes of the Indenture and this "*Description of the Notes,*" references to "Notes" shall be deemed to include references to the Notes initially issued on the Issue Date as well as any Additional Notes. Additional Notes may be designated to be of the same series as a series of Notes initially issued on the Issue Date, but only if they have terms substantially identical in all material respects to such series of initial Notes, and shall be deemed to form one series and references to such series of Notes shall be deemed to include the Notes initially issued on the Issue Date as well any such Additional Notes.

In the event that any Additional Notes sold pursuant to Rule 144A of the Securities Act are not fungible with any Notes previously issued for U.S. federal income tax purposes, such non-fungible Additional Notes shall be issued with a separate ISIN, Common Code, CUSIP or other securities identification number, as applicable, so that they are distinguishable from such previously issued Notes. Additional Notes sold pursuant to Regulation S of the Securities Act from time to time may be issued with the same ISIN, Common Code, CUSIP or other securities identification number as Notes belonging to the same series previously issued without being fungible with such series of initial Notes for U.S. federal income tax purposes. If you are a U.S. holder considering the purchase of Regulation S Notes, you should consult your own tax advisors concerning the particular U.S. federal income tax consequences to you of the purchase, ownership and disposition of such Notes, including with respect to determining the level of taxable income to be declared with respect to Additional Notes that are not fungible with the applicable series of Notes previously issued for the purposes of U.S. tax treatment but which are nevertheless not capable of being separately identified.

For purposes of voting (or any other matter requiring a determination based on percentage of principal amount of Notes outstanding), the aggregate principal amount of any other Notes not denominated in euro will be calculated using the Euro Equivalent (defined below) of such aggregate principal amount outstanding as of the relevant issuance date of such Notes.

Methods of Receiving Payments on the Notes

Principal, premium, if any, interest and Additional Amounts (defined below), if any, on the Global Notes (defined below) will be payable through one or more Paying Agents by wire transfer of immediately available funds to Euroclear or Clearstream, which will credit the account specified by the Holder (being Euroclear or Clearstream, or a nominee of one or more of the foregoing).

Principal, premium, if any, interest and Additional Amounts, if any, on any certificated securities ("**Definitive Registered Notes**") will be payable at the specified office or agency of one or more Paying Agents (defined below) maintained for such purposes. In addition, interest on the Definitive Registered Notes may be paid at the option of the Issuer by check mailed or bank transfer to the address of the Holder as shown on the register for the Definitive Registered Notes. See "*—Paying Agent, Registrar and Transfer Agent for the Notes.*"

Paying Agent, Registrar and Transfer Agent for the Notes

The Issuer will maintain one or more paying agents (the "**Paying Agent**") for the Notes for so long as the Notes are held in registered form. The initial Paying Agent will be The Bank of New York Mellon, London Branch.

The Issuer will also maintain (i) one or more registrars (each, a "**Registrar**") and (ii) one or more transfer agents (each, a "**Transfer Agent**"). The initial Registrar will be The Bank of New York Mellon SA/NV, Luxembourg Branch, and the initial Transfer Agent will be The Bank of New York Mellon SA/NV, Luxembourg Branch. The Paying Agent, Registrar and the Transfer Agent (together, the "**Agents**"), as applicable, will maintain a register reflecting ownership of Definitive Registered Notes outstanding from time to time, if any, and will make payments on and facilitate transfers of Definitive Registered Notes on behalf of the Issuer. The Transfer Agent shall perform the functions of a transfer agent.

The Issuer may change any Paying Agent, Registrar or Transfer Agent for the Notes without prior notice to the holders of the Notes.

Transfer and Exchange

The Notes will initially be issued in the form of one or more registered notes in global form without interest coupons, as follows:

- Each series of the Notes sold within the United States to qualified institutional buyers pursuant to Rule 144A under the Securities Act will initially be represented by one or more global notes in registered form without interest coupons attached (the "**144A Global Notes**").
- The 144A Global Notes will, upon issuance, be deposited with and registered in the name of the nominee of the common depositary for the accounts of Euroclear and/or Clearstream.
- Each series of the Notes sold outside the United States pursuant to Regulation S under the Securities Act will initially be represented by one or more global notes in registered form without interest coupons attached (the "**Regulation S Global Notes**" and, together with the 144A Global Notes, the "**Global Notes**").
- The Regulation S Global Notes representing the Notes will, upon issuance, be deposited with and registered in the name of the nominee of the common depositary for the accounts of Euroclear and/or Clearstream.

Ownership of interests in the Global Notes ("**Book-Entry Interests**") will be limited to persons that have accounts with Euroclear or Clearstream, or persons that may hold interests through such participants. Ownership of interests in the Book-Entry Interests and transfers thereof will be subject to the restrictions on transfer and certification requirements summarized below and described more fully under "*Transfer Restrictions.*" In addition, transfers of Book-Entry Interests between participants in Euroclear or Clearstream will be effected by Euroclear or Clearstream, as applicable, pursuant to customary procedures and subject to the applicable rules and procedures established by Euroclear or Clearstream, as applicable, and their respective participants.

Book-Entry Interests in the 144A Global Notes of a series may be transferred to a person who takes delivery in the form of Book-Entry Interests in the Regulation S Global Notes of such series only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made in accordance with Regulation S under the Securities Act.

Any Book-Entry Interest that is transferred as described in the immediately preceding paragraphs will, upon transfer, cease to be a Book-Entry Interest in the Global Note from which it was transferred and will become a Book-Entry Interest in the Global Note to which it was transferred. Accordingly, from and after such transfer, it will become subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in the Global Note to which it was transferred.

If Definitive Registered Notes are issued, they will be issued only in minimum denominations of €100,000 aggregate principal amount and integral multiples of €1,000 in excess thereof, in each case upon receipt by the Registrar of instructions relating thereto and any certificates, opinions and other documentation required by the Indenture. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, as applicable, from the participant that owns the relevant Book-Entry Interests. Definitive Registered Notes issued in exchange for a Book-Entry Interest will, except as set forth in the Indenture or as otherwise determined by the Issuer to be in compliance with applicable law, be subject to, and will have a legend with respect to, the restrictions on transfer summarized below.

Subject to the restrictions on transfer referred to above, Notes issued as Definitive Registered Notes may be transferred or exchanged, in whole or in part, in minimum denominations of €100,000 in aggregate principal amount and integral multiples of €1,000 in excess thereof. In connection with any such transfer or exchange, the Indenture will require the transferring or exchanging holder to, among other things, furnish appropriate endorsements and transfer documents, to furnish information regarding the account of the transferee at Euroclear or

Clearstream, as applicable, to furnish certain certificates and opinions, and to pay any taxes, duties and governmental charges in connection with such transfer or exchange. Any such transfer or exchange will be made without charge to the Holder, other than any taxes, duties and governmental charges payable in connection with such transfer.

Notwithstanding the foregoing, the Registrar is not required to register the transfer or exchange of any Notes:

(1) for a period of 15 days prior to any date fixed for the redemption of such Notes;

(2) for a period of 15 days immediately prior to the date fixed for selection of such Notes to be redeemed in part;

(3) for a period of 15 days prior to the record date with respect to any interest payment date applicable to such Notes; or

(4) which the Holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer or an Asset Disposition Offer.

The Issuer, the Trustee, the Registrar and the Paying Agent will be entitled to treat the Holder of a Note as the owner of it for all purposes.

Restricted Subsidiaries and Unrestricted Subsidiaries

On the Issue Date, all of the Parent's Subsidiaries will be Restricted Subsidiaries. In the circumstances described below under "*—Certain Definitions—Unrestricted Subsidiary*," the Parent will be permitted to designate Restricted Subsidiaries as Unrestricted Subsidiaries. Unrestricted Subsidiaries will not be subject to any of the restrictive covenants in the Indenture.

Notes Guarantees

On the Issue Date, the obligations of the Issuer pursuant to the Notes, including any payment obligation resulting from a Change of Control, will (subject to the Agreed Security Principles) be guaranteed, jointly and severally on a senior secured basis (each, a "**Notes Guarantee**"), by the Initial Guarantors. The Initial Guarantors will be the Parent, Q Park B.V., Q-Park Real Estate Holding B.V. and Q-Park Operations Holding B.V. Subject to the Agreed Security Principles, it is intended that, within 120 days of the Issue Date, a Notes Guarantee will be provided by each of Q-Park France SAS, Q-Park France Holding SAS, Q-Park Real Estate Germany GmbH, Q-Park Operations Germany GmbH & Co. KG, Q-Park Operations Netherlands B.V., Q-Park Real Estate Netherlands B.V., Q-Park Duitsland B.V. Q-Park Limited, Universal Parking Limited, Q-Park UK Limited, Q-Park (Taunton) Limited and Q-Park Securities Limited, and each will become an Additional Guarantor.

It is anticipated that the Issuer and the Guarantors would account for approximately 85.8% of the consolidated EBITDA and 83.7% of the total assets of the Parent and its subsidiaries for the year ended December 31, 2018, as adjusted to give effect to the SeNoFi Disposal and the UK Sale and Leaseback (and for the purposes of the calculation, disregarding the EBITDA of any Guarantor if negative, and utilizing the statutory financial figures of each Guarantor).

The Guarantors will grant the Notes Guarantees and will also, together with the Issuer, guarantee the Senior Credit Facilities Agreement on a senior basis. In addition, as described below under "*—Certain Covenants—Additional Notes Guarantees*" and subject to the Intercreditor Agreement and the Agreed Security Principles, each additional Restricted Subsidiary of the Parent that guarantees the Senior Credit Facilities Agreement shall also enter into a supplemental indenture as a Guarantor of the Notes and accede to the Intercreditor Agreement. Therefore the Notes will indirectly benefit from the minimum guarantor provisions set forth in the Senior Credit Facilities Agreement, as amended or restated from time to time. See "*Description of Other Indebtedness—Revolving Credit Facility Agreement—Guarantees.*"

The Agreed Security Principles apply to the granting of guarantees and security in favor of obligations under the Senior Credit Facilities Agreement and the Notes. The Agreed Security Principles include restrictions on the granting of guarantees where, among other things, such grant would be restricted by general statutory limitations, regulatory requirements or restrictions, financial assistance laws, corporate benefit laws, liquidity protection rules, fraudulent preference, "earnings stripping," "controlled foreign corporation," "thin capitalization" rules, tax restrictions, retention of title claims, employee consultation or approval requirements and similar principles.

Each Notes Guarantee will be limited to the maximum amount that would not render the Guarantor's obligations subject to avoidance under applicable fraudulent conveyance provisions of applicable law, or as otherwise required under the Agreed Security Principles to comply with corporate benefit, financial assistance and other laws. By virtue of this limitation, a Guarantor's obligation under its Notes Guarantee could be significantly less than amounts payable with respect to the Notes, or a Guarantor may have effectively no obligation under its Notes Guarantee. See "*Risk Factors—Risks related to the Notes, the Guarantees and our Structure—The Guarantees and the Collateral will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defenses that may limit their validity and enforceability*" and "*Risk Factors—Risks related to the Notes, the Guarantees and our Structure—The Notes will each be structurally subordinated to the liabilities of non-Guarantor subsidiaries*."

Under the Indenture, the Notes Guarantee of a Guarantor will terminate and be released upon:

- except for the Parent Guarantee, a sale or other disposition (including by way of consolidation or merger) of ownership interests in the Guarantor (directly or through a parent company) such that the Guarantor does not remain a Restricted Subsidiary, or the sale or other disposition of all or substantially all the assets of the Guarantor (other than to the Parent or a Restricted Subsidiary), in each case, otherwise permitted by the Indenture;
- except for the Parent Guarantee, the designation in accordance with the Indenture of the Guarantor as an Unrestricted Subsidiary;
- defeasance or discharge of the Notes, as provided in "*—Defeasance*" and "*—Satisfaction and Discharge*";
- with respect to a Guarantor that is not the Parent or a Significant Subsidiary, so long as no Event of Default has occurred and is continuing, to the extent that such Guarantor is unconditionally released and discharged from its liability with respect to the Senior Credit Facilities Agreement;
- in accordance with the provisions of the Intercreditor Agreement or any Additional Intercreditor Agreement (defined below);
- as described under "*—Amendments and Waivers*";
- with respect to any Guarantor which is not the continuing or surviving Person in the relevant consolidation or merger, as a result of a transaction permitted by "*—Certain Covenants—Merger and Consolidation—Guarantors*" and the Indenture;
- with respect to any Guarantor except the Parent, in connection with a solvent liquidation of such Guarantor pursuant to which substantially all of the assets of such Guarantor remain owned by the Issuer or a Guarantor; or
- in connection with an IPO Pushdown, as specified in the Indenture.

Upon any occurrence giving rise to a release of a Notes Guarantee, as specified above, the Trustee, subject to receipt of certain documents from the Parent or the relevant Guarantor, will execute any documents delivered to it by the Parent in order to evidence or effect such release, discharge and termination in respect of such Notes Guarantee. None of the Issuer, the Trustee nor any Guarantor will be required to make a notation on the Notes to reflect any such release, discharge or termination.

Substantially all the operations of the Parent are conducted through its Subsidiaries. Claims of creditors of non-guarantor Subsidiaries, other than the Issuer, including trade creditors, secured creditors and creditors holding debt and guarantees issued by those Subsidiaries, and claims of preferred and minority stockholders (if any) of those Subsidiaries generally will have priority with respect to the assets and earnings of those Subsidiaries over the claims of creditors of the Issuer and the Guarantors, including the Holders. The Notes and each Notes Guarantee therefore will be effectively subordinated to creditors (including trade creditors) and preferred and minority stockholders (if any) of such non-Guarantor Subsidiaries of the Parent that are not the Issuer.

Security

The Collateral

The Parent, the Issuer and the Guarantors will grant in favor of the Security Agent, liens and first-ranking security interests on the basis and priority set out in the Intercreditor Agreement, subject to the operation of the Agreed Security Principles, certain perfection requirements and any Permitted Collateral Liens: (i) within five business days of the Issue Date, over (a) certain bank accounts of the Issuer and the Parent, (b) intercompany receivables owing to the Parent from the Issuer and (c) shares of capital stock of the Issuer and Q Park B.V. and (ii) within 120 days of the Issue Date, over shares of capital stock (or partnership interests, as applicable) of the other Initial Guarantors (other than the Parent) and the Additional Guarantors, as well as Q-Park Verwaltungs GmbH, the general partner of Q-Park Operations Germany GmbH & Co. KG (the assets subject to such security interests described under clauses (i) and (ii), the "**Collateral**").

The Collateral will also secure the liabilities under the Senior Credit Facilities Agreement, any Operating Facilities and any hedging agreements and may secure additional Indebtedness permitted to be secured on the Collateral. Pursuant to the Intercreditor Agreement, any liabilities in respect of obligations under the Senior Credit Facilities Agreement, any Operating Facilities and any hedging obligations, and certain future Indebtedness permitted to be incurred under the covenant "*—Certain Covenants—Limitation on Indebtedness*" and permitted to be secured on the Collateral (see "*—Certain Definitions—Permitted Collateral Liens*"), will receive priority over the holders of the Notes with respect to any proceeds received upon any enforcement action over any Collateral. Subject to certain conditions, including compliance with the covenant described under "*—Certain Covenants—Impairment of Security Interest*," the Parent is permitted to grant security over the Collateral in connection with future issuances of its Indebtedness or Indebtedness of its Restricted Subsidiaries, including any Additional Notes, in each case, as permitted under the Indenture and the Intercreditor Agreement. Any proceeds received upon any enforcement over any Collateral, after all liabilities in respect of obligations secured on a super priority basis prior to the Notes have been discharged from such recoveries, will be applied *pro rata* in payment of all liabilities in respect of obligations under the Indenture and the Notes and any other Indebtedness of the Parent or its Restricted Subsidiaries permitted to be incurred and secured by the Collateral pursuant to the Indenture and the Intercreditor Agreement on an equal ranking basis with the Notes.

Administration of Security and Enforcement of Liens

The Security Documents and the Collateral will be administered by the Security Agent, in each case pursuant to the Intercreditor Agreement for the benefit of all holders of secured obligations. In addition, in certain jurisdictions, due to the laws and jurisprudence governing the creation and perfection of security interests, the Intercreditor Agreement provides for the creation of a parallel debt which will form part of the secured obligation. The parallel debt construct has not been tested under law in certain of these jurisdictions. The enforcement of the Security Documents will be subject to the procedures set forth in the Intercreditor Agreement. For a description of the Intercreditor Agreement, see "*Description of Other Indebtedness—Intercreditor Agreement.*"

The ability of holders of the Notes to realize upon the Collateral will be subject to various bankruptcy law limitations in the event of the Issuer's or a Guarantor's bankruptcy. See "*Risk*

Factors—Risks related to the Notes, the Guarantees and our Structure—The insolvency laws of The Netherlands, England and Wales, France and Germany may differ from and be less favorable than the bankruptcy laws or insolvency law of other jurisdictions."

In addition, the enforcement of the Collateral may be limited to the maximum amount permitted under applicable law to comply with corporate benefit, financial assistance and other laws. As a result of these limitations, the enforceable amounts of the Issuer's obligation under the Notes and a Guarantor's obligation under its Guarantee could be significantly less than the total amounts payable with respect to the Notes, or a Guarantor may have effectively no obligation under its Guarantee. See "*Risk Factors—Risks related to the Notes, the Guarantees and our Structure—The Guarantees and the Collateral will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defenses that may limit their validity and enforceability.*" In particular, any Guarantee granted by a Guarantor located in France will be limited to the amount of corporate benefit provided to such Guarantor, which may be limited.

Subject to the terms of the Security Documents, the Issuer, the Guarantors and any other Collateral provider will have the right to remain in possession and retain exclusive control of the Collateral securing the Notes (other than as set forth in the Security Documents), to freely operate the Collateral and to collect, invest and dispose of any income therefrom.

No appraisals of any of the Collateral have been prepared by or on behalf of the Issuer or any Guarantor in connection with the issuance of the Notes. There can be no assurance that the proceeds from the sale of the Collateral remaining after the payment of any super priority obligations including the Senior Credit Facilities, any Operating Facilities and any hedging obligations, would be sufficient to satisfy the obligations owed to the Holders as well as any other obligations secured on a *pari passu* basis. By its nature, some or all of the Collateral will be illiquid and may have no readily ascertainable market value. Accordingly, there can be no assurance that the Collateral can be sold in a short period of time or at all. See "*Risk Factors—Risks related to the Notes, the Guarantees and our Structure—The Notes will be secured only up to the extent of the value of the Collateral that has been granted as security for the Notes and the Guarantees and such security may not be sufficient to satisfy the obligations under the Notes and the Guarantees.*"

In addition, the Intercreditor Agreement and the Security Documents place limitations on the ability of the Security Agent to cause the sale of some of the Collateral. These limitations may include requirements that some or all of the Collateral be disposed of only pursuant to public auctions or only at a price confirmed by a valuation. See "*Description of Other Indebtedness—Intercreditor Agreement*."

The Trustee for the Notes on the Issue Date will have, and by accepting a Note, each Holder will be deemed to have:

- irrevocably appointed the Security Agent to act as its agent under the Intercreditor Agreement and the other relevant documents to which it is a party (including, without limitation, the Security Documents);

- irrevocably authorized the Security Agent to (i) perform the duties and exercise the rights, powers and discretions that are specifically given to it under the Intercreditor Agreement or other documents to which it is a party (including, without limitation, the Security Documents), together with any other incidental rights, power and discretions; and (ii) execute each document, waiver, modification, amendment, renewal or replacement expressed to be executed by the Security Agent on its behalf; and

- accepted the terms and conditions of the Intercreditor Agreement and any Additional Intercreditor Agreement (defined below) and each Holder will also be deemed to have authorized the Trustee and the Security Agent to enter into any such Additional Intercreditor Agreement.

Priority

The relative priority with regard to the Collateral as between (a) the lenders under the Senior Credit Facilities Agreement and other future indebtedness that is secured on a super priority basis *pari passu* with the Senior Credit Facilities Agreement, (b) any Operating Facilities, (c) the counterparties under certain hedging agreements, and (d) the Trustee and the holders of the Notes under the Indenture, is established by the terms of the Intercreditor Agreement and the Security Documents, which provide that the obligations under the Notes and the Indenture will receive proceeds on enforcement of security over the Collateral only after the claims with respect to the Senior Credit Facilities, any Operating Facilities, any hedging obligations and creditors under any future indebtedness that may be secured on a super priority basis in accordance with the terms of the Indenture and the Intercreditor Agreement are satisfied. See "*Description of Other Indebtedness—Intercreditor Agreement*." In addition, pursuant to the Intercreditor Agreement or Additional Intercreditor Agreements entered into after the Issue Date, the Collateral may be pledged to secure other Indebtedness. Under certain circumstances, the creditors under such Indebtedness will receive proceeds from an enforcement of the Collateral in priority to the Trustee, the Agents and the holders of the Notes under the Indenture. See "*—Release of Liens*," "*—Certain Covenants—Impairment of Security Interest*" and "*—Certain Definitions—Permitted Collateral Liens*."

Release of Liens

The Security Agent and, to the extent required or necessary, the Trustee will take any action required to effectuate any release of Collateral required by a Security Document:

(1) upon payment in full of all principal, interest and all other obligations in respect of the Notes issued under the Indenture or discharge or defeasance thereof in accordance with the Indenture;

(2) upon release of a Guarantee in accordance with the Indenture, the release of the property and assets and Capital Stock of such Guarantor;

(3) in connection with any disposition of Collateral, directly or indirectly, to (a) any Person other than the Parent or any of its Restricted Subsidiaries (but excluding any transaction subject to "*—Certain Covenants—Merger and Consolidation—The Parent and the Issuer*") that is permitted by the Indenture (with respect to the Lien on such Collateral) or (b) the Parent or any Restricted Subsidiary consistent with the Intercreditor Agreement;

(4) as described under "*—Amendments and Waivers*";

(5) automatically without any action by the Trustee, if the Lien granted in favor of the Senior Credit Facilities Agreement, Public Debt or such other Indebtedness that gave rise to the obligation to grant the Lien over such Collateral is released (other than pursuant to the repayment and discharge thereof); *provided* that such release would otherwise be permitted by another clause as described in this section;

(6) as otherwise provided for in the Intercreditor Agreement;

(7) in order to effectuate a merger, consolidation, conveyance or transfer conducted in compliance with the covenant described under "*—Certain Covenants—Merger and Consolidation*";

(8) with respect to assets held by or the Capital Stock of any Restricted Subsidiary, in connection with a solvent liquidation of such Restricted Subsidiary, pursuant to which substantially all of the assets of such Restricted Subsidiary remain owned by the Issuer or a Guarantor; and

(9) in connection with an IPO Pushdown, as specified in the Indenture.

Each of these releases shall be effected by the Security Agent and, to the extent required or necessary, the Trustee without the consent of the holders of the Notes.

The Parent, the Restricted Subsidiaries and any other Collateral provider may also, among other things, without any release or consent by the Trustee or the Security Agent, conduct ordinary course activities with respect to the Collateral, including, without limitation, (i) selling or otherwise disposing of, in any transaction or series of related transactions, any property subject to the Lien under the Security Documents which has become worn out, defective or obsolete or not used or useful in the business; (ii) selling, transferring or otherwise disposing of current assets in the ordinary course of business; and (iii) any other action permitted by the Security Documents or the Intercreditor Agreement.

Amendments to the Intercreditor Agreement and Additional Intercreditor Agreements

In connection with the Incurrence of any Indebtedness by the Parent or any of its Restricted Subsidiaries that is permitted to share in the Collateral (and which the Parent elects shall share in the Collateral), the Trustee and the Security Agent shall, at the request of the Parent, enter into with the Parent, the relevant Restricted Subsidiaries and the holders of such Indebtedness (or their duly authorized representatives) one or more intercreditor agreements or deeds (including a restatement, replacement, amendment or other modification of the Intercreditor Agreement) (an "**Additional Intercreditor Agreement**"), on substantially the same terms as the Intercreditor Agreement (or terms that are not materially less favorable to the holders of the Notes) and substantially similar as applies to sharing of the proceeds of security and enforcement of security, priority and release of security; *provided* that such Additional Intercreditor Agreement will not impose any personal obligations on the Trustee or the Security Agent or, in the opinion of the Trustee or the Security Agent, as applicable, adversely affect the rights, duties, liabilities, indemnification or immunities of the Trustee or the Security Agent under the Indenture or the Intercreditor Agreement. In connection with the foregoing, the Parent shall furnish to the Trustee such documentation in relation thereto as it may reasonably require. As used herein, a reference to the Intercreditor Agreement will also include any Additional Intercreditor Agreement.

In relation to the Intercreditor Agreement, the Trustee shall consent on behalf of the holders to the payment, repayment, purchase, repurchase, defeasance, acquisition, retirement or redemption of any obligations subordinated to the Notes thereby; *provided, however*, that such transaction would comply with the covenant described herein under "*—Certain Covenants—Limitation on Restricted Payments*."

The Indenture will also provide that, at the written direction of the Parent and without the consent of holders of the Notes, the Trustee and the Security Agent shall from time to time enter into one or more amendments to any Intercreditor Agreement to: (1) cure any ambiguity, omission, defect or inconsistency of any such agreement, (2) increase the amount or types of Indebtedness covered by any such Intercreditor Agreement that may be Incurred by the Parent or its Restricted Subsidiaries that is subject to any such Intercreditor Agreement (provided that such Indebtedness is Incurred in compliance with the Indenture), (3) add Guarantors or other Restricted Subsidiaries to the Intercreditor Agreement, (4) further secure the Notes (including Additional Notes), (5) make provision to implement any Permitted Collateral Liens in accordance with the terms of the Indenture, or (6) make any other change to any such agreement that does not adversely affect the holders of Notes in any material respect.

The Parent shall not otherwise direct the Trustee or Security Agent to enter into any amendment to any Intercreditor Agreement without the consent of the holders of the Notes of a majority in aggregate principal amount of the Notes then outstanding, except as otherwise permitted below under "*—Amendments and Waivers*" or as permitted by the terms of such Intercreditor Agreement, and the Parent may only direct the Trustee or Security Agent to enter into any amendment to the extent such amendment does not impose any personal obligations on the

Trustee or Security Agent or, in the opinion of the Trustee or Security Agent, adversely affect their respective rights, duties, liabilities or immunities under the Indenture or any Intercreditor Agreement.

The Indenture will also provide that each Holder, by accepting a Note, shall be deemed to have agreed to and accepted the terms and conditions of the Intercreditor Agreement (whether then entered into or entered into in the future pursuant to the provisions described herein) and to have authorized the Trustee and the Security Agent to enter into the Intercreditor Agreement, any amendments referenced in the third paragraph of this covenant and any Additional Intercreditor Agreement on each Holder's behalf.

A copy of the Intercreditor Agreement or an Additional Intercreditor Agreement shall be made available to the holders of the Notes upon request and will be made available for inspection during normal business hours on any Business Day upon prior written request at the office of the Parent.

IPO Pushdown

(1) On, in contemplation of, or following an IPO Event (as defined herein), the Parent shall be entitled to require (by written notice to the Trustee and the Security Agent (a "**Pushdown Notice**")) that the terms of the Indenture and the Intercreditor Agreement (or any Additional Intercreditor Agreement) shall operate (with effect from the date specified in the relevant Pushdown Notice) on the basis that: (i) references to the Parent and Restricted Subsidiaries (and all related provisions) shall apply only to the IPO Pushdown Entity and its Restricted Subsidiaries from time to time; (ii) all financial ratio, basket calculations and financial definitions shall exclude any Holding Company of the IPO Pushdown Entity and all reporting obligations shall be assumed at the level of the IPO Pushdown Entity (or the Parent, if so elected); (iii) each reference in the Indenture and/ or the Intercreditor Agreement (or any Additional Intercreditor Agreement) to the "Parent" shall be deemed to be a reference to the IPO Pushdown Entity (to the extent applicable and unless the context requires otherwise, and *provided further* that nothing in this clause (1), including the deeming construct contemplated by this sub-clause (iii) and any action taken by the IPO Pushdown Entity prior to it being deemed to be the Parent, shall, or shall be deemed to, directly or indirectly constitute or result in a breach of any covenant or other term in the Indenture or a Default or an Event of Default); (iv) none of the representations, warranties, undertakings, covenants or Events of Default in the Indenture, the Intercreditor Agreement (or any Additional Intercreditor Agreement) or the other Security Documents shall apply to any entity of which the IPO Pushdown Entity is a Subsidiary (whether in its capacity as a Guarantor or otherwise); (v) no event, matter or circumstance relating to any Holding Company of the IPO Pushdown Entity (whether in its capacity as a Guarantor or otherwise) shall, or shall be deemed to, directly or indirectly constitute or result in a breach of any covenant or other term in the Indenture or a Default or an Event of Default; (vi) each Holding Company of the IPO Pushdown Entity shall be irrevocably and unconditionally released from all obligations under the Indenture, the Intercreditor Agreement (or any Additional Intercreditor Agreement) and any security granted by any such Holding Company; (vii) unless otherwise notified by the Parent: (A) each person which is party to the Intercreditor Agreement (or any Additional Intercreditor Agreement) as an "Investor" shall be irrevocably and unconditionally released from the Intercreditor Agreement (or any Additional Intercreditor Agreement) and all obligations and restrictions under the Intercreditor Agreement (or any Additional Intercreditor Agreement) (and from the date specified by the Parent that person shall cease to be party to the Intercreditor Agreement (or any Additional Intercreditor Agreement) as an Investor and shall have no further rights or obligations under the Intercreditor Agreement (or any Additional Intercreditor Agreement) as an Investor); and (B) there shall be no obligation or requirement for any person to become party to the Intercreditor Agreement (or any Additional Intercreditor Agreement) as an Investor; and (viii) in the event that any

person is released from or does not become party to the Intercreditor Agreement (or any Additional Intercreditor Agreement) as an Investor as a consequence of this clause (1), any term of the Indenture and/or the Intercreditor Agreement (or any Additional Intercreditor Agreement) which requires or assumes that any person be an Investor or that any liabilities or obligations to such person be subject to the Intercreditor Agreement (or any Additional Intercreditor Agreement) or otherwise subordinated shall cease to apply. A Pushdown Notice may not be delivered if a Default or Event of Default has occurred and is continuing (disregarding any Default or Event of Default that could be deemed to arise in connection with the transactions contemplated by this provision).

(2) The Trustee, the Security Agent and any other agents party thereto shall be required to enter into any amendment to the Indenture or amendment to or replacement of the Intercreditor Agreement (or any Additional Intercreditor Agreement) or the other Security Documents required by the Parent and/or take such other action as is required by the Parent in order to facilitate or reflect any of the matters contemplated by clause (1) above (the "**IPO Pushdown**"), including a supplemental indenture pursuant to which (i) the IPO Pushdown Entity will assume all of the obligations of the Parent under its Guarantee, this Indenture and the Intercreditor Agreement; *provided* that such amendment, replacement or other document or instrument does not impose any personal obligations on the Trustee or the Security Agent or, in the opinion of the Trustee or Security Agent (as applicable), does not affect the rights, duties, liabilities, indemnities or immunities of the Trustee or the Security Agent (as applicable) under such Indenture, Intercreditor Agreement, Additional Intercreditor Agreement or Security Document. The Trustee, the Security Agent and any other agents party thereto are each irrevocably authorized and instructed by the Holders (without any consent by the Holders) to execute any such amended or replacement documents and/or take other such action on behalf of the Holders (and shall do so on the request of and at the cost of the Parent).

(3) For the purpose of this covenant, the "IPO Pushdown Entity" shall be any Restricted Subsidiary of the Parent notified to the Trustee by the Parent in writing as the Person to be treated as the IPO Pushdown Entity in relation to the relevant IPO Event, *provided* that the IPO Pushdown Entity shall be a Restricted Subsidiary which will issue shares, or whose shares are to be sold, pursuant to that IPO Event (or a Holding Company of such Person).

(4) If the Parent delivers a Pushdown Notice to the Trustee and Security Agent pursuant to clause (1) above in relation to a contemplated IPO Event, it shall be entitled to revoke that Pushdown Notice at any time prior to the occurrence of the relevant IPO Event by written notice to the Trustee and Security Agent. In the event that any Pushdown Notice is revoked in accordance with this clause (4): (i) the provisions of sub-clauses (1)(i) to (1)(vii) above shall cease to apply in relation to that Pushdown Notice; (ii) if any security has been released pursuant to clause (1) above in reliance on that Pushdown Notice, subject to the Agreed Security Principles, the Parent or the relevant Restricted Subsidiary shall as soon as reasonably practicable execute a replacement Security Document in respect of that security; and (iii) if any Person party to the Intercreditor Agreement as an "Investor" has been released from the Intercreditor Agreement pursuant to sub-clause (1)(vii) above in reliance on that Pushdown Notice, that Person shall as soon as reasonably practicable accede to the Intercreditor Agreement as an Investor.

For the avoidance of doubt: (A) nothing in this clause (4) shall prohibit or otherwise restrict the Parent from delivering a further Pushdown Notice in relation to any actual or contemplated IPO Event; and (B) revocation of a Pushdown Notice shall not, and shall not be deemed to, directly or indirectly constitute or result in a breach of any representation, warranty, undertaking or other term in the Indenture or the Intercreditor Agreement (or any Additional Intercreditor Agreement) or a Default or an Event of Default (whether by reason of any action or step taken by any person, or any matter or circumstance arising or committed, while that Pushdown Notice was effective or otherwise).

Optional Redemption

Except as set forth herein and under "*—General Terms for Redemption—Redemption for Taxation Reasons*," the Notes are not redeemable at the option of the Issuer.

2025 Notes

In addition, at any time prior to March 1, 2022, the Issuer may redeem the 2025 Notes in whole or in part, at its option, upon not less than 10 nor more than 60 days' prior notice to the Holders as described under the heading "*—Selection and Notice,*" at a redemption price equal to 100% of the principal amount of such Notes plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to (but excluding) the redemption date, subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date.

At any time and from time to time on or after March 1, 2022, the Issuer may redeem the 2025 Notes in whole or in part, at its option, upon not less than 10 nor more than 60 days' prior notice at a redemption price equal to the applicable percentage of principal amount set forth below plus accrued and unpaid interest to (but excluding) the redemption date:

Period commencing	Percentage
March 1, 2022	100.750%
March 1, 2023	100.375%
March 1, 2024 and thereafter	100.000%

At any time and from time to time prior to March 1, 2022, the Issuer may, at its option, upon notice as described under the heading "*—Selection and Notice*," redeem the 2025 Notes in whole or in part, at its option, (i) with the net cash proceeds received by the Issuer from any Equity Offering, upon not less than 10 nor more than 60 days' prior notice, at a redemption price equal to 101.500%, in an aggregate principal amount for all such redemptions not to exceed 40% of the original aggregate principal amount of the 2025 Notes (calculated after giving effect to the issuance of any Additional Notes of the same series), plus (ii) accrued and unpaid interest to (but excluding) the redemption date *provided* that in each case (a) the redemption takes place not later than 180 days after the closing of the related Equity Offering and (b) not less than 50% of the original principal amount of the 2025 Notes being redeemed (not including the principal amount of any Additional Notes of the same series) remains outstanding immediately thereafter.

2027 Notes

At any time prior to March 1, 2023, the Issuer may redeem up to 10% of the original aggregate principal amount of the 2027 Notes (calculated after giving effect to the issuance of any Additional Notes of the same series) during each 12-month period commencing from the Issue Date, from time to time, upon not less than 10 nor more than 60 days' prior written notice to the Holders as described under the heading "*—Selection and Notice,*" at a redemption price equal to 103% of the principal amount of the Notes redeemed, plus accrued and unpaid interest and Additional Amounts, if any, to, but excluding, the redemption date, subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date.

In addition, at any time prior to March 1, 2023, the Issuer may redeem the 2027 Notes in whole or in part, at its option, upon not less than 10 nor more than 60 days' prior notice to the Holders as described under the heading "*—Selection and Notice,*" at a redemption price equal to 100% of the principal amount of such Notes plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to (but excluding) the redemption date, subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date.

At any time and from time to time on or after March 1, 2023, the Issuer may redeem the 2027 Notes in whole or in part, at its option, upon not less than 10 nor more than 60 days' prior notice at a redemption price equal to the applicable percentage of principal amount set forth below plus accrued and unpaid interest to (but excluding) the redemption date:

Period commencing	Percentage
March 1, 2023	101.000%
March 1, 2024	100.500%
March 1, 2025 and thereafter	100.000%

At any time and from time to time prior to March 1, 2023, the Issuer may, at its option, upon notice as described under the heading "*—Selection and Notice*," redeem the 2027 Notes in whole or in part, at its option, (i) with the net cash proceeds received by the Issuer from any Equity Offering, upon not less than 10 nor more than 60 days' prior notice, at a redemption price equal to 102.000%, in an aggregate principal amount for all such redemptions not to exceed 40% of the original aggregate principal amount of the 2027 Notes (calculated after giving effect to the issuance of any Additional Notes of the same series), plus (ii) accrued and unpaid interest to (but excluding) the redemption date *provided* that in each case (a) the redemption takes place not later than 180 days after the closing of the related Equity Offering and (b) not less than 50% of the original principal amount of the 2027 Notes being redeemed (not including the principal amount of any Additional Notes of the same series) remains outstanding immediately thereafter.

Floating Rate Notes

At any time prior to March 1, 2021, the Issuer may redeem the Floating Rate Notes in whole or in part, at its option, upon not less than 10 nor more than 60 days' prior notice to the Holders as described under the heading "*—Selection and Notice,*" at a redemption price equal to 100% of the principal amount of such Notes plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to (but excluding) the redemption date, subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date.

At any time and from time to time on or after March 1, 2021, the Issuer may redeem the Floating Rate Notes in whole or in part, at its option, upon not less than 10 nor more than 60 days' prior notice at a redemption price equal to the applicable percentage of principal amount set forth below plus accrued and unpaid interest to (but excluding) the redemption date:

Period commencing	Percentage
March 1, 2021 and thereafter	100.000%

Right of Redemption of De Minimis Amount

In connection with any tender offer for any series of the Notes, if Holders of not less than 90% in aggregate principal amount then outstanding of a series of Notes validly tender and do not withdraw Notes of such series in such tender offer and the Issuer, or any third party making such a tender offer in lieu of the Issuer, purchases all of the Notes of such series validly tendered and not withdrawn by such Holders, the Issuer or such third party will have the right upon not less than 10 nor more than 60 days' prior notice to the Holders of the relevant series of Notes, given not more than 30 days following such purchase date, to redeem all Notes of such series that remain outstanding following such purchase at a price equal to the price paid to each other Holder of such series of Notes in such tender offer (other than any incentive payment for early tenders), plus, to the extent not included in the tender offer payment, accrued and unpaid interest and Additional Amounts, if any, thereon, to (but excluding) the redemption date, subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date. In determining whether the Holders of at least 90% of the aggregate principal amount then outstanding of a series of Notes have validly tendered and not withdrawn Notes of such series in a tender offer or other offer to purchase for all of the Notes of such series, as applicable, Notes of such series owned by an Affiliate of the Issuer or by funds controlled or managed by any Affiliate of the Issuer, or any successor thereof, shall be deemed to be outstanding for the purposes of such tender offer or other offer, as applicable.

General Terms for Redemption

Any redemption and notice of redemption may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent (including, in the case of a redemption related to an Equity Offering, the consummation of such Equity Offering). In addition, if such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice may state that, at the Issuer's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been complied with or satisfied by the redemption date, or by the redemption date so delayed; provided that in no case shall the notice have been delivered less than 10 days or more than 60 days prior to the date on which such redemption (if any) occurs.

Notwithstanding anything else in the Indenture or the Notes, redemption notices may be given more than 60 days prior to a redemption date if the notice is in connection with a defeasance of Notes or a satisfaction and discharge of the Indenture.

If the Issuer effects an optional redemption of any series of the Notes, it will, if and for so long as the Notes are listed on the Official List of the Exchange, if and to the extent the rules of the Authority so require, inform the Authority of such optional redemption and confirm the aggregate principal amount of the applicable series of Notes that will remain outstanding immediately after such redemption.

If the optional redemption date is on or after an interest record date and on or before the related interest payment date, the accrued and unpaid interest will be paid to the Person in whose name the Note is registered at the close of business on such record date, and no additional interest will be payable to Holders whose Notes will be subject to redemption by the Issuer.

The Issuer or its Affiliates may repurchase Notes at any time and from time to time in the open market or otherwise, and such Notes shall remain outstanding for all purposes unless and until cancelled.

Sinking Fund

The Issuer is not required to make mandatory redemption payments or sinking fund payments with respect to the Notes.

Selection and Notice

If less than all of the Notes are to be redeemed at any time, the Paying Agent or the Registrar, as applicable, will select the Notes for redemption in compliance with the requirements of the principal securities exchange, if any, on which the Notes are listed, as certified to the Trustee, the Paying Agent and the Registrar, as applicable, by the Issuer, and in compliance with the requirements of Euroclear or Clearstream, or if the Notes are not so listed or such exchange prescribes no method of selection and the Notes are not held through Euroclear or Clearstream, or Euroclear or Clearstream prescribe no method of selection, on a *pro rata* basis or by use of a pool factor or by lot, as applicable; *provided*, *however*, that, no Note of €100,000 in aggregate principal amount or less shall be redeemed in part and only Notes in integral multiples of €1,000 will be redeemed. None of the Trustee, the Paying Agent and the Registrar will be liable for any selections made in accordance with this paragraph.

If and for so long as the Notes are listed on the Official List of the Exchange, and if and to the extent the rules of the Authority so require, the Issuer shall notify the Authority of such redemption and, in addition to such publication, not less than 10 days nor, except in the case of a notice given in connection with a defeasance of Notes or a satisfaction and discharge of the Indenture, more than 60 days prior to the redemption, the Issuer will mail, or at the expense of the Issuer, cause to be mailed or otherwise transmitted, such notice to Holders by first-class mail, postage prepaid, at their respective addresses as they appear on the registration books of the Registrar; *provided* that, for so long as any Notes are represented by Global Notes, notices of redemption to Holders will be delivered to Euroclear and Clearstream (and such delivery will be deemed to satisfy the requirements of this paragraph), each of which shall give notices to the holders of the Book-Entry Interests.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note shall state the portion of the principal amount thereof to be redeemed, in which case a portion of the original Note will be issued in the name of the Holder thereof upon cancellation of the original Note. In the case of a Global Note, an appropriate notation will be made on such Note to decrease the principal amount thereof to an amount equal to the unredeemed portion thereof. Subject to the terms of the applicable redemption notice (including any conditions contained therein), Notes called for redemption become due on the date fixed for redemption, or the redemption date as permitted to be delayed under the Indenture. On and after the redemption date, interest ceases to accrue on Notes or portions of them called for redemption, unless the redemption price is not paid on the redemption date.

Redemption for Taxation Reasons

The Issuer may redeem the Notes of a series in whole, but not in part, at any time upon giving not less than 10 nor more than 60 days' notice to the Holders of such series of Notes (which notice will be irrevocable) at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed by the Issuer for redemption (a "**Tax Redemption Date**") (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date) and all Additional Amounts, if any, then due and which will become due on the Tax Redemption Date as a result of the redemption or otherwise, if any, if the Issuer or a Guarantor determine in good faith that, as a result of:

(1) any change in, or amendment to, the law or treaties (or any regulations, protocols or rulings promulgated thereunder) of a Relevant Taxing Jurisdiction (defined below) affecting taxation; or

(2) any change in, or amendment to, or the introduction of, an official position regarding the application, administration or interpretation of such laws, treaties, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction or a change in published practice) of a Relevant Taxing Jurisdiction (each of the foregoing in clauses (1) and (2), a "**Change in Tax Law**"),

the Issuer or any Guarantor is, or on the next interest payment date in respect of the relevant series of Notes would be, required to pay any Additional Amounts, and such obligation cannot be avoided by taking reasonable measures available to the Issuer or the relevant Guarantor (including, for the avoidance of doubt, the appointment of a new Paying Agent where this would be reasonable but not including assignment of the obligation to make payment with respect to the relevant series of Notes); provided that neither the Issuer nor a Guarantor shall be required to take any measures that in the Issuer's good faith determination would result in the imposition on the Issuer or a Guarantor of any legal or regulatory burden or the incurrence of additional costs, or would otherwise result in any adverse consequences to the Issuer or a Guarantor. In the case of redemption as a result of a Change in Tax Law in a jurisdiction that is a Relevant Taxing Jurisdiction at the date of the Offering Memorandum, such Change in Tax Law must become effective on or after the date of the Offering Memorandum. In the case of redemption as a result of a Change in Tax Law in a jurisdiction that becomes a Relevant Taxing

Jurisdiction after the date of the Offering Memorandum, such Change in Tax Law must become effective on or after the date the jurisdiction becomes a Relevant Taxing Jurisdiction, unless the Change in Tax Law would have applied to the predecessor of a Successor Company or the predecessor of a successor of a Guarantor. Notice of redemption for taxation reasons will be published in accordance with the procedures described under "*—Selection and Notice*." Notwithstanding the foregoing, no such notice of redemption will be given (a) earlier than 90 days prior to the earliest date on which the Payor would be obliged to make such payment of Additional Amounts if a payment in respect of the Notes were then due and (b) unless at the time such notice is given, such obligation to pay such Additional Amounts remains in effect. Prior to the publication or mailing of any notice of redemption of any Notes pursuant to the foregoing, the Issuer or the relevant Guarantor, or a successor to either, where applicable, will deliver to the Trustee and the Paying Agent (a) an Officer's Certificate stating that the Issuer or the relevant Guarantor, or a successor to either, where applicable, is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to its right so to redeem have been complied with or satisfied and (b) an opinion of an independent tax counsel of recognized standing to the effect that the Issuer or the relevant Guarantor, or a successor to either, where applicable, has or have been or will become obligated to pay Additional Amounts as a result of a Change in Tax Law. The Trustee and the Paying Agent will accept such Officer's Certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent described above, without further inquiry, in which event it will be conclusive and binding on the Holders.

The foregoing will apply *mutatis mutandis* to any jurisdiction in which any successor to the Issuer is incorporated or organized or otherwise considered to be a resident for tax purposes or in which it has a permanent establishment, or any jurisdiction from or through which such successor makes any payment on the Notes or any Notes Guarantees, and any political subdivision or taxing authority or agency thereof or therein.

Withholding Taxes

All payments made by the Issuer or a Guarantor (a "**Payor**") on the Notes or the Notes Guarantees will be made free and clear of and without withholding or deduction for, or on account of, any Taxes unless the withholding or deduction of such Taxes is then required by law. If any deduction or withholding for, or on account of, any Taxes imposed or levied by or on behalf of:

(1) the Netherlands or any political subdivision or Governmental Authority thereof or therein having power to tax;

(2) any jurisdiction from or through which payment on any such Note or Notes Guarantee is made by the Payor or its agents, or any political subdivision or Governmental Authority thereof or therein having the power to tax; or

(3) any other jurisdiction in which the Payor is incorporated or organized, resident for tax purposes, or any political subdivision or Governmental Authority thereof or therein having the power to tax (each of clause (1), (2) and (3), a "**Relevant Taxing Jurisdiction**"),

will at any time be required from any payments made by a Payor with respect to any Note or Notes Guarantee, including payments of principal, redemption price, premium, if any, or interest, the Payor will pay (together with such payments) such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts received in respect of such payments by the Holders after such withholding or deduction (including any such deduction or withholding from such Additional Amounts), will equal the amounts which would have been received in respect of such payments on any such Note or Notes Guarantee in the absence of such withholding or deduction; *provided*, *however*, that no such Additional Amounts will be payable for or on account of:

(1) any Taxes that would not have been so imposed but for the existence of any present or former connection between the relevant Holder or the beneficial owner of a Note (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of power over the relevant Holder or beneficial owner, if the relevant Holder or beneficial owner is an estate, nominee, trust, partnership, limited liability company or corporation) and the Relevant Taxing Jurisdiction (including, without limitation, being a citizen or resident or national or domiciliary of, incorporated in or carrying on a business or maintaining a permanent establishment in, or being physically present in, the Relevant Taxing Jurisdiction) but excluding, in each case, any connection arising solely from the acquisition, ownership or holding of such Note or the receipt of any payment in respect thereof;

(2) any Taxes that are imposed, deducted or withheld by reason of the failure by the Holder or the beneficial owner of the Note to comply with any reasonable request of the Payor addressed to the Holder or beneficial owner, after reasonable notice, to provide certification, identification, information, documents or other evidence concerning the nationality, residence, identity or connection with the Relevant Taxing Jurisdiction of the Holder or such beneficial owner or to make any declaration or similar claim or satisfy any certification, identification, information, documentation or other reporting requirement relating to such matters, which is required by a statute, treaty, regulation or administrative practice of the Relevant Taxing Jurisdiction as a precondition to exemption from, or reduction in the rate of deduction or withholding of, such Taxes;

(3) any Taxes that are payable otherwise than by deduction or withholding from a payment of the principal of, premium, if any, or interest, if any, on the Notes or any Notes Guarantee;

(4) any estate, inheritance, gift, value added, sales, excise, transfer, personal property or similar Taxes, assessment or other governmental charge;

(5) any Taxes imposed pursuant to Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b) of the Code and any intergovernmental agreements (and related legislation or official administrative guidance) implemented with respect to the foregoing;

(6) any Taxes imposed or withheld in connection with a Note presented for payment (where presentation is permitted or required for payment) by or on behalf of a Holder or beneficial owner who would have been able to avoid such Taxes by presenting the relevant Note to, or otherwise accepting payment from, another paying agent;

(7) any Taxes imposed or to be withheld in the Netherlands by the Issuer or the relevant Guarantor pursuant to the Dutch Withholding Tax Act 2021 (Wet bronbelasting 2021); or

(8) any combination of the above.

Such Additional Amounts will also not be payable (x) if the payment could have been made without such deduction or withholding if the beneficiary of the payment had presented the Note for payment (where presentation is permitted or required for payment) within 15 days after the relevant payment was first made available for payment to the Holder or (y) where, had the beneficial owner of the Note been the Holder, such beneficial owner would not have been entitled to payment of Additional Amounts by reason of any of clauses (1) to (8) inclusive above.

In addition, no Additional Amounts shall be paid with respect to any payment to any Holder who is a fiduciary or a partnership or other than the sole beneficial owner of such Notes to the extent that the beneficiary or settlor with respect to such fiduciary, the member of such partnership or the beneficial owner of such Notes would not have been entitled to Additional Amounts had such beneficiary, settlor, member or beneficial owner held such Notes directly.

The Payor will (i) make any required withholding or deduction and (ii) remit the full amount deducted or withheld to the Relevant Taxing Jurisdiction in accordance with applicable law. The Payor will use all reasonable efforts to obtain certified copies of tax receipts evidencing the payment of any Taxes so deducted or withheld from each Relevant Taxing Jurisdiction imposing such Taxes, in such form as provided in the ordinary course by the Relevant Taxing Jurisdiction and as is reasonably available to the Payor and will provide such certified copies to the Trustee. Such copies shall be made available to the Holders upon request.

If any Payor becomes aware that it will be obligated to pay Additional Amounts under or with respect to any payment made on any Note or Notes Guarantee, at least 30 days prior to the date of such payment, the Payor will deliver to the Trustee (copying the Paying Agent) an Officer's Certificate stating the fact that Additional Amounts will be payable and the amount so payable and such other information necessary to enable the Paying Agent to pay Additional Amounts to Holders on the relevant payment date (unless such obligation to pay Additional Amounts arises less than 45 days prior to the relevant payment date, in which case the Payor may deliver such Officer's Certificate as promptly as practicable after the date that is 30 days prior to the payment date). The Trustee and the Paying Agent will be entitled to rely solely on such Officer's Certificate as conclusive proof that such payments are necessary. The Trustee and the Paying Agent may rely on the fact that any Officers' Certificate contemplated by this paragraph has not been furnished as evidence of the fact that no withholding or deduction for or on account of any taxes is required.

Wherever in the Indenture or this "*Description of the Notes*" there are mentioned, in any context:

(1) the payment of principal;

(2) purchase prices in connection with a purchase of Notes;

(3) interest; or

(4) any other amount payable on or with respect to any of the Notes,

such reference shall be deemed to include payment of Additional Amounts as described under this heading to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The Issuer will pay any present or future stamp, court or documentary Taxes, or any other property or similar taxes, charges or levies, that arise in any Relevant Taxing Jurisdiction from the execution, delivery, registration or enforcement of any Notes, the Indenture, the Security Documents or any other document or instrument in relation thereto (other than in connection with a transfer or exchange of the Notes), and the Issuer agrees to indemnify the Holders for any such Taxes paid by such Holders. The foregoing obligations of this paragraph will survive any termination, defeasance or discharge of the Indenture and will apply *mutatis mutandis* to any jurisdiction in which any successor to the Issuer is organized or any political subdivision or taxing authority or agency thereof or therein.

Change of Control

If a Change of Control occurs, subject to the terms hereof, each Holder will have the right to require the Issuer to repurchase all or part (equal to €100,000 aggregate principal amount, and integral multiples of €1,000 in excess thereof) of such Holder's Notes at a purchase price in cash equal to 101% of the principal amount of the Notes, plus accrued and unpaid interest to (but excluding) the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date occurring on or prior to the purchase date); *provided*, *however*, that the Issuer shall not be obliged to repurchase Notes as described under this "*—Change of Control*" section in the event and to the extent that it has unconditionally exercised its right to redeem all of the Notes as described under "*—Optional Redemption*" or all conditions to such redemption have been satisfied or waived.

Unless the Issuer has unconditionally exercised its right to redeem all the Notes as described under "*—Optional Redemption*" or all conditions to such redemption have been satisfied or waived, no later than the date that is 60 days after any Change of Control, the Issuer will send a notice (the "**Change of Control Offer**") to each Holder of any such Notes, by mail or otherwise in accordance with the procedures set forth in the Indenture, with a copy to the Trustee:

(1) stating that a Change of Control has occurred or may occur and that such Holder has the right to require the Issuer to purchase such Holder's Notes at a purchase price in cash equal to 101% of the principal amount of such Notes plus accrued and unpaid interest to, but not including, the date of purchase (subject to the right of Holders of record on a record date to receive interest on the relevant interest payment date occurring on or prior to the purchase date) (the "**Change of Control Payment**");

(2) stating the repurchase date (which shall be no earlier than 10 days nor later than 60 days from the date such notice is sent) (the "**Change of Control Payment Date**");

(3) describing the circumstances and relevant facts regarding the transaction or transactions that constitute the Change of Control;

(4) describing the procedures determined by the Issuer, consistent with the Indenture, that a Holder must follow in order to have its Notes repurchased; and

(5) if such notice is mailed or otherwise transmitted prior to the occurrence of a Change of Control, stating that the Change of Control Offer is conditional on the occurrence of such Change of Control.

On the Change of Control Payment Date, if the Change of Control shall have occurred, the Issuer will, to the extent lawful:

(1) accept for payment all Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes so tendered;

(3) deliver or cause to be delivered to the Trustee an Officer's Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Issuer in the Change of Control Offer;

(4) in the case of Global Notes, deliver, or cause to be delivered, to the Paying Agent the Global Notes in order to reflect thereon the portion of such Notes or portions thereof that have been tendered to and purchased by the Issuer; and

(5) in the case of Definitive Registered Notes, deliver, or cause to be delivered, to the relevant Registrar for cancellation all Definitive Registered Notes accepted for purchase by the Issuer.

If any Definitive Registered Notes have been issued, the relevant Paying Agent will promptly mail or otherwise transmit to each Holder of Definitive Registered Notes so tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate (or cause to be authenticated) and mail (or cause to be transferred by book entry) to each Holder of Definitive Registered Notes a new Note equal in aggregate principal amount to the unpurchased portion of the Notes surrendered, if any; *provided* that each such new Note will be in an aggregate principal amount that is at least €100,000 and integral multiples of €1,000 in excess thereof.

If and for so long as the Notes are listed on the Exchange and if and to the extent that the rules of the Authority so require, the Issuer will notify the Authority of any Change of Control Offer.

Notwithstanding anything to the contrary herein, a Change of Control Offer may be made in advance of a Change of Control, conditional upon such Change of Control; *provided* that the purchase date will be no earlier than 10 days from the date a notice of such Change of Control Offer is mailed or otherwise transmitted.

The Change of Control provisions described above will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control, the Indenture does not contain provisions that permit the Holders to require that the Issuer repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction. The existence of a Holder's right to require the Issuer to repurchase such Holder's Notes upon the occurrence of a Change of Control may deter a third party from seeking to acquire the Parent or its Subsidiaries in a transaction that would constitute a Change of Control.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

In addition, the definition of "Change of Control" expressly permits a third party to obtain control of the Parent in a transaction which is a Specified Change of Control Event without any obligation to make a Change of Control Offer.

If Holders of not less than 90% in aggregate principal amount then outstanding of a series of Notes validly tender and do not withdraw Notes of such series in a Change of Control Offer and the Issuer, or any third party making a Change of Control Offer in lieu of the Issuer as described above, purchases all of the Notes of such series validly tendered and not withdrawn by such Holders, the Issuer or such third party will have the right, upon not less than 10 nor more than 60 days' prior notice, given not more than 30 days following such purchase pursuant to the Change of Control Offer described above, to redeem all Notes of such series that remain outstanding following such purchase at a price in cash equal to 101% of the aggregate principal amount of such Notes, plus accrued and unpaid interest on the Notes that remain outstanding to, but not including, the date of redemption (subject to the right of Holders of record on the relevant record date to receive interest due on an interest payment date that is on or prior to the redemption date). In determining whether the Holders of at least 90% of the aggregate principal amount then outstanding of a series of Notes have validly tendered and not withdrawn Notes of such series in a Change of Control Offer for all of the Notes of such series, as applicable, Notes of such series owned by an affiliate of the Issuer or by funds controlled or managed by any affiliate of the Issuer, or any successor thereof, shall be deemed to be outstanding for the purposes of Change of Control Offer.

The Issuer will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations (or rules of any exchange on which any Notes are then listed) in connection with the repurchase of Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations (or exchange rules) conflict with provisions of the Indenture, the Issuer will comply with the applicable securities laws and regulations (or exchange rules) and will not be deemed to have breached its obligations, or require a repurchase of any Notes, under the Change of Control provisions of the Indenture by virtue of the conflict.

Under the Senior Credit Facilities Agreement, the occurrence of a change of control would require the repayment of such debt. Future debt of the Parent or its Subsidiaries may prohibit the Issuer from purchasing Notes in the event of a Change of Control or provide that a Change of Control is a default or requires repurchase upon a Change of Control. Moreover, the exercise by the Holders of their right to require the Issuer to purchase the Notes could cause a default under, or require a repurchase of, other debt, even if the Change of Control itself does not, due to the financial effect of the purchase on the Parent or its Subsidiaries.

Finally, the Issuer's ability to pay cash to the Holders following the occurrence of a Change of Control may be limited by the then existing financial resources of the Parent and its Subsidiaries. There can be no assurance that sufficient funds will be available when necessary to make the required purchase of the Notes. See "*Risk Factors—Risks related to the Notes, the Guarantees and our Structure—We may not be able to obtain the funds required to repurchase Notes upon a Change of Control.*"

The definition of "Change of Control" includes a disposition of all or substantially all of the property and assets of the Parent and its Restricted Subsidiaries taken as a whole to specified other Persons. Although there is limited case law interpreting the phrase "substantially all," there is no precise established definition of the phrase "substantially all" under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "all or substantially all" of the property or assets of a Person. As a result, it may be unclear as to whether a Change of Control has occurred and whether a Holder may require the Issuer to make an offer to repurchase the Notes as described above.

The provisions of the Indenture relating to the Issuer's obligation to make an offer to repurchase the Notes as a result of a Change of Control may be waived or modified with the written consent of Holders of a majority in outstanding aggregate principal amount of the Notes under the Indenture.

Certain Covenants

Limitation on Indebtedness

The Parent will not, and will not permit any of its Restricted Subsidiaries to, Incur any Indebtedness (including Acquired Indebtedness); *provided*, *however*, that the Parent and any of its Restricted Subsidiaries may Incur Indebtedness if on the date of such Incurrence and after giving pro forma effect thereto (including pro forma application of the proceeds thereof), the Fixed Charge Coverage Ratio for the Parent and the Restricted Subsidiaries would have been at least 2.0 to 1.0.

The first paragraph of this covenant will not prohibit the Incurrence of the following Indebtedness:

(1) Indebtedness Incurred by the Parent or any Restricted Subsidiary pursuant to any Credit Facility, and Guarantees in respect of such Indebtedness, in a maximum aggregate principal amount of Indebtedness at any time outstanding not exceeding (i) the greater of €250 million and 100% of Consolidated EBITDA, plus (ii) in the case of any refinancing of any Indebtedness permitted under this clause (1) or any portion thereof, the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses Incurred in connection with such refinancing or replacement;

(2) (a) Guarantees by the Parent or any Restricted Subsidiary of Indebtedness of the Parent or any Restricted Subsidiary in each case so long as the Incurrence of such Indebtedness is permitted under the terms of the Indenture; or

(b) without limiting the covenant described under "*—Limitation on Liens*," Indebtedness arising by reason of any Lien granted by or applicable to such Person securing Indebtedness of the Parent or any Restricted Subsidiary, in each case so long as the Incurrence of such Indebtedness is permitted under the terms of the Indenture;

(3) Indebtedness of the Parent owing to and held by any Restricted Subsidiary or Indebtedness of a Restricted Subsidiary owing to and held by the Parent or any Restricted Subsidiary; *provided*, *however*, that:

   (a) if any Guarantor or the Issuer is the obligor on any such Indebtedness and the obligee is not a Guarantor or the Issuer, it is subordinated in right of payment to prior payment in full in cash (whether upon Stated Maturity, acceleration or otherwise) and the performance in full of its obligations under the Indenture, to the extent such subordination is required by the Intercreditor Agreement;

   (b) (i) any subsequent issuance or transfer of Capital Stock or any other event which results in any such Indebtedness being beneficially held by a Person other than the Parent or a Restricted Subsidiary of the Parent; and (ii) any sale or other transfer of any such Indebtedness to a Person other than the Parent or a Restricted Subsidiary of the Parent, shall be deemed, in each case, to constitute an Incurrence of such Indebtedness by the Parent or such Restricted Subsidiary, as the case may be;

(4) Indebtedness represented by (a) the Notes (other than any Additional Notes) and the Notes Guarantees, (b) any Indebtedness (other than Indebtedness described in clauses (1) and (3) of this paragraph) of the Parent or any Restricted Subsidiary outstanding on the Issue Date (or drawn under local lines of credit, bilateral facilities, operating facilities, working capital facilities and/or other arrangements which are in place on the Issue Date, and the guarantees of and security granted with respect to the Notes, (c) Refinancing Indebtedness Incurred in respect of any Indebtedness described in this clause (4) or clause (5) of this paragraph or Incurred pursuant to the first paragraph of this covenant, and (d) Management Advances and MEP Payments;

(5) Indebtedness (i) of any Person Incurred and outstanding on the date on which such Person becomes a Restricted Subsidiary of the Parent or another Restricted Subsidiary of the Parent or is merged, consolidated, amalgamated or otherwise combined with (including pursuant to any acquisition of assets and assumption of related liabilities) the Parent or any Restricted Subsidiary or (ii) of the Parent or any Restricted Subsidiary Incurred to provide all or any portion of the funds utilized to consummate the transaction or series of related transactions pursuant to which a Person became a Restricted Subsidiary or was otherwise acquired by the Parent or a Restricted Subsidiary; *provided, however*, with respect to each of clause (5)(i) and (5)(ii), that at the time of such acquisition or other transaction (a) the aggregate amount of such Indebtedness does not exceed the greater of (i) €22.5 million and 10.0% of Consolidated EBITDA at any time outstanding or (b) either (x) the Parent or a Restricted Subsidiary would have been able to Incur €1.00 of additional Indebtedness pursuant to the first paragraph of this covenant after giving effect to the Incurrence of such Indebtedness pursuant to this clause (5) or (y) the Fixed Charge Coverage Ratio would not be lower than it was immediately prior to giving effect to such acquisition or other transaction;

(6) Indebtedness under Currency Agreements, Interest Rate Agreements and Commodity Hedging Agreements entered into for *bona fide* hedging purposes of the Parent or its Restricted Subsidiaries (as determined in good faith by an Officer or the Board of Directors of the Parent or the relevant Restricted Subsidiary);

(7) Indebtedness represented by Capitalized Lease Obligations or Purchase Money Obligations, and in each case any Refinancing Indebtedness in respect thereof, in an aggregate outstanding principal amount which, when taken together with the principal amount of all other Indebtedness Incurred pursuant to this clause (7) and then outstanding, does not exceed the greater of €45 million and 20.0% of Consolidated EBITDA;

(8) Indebtedness in respect of (a) workers' compensation claims, self-insurance obligations, performance, indemnity, surety, judgment, appeal, advance payment, customs, VAT or

other tax or other guarantees or other similar bonds, instruments or obligations and completion guarantees and warranties provided by the Parent or a Restricted Subsidiary or relating to liabilities, obligations or guarantees Incurred in the ordinary course of business, (b) letters of credit, bankers' acceptances, guarantees or other similar instruments or obligations issued or relating to liabilities or obligations Incurred in the ordinary course of business; *provided, however*, that upon the drawing of such letters of credit or similar instruments, the obligations are reimbursed within 30 days following such drawing, (c) the financing of insurance premiums in the ordinary course of business and (d) any customary cash management, cash pooling, net balance or transfer or netting or setting off arrangements in the ordinary course of business, and any obligations under any BACS or similar facility or any other intra-day exposure;

(9) Indebtedness arising from agreements providing for customary guarantees, indemnification, obligations in respect of earn-outs or other adjustments of purchase price or, in each case, similar obligations, in each case, Incurred or assumed in connection with the acquisition or disposition of any business or assets or Person or any Capital Stock of a Subsidiary (other than Guarantees of Indebtedness Incurred by any Person acquiring or disposing of such business or assets or such Subsidiary for the purpose of financing such acquisition or disposition);

(10) (a) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; provided, however, that such Indebtedness is extinguished within 10 Business Days of Incurrence;

(b) Customer deposits and advance payments received in the ordinary course of business from customers for goods purchased in the ordinary course of business;

(c) Indebtedness owed on a short-term basis of no longer than 60 days to banks and other financial institutions incurred in the ordinary course of business of the Parent and its Restricted Subsidiaries with such banks or financial institutions that arises in connection with ordinary banking arrangements to manage cash balances of the Parent and its Restricted Subsidiaries; and

(d) Indebtedness incurred by a Restricted Subsidiary in connection with bankers acceptances, discounted bills of exchange or the discounting or factoring of receivables for credit management of bad debt purposes, in each case incurred or undertaken in the ordinary course of business on arm's length commercial terms on a recourse basis;

(11) Indebtedness in an aggregate outstanding principal amount which, when taken together with any Refinancing Indebtedness in respect thereof and the aggregate principal amount of all other Indebtedness Incurred pursuant to this clause (11) and then outstanding, will not exceed the greater of €45 million and 20.0% of Consolidated EBITDA;

(12) Indebtedness in an aggregate outstanding principal amount which, when taken together with any Refinancing Indebtedness in respect thereof and the principal amount of all other Indebtedness Incurred pursuant to this clause (12) and then outstanding, will not exceed 100% of the Net Cash Proceeds received by the Parent from the issuance or sale (other than to a Restricted Subsidiary) of its Subordinated Shareholder Funding or its Capital Stock (other than Disqualified Stock, Designated Preference Shares, Excluded Amounts or an Excluded Contribution) or otherwise contributed to the equity (other than through the issuance of Disqualified Stock, Designated Preference Shares, Excluded Amounts or an Excluded Contribution) of the Parent, in each case, subsequent to the Issue Date; *provided*, *however*, that (x) any such Net Cash Proceeds that are so received or contributed shall be excluded for purposes of making Restricted Payments under the first paragraph and clauses (1), (7), (11), (14) and (15) of the second paragraph of the covenant described below under "*—Limitation on Restricted Payments*" to the extent

the Parent and its Restricted Subsidiaries incur Indebtedness in reliance thereon and (y) any Net Cash Proceeds that are so received or contributed shall be excluded for purposes of Incurring Indebtedness pursuant to this clause (12) to the extent the Parent or any of its Restricted Subsidiaries makes a Restricted Payment under the first paragraph and clauses (1), (7), (11), (14) and (15) of the second paragraph of the covenant described below under "—*Limitation on Restricted Payments*" in reliance thereon;

(13) Indebtedness incurred by a Receivables Subsidiary in a Qualified Receivables Financing;

(14) Indebtedness under daylight borrowing facilities incurred in connection with the Transactions or any refinancing of Indebtedness (including by way of set-off or exchange) so long as any such Indebtedness is repaid within three days of the date on which such Indebtedness is Incurred;

(15) Indebtedness consisting of local lines of credit, bilateral facilities, working capital facilities, overdraft, current account, letter of credit, foreign exchange, SWIFT and/or other similar or equivalent facilities or financial accommodations and/or other operating facilities ("**Operating Facilities**") not exceeding the greater of €57 million and 25.0% of Consolidated EBITDA outstanding at one time;

(16) Guarantees of the obligations of any joint venture provided that the maximum aggregate amount of Indebtedness outstanding under this clause (16) does not exceed the greater of €22.5 million and 10.0% of Consolidated EBITDA;

(17) Indebtedness incurred under any instrument issued to or for the benefit of current, former or future management or employees of the Parent or any Restricted Subsidiary in respect of any bonus, deferred compensation or similar payment and Indebtedness arising in connection with any deposit or advance of funds with or to the Parent or any Restricted Subsidiary by a trust or other entity in respect of any MEP, incentive scheme or similar arrangement;

(18) Indebtedness outstanding under any loan notes issued (or other deferred consideration arrangements entered into) in connection with any acquisition which is not prohibited by the terms of the Indenture or which was effected prior to the Issue Date; and

(19) any Indebtedness to the extent that the principal amount outstanding is covered by a letter of credit, bank guarantee or similar instrument issued under the Senior Credit Facilities Agreement or under an ancillary facility (or any equivalent facility) made available under the Senior Credit Facilities Agreement (or any equivalent facility under any Refinancing Indebtedness in respect thereof).

For purposes of determining compliance with, and the outstanding principal amount of any particular Indebtedness Incurred pursuant to and in compliance with, this covenant:

(1) in the event that Indebtedness meets the criteria of more than one of the types of Indebtedness described in the first and second paragraphs of this covenant, the Parent, in its sole discretion, will classify, and may from time to time reclassify, such item of Indebtedness and only be required to include the amount and type of such Indebtedness in one of the clauses of the second paragraph or the first paragraph of this covenant;

(2) Guarantees of, or obligations in respect of letters of credit, bankers' acceptances or other similar instruments relating to, or Liens securing, Indebtedness that is otherwise included in the determination of a particular amount of Indebtedness shall not be included;

(3) if obligations in respect of letters of credit, bankers' acceptances or other similar instruments are Incurred pursuant to any Credit Facility and are being treated as Incurred pursuant to clause (1), (7), (11), (15) or (19) of the second paragraph above or the first paragraph above and the letters of credit, bankers' acceptances or other similar

instruments relate to other Indebtedness, then such other Indebtedness shall not be included;

(4) the principal amount of any Disqualified Stock of the Parent or a Restricted Subsidiary, or Preferred Stock of a Restricted Subsidiary, will be equal to the greater of the maximum mandatory redemption or repurchase price (not including, in either case, any redemption or repurchase premium) or the liquidation preference thereof;

(5) Indebtedness permitted by this covenant need not be permitted solely by reference to one provision permitting such Indebtedness but may be permitted in part by one such provision and in part by one or more other provisions of this covenant permitting such Indebtedness; and

(6) the amount of Indebtedness shall be calculated as described under the definition of "Indebtedness."

Accrual of interest, accrual of dividends, the accretion of accreted value, the accretion or amortization of original issue discount, the payment of interest in the form of additional Indebtedness, the deemed repayment and redrawing associated with the rollover of revolving or other credit facilities, the payment of dividends in the form of additional shares of Preferred Stock or Disqualified Stock or the reclassification of commitments or obligations not treated as Indebtedness due to a change in GAAP, including a change in GAAP or a change of GAAP to a different set of accounting principles, including without limitation IFRS, will not be deemed to be an Incurrence of Indebtedness for purposes of this covenant.

If at any time an Unrestricted Subsidiary becomes a Restricted Subsidiary, any Indebtedness of such Subsidiary shall be deemed to be Incurred by a Restricted Subsidiary of the Parent as of such date.

For purposes of determining compliance with any euro-denominated restriction on the Incurrence of Indebtedness, the Euro Equivalent of the aggregate principal amount of Indebtedness denominated in another currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was Incurred, in the case of term Indebtedness, or, at the option of the Parent, first committed, in the case of Indebtedness Incurred under a revolving credit facility; *provided* that (a) if such Indebtedness is Incurred to refinance other Indebtedness denominated in a currency other than euro, and such refinancing would cause the applicable euro-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such euro-denominated restriction shall be deemed not to have been exceeded so long as the aggregate principal amount of such Refinancing Indebtedness does not exceed the aggregate principal amount of such Indebtedness being refinanced plus any amount to pay premiums (including tender premiums), accrued and unpaid interest, expenses, defeasance costs and fees in connection therewith; (b) the Euro Equivalent of the aggregate principal amount of any such Indebtedness outstanding on the Issue Date shall be calculated based on the relevant currency exchange rate in effect on the Issue Date; and (c) if and for so long as any such Indebtedness is subject to a Currency Agreement with respect to the currency in which such Indebtedness is denominated covering principal and interest on such Indebtedness, the amount of such Indebtedness, if denominated in euro, will be the amount of the principal payment required to be made under such Currency Agreement and, otherwise, the Euro Equivalent of such amount plus the Euro Equivalent of any premium which is at such time due and payable but is not covered by such Currency Agreement.

Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that the Parent or a Restricted Subsidiary may Incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rate of currencies. The principal amount of any Indebtedness Incurred to refinance other Indebtedness, if Incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such Refinancing Indebtedness is denominated that is in effect on the date of such refinancing.

Limitation on Restricted Payments

The Parent will not, and will not permit any of its Restricted Subsidiaries, directly or indirectly, to:

(1) declare or pay any dividend or make any distribution on or in respect of the Parent's or any Restricted Subsidiary's Capital Stock (including any payment in connection with any merger or consolidation involving the Parent or any of its Restricted Subsidiaries) except:

(a) dividends or distributions payable in Capital Stock of the Parent (other than Disqualified Stock) or in options, warrants, or other rights to purchase such Capital Stock of the Parent or Subordinated Shareholder Funding;

(b) dividends or distributions payable to the Parent or a Restricted Subsidiary (and, in the case of any such Restricted Subsidiary making such dividend or distribution, to holders of its Capital Stock other than the Parent or a Restricted Subsidiary on no more than a pro rata basis, measured by value);

(2) purchase, redeem, retire or otherwise acquire for value any Capital Stock of the Parent or any direct or indirect Parent Holding Company held by Persons other than the Parent or a Restricted Subsidiary of the Parent (other than in exchange for Capital Stock of the Parent (other than Disqualified Stock));

(3) make any principal payment on, or purchase, repurchase, redeem, defease or otherwise acquire or retire for value, prior to scheduled maturity, scheduled repayment or scheduled sinking fund payment, any Subordinated Indebtedness (other than (a) any such payment, purchase, repurchase, redemption, defeasance or other acquisition or retirement or in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case, due within one year of the date of payment, purchase, repurchase, redemption, defeasance or other acquisition or retirement, (b) any Indebtedness Incurred pursuant to clause (3) of the second paragraph of the covenant described under "*—Limitation on Indebtedness*" and (c) any such payment, purchase, repurchase, redemption, defeasance or other acquisition or retirement that is a Permitted Investment);

(4) make any payment (other than by capitalization of interest) on or with respect to, or purchase, repurchase, redeem, defease or otherwise acquire or retire for value, any Subordinated Shareholder Funding; or

(5) make any Restricted Investment in any Person;

(any such dividend, distribution, payment, purchase, redemption, repurchase, defeasance, other acquisition, retirement or Restricted Investment referred to in clauses (1) through (5) are referred to herein as a "**Restricted Payment**"), if at the time the Parent or such Restricted Subsidiary makes such Restricted Payment (or, in the case of clause (a) below, at the option of the Parent, at the time the relevant Restricted Payment is committed to):

(a) a Default shall have occurred and be continuing (or would result immediately thereafter therefrom);

(b) the Parent is not able to Incur an additional €1.00 of Indebtedness pursuant to the first paragraph under the "*—Limitation on Indebtedness*" covenant after giving effect, on a pro forma basis, to such Restricted Payment; or

(c) the aggregate amount of such Restricted Payment and all other Restricted Payments made subsequent to the Issue Date (and not returned or rescinded) (including Permitted Payments permitted below by clauses (7), (11), (12), (13) and (18) of the next succeeding paragraph, but excluding all other Restricted Payments permitted by the next succeeding paragraph) would exceed the sum of (without duplication):

(i) 50% of Consolidated Net Income for the period (treated as one accounting period) from the first day of the first fiscal quarter commencing after the Issue Date to the end of the most recent fiscal quarter ending prior to the date of such Restricted Payment for which internal consolidated financial statements of the Parent are available (or, in the case such Consolidated Net Income is a deficit, minus 100% of such deficit, provided that the amount taken into account pursuant to this clause (i) shall not be less than zero);

(ii) 100% of the aggregate Net Cash Proceeds, and the fair market value of property or assets or marketable securities, received by the Parent from the issue or sale of its Capital Stock (other than Disqualified Stock or Designated Preference Shares) or Subordinated Shareholder Funding subsequent to the Issue Date or otherwise contributed to the equity (other than through the issuance of Disqualified Stock or Designated Preference Shares) of the Parent subsequent to the Issue Date (other than (x) Net Cash Proceeds or property or assets or marketable securities received from an issuance or sale of such Capital Stock to a Restricted Subsidiary or an employee stock ownership plan or trust established by the Parent or any Subsidiary of the Parent for the benefit of its employees to the extent funded by the Parent or any Restricted Subsidiary, (y) Net Cash Proceeds or property or assets or marketable securities to the extent that any Restricted Payment has been made from such proceeds in reliance on clause (6) of the next succeeding paragraph and (z) Excluded Contributions);

(iii) 100% of the aggregate Net Cash Proceeds, and the fair market value of property or assets or marketable securities, received by the Parent or any Restricted Subsidiary from the issuance or sale (other than to the Parent or a Restricted Subsidiary of the Parent or an employee stock ownership plan or trust established by the Parent or any Subsidiary of the Parent for the benefit of its employees to the extent funded by the Parent or any Restricted Subsidiary) by the Parent or any Restricted Subsidiary subsequent to the Issue Date of any Indebtedness that has been converted into or exchanged for Capital Stock of the Parent (other than Disqualified Stock or Designated Preference Shares) or Subordinated Shareholder Funding (plus the amount of any cash, and the fair market value of property or assets or marketable securities, received by the Parent or any Restricted Subsidiary upon such conversion or exchange);

(iv) 100% of the aggregate Net Cash Proceeds, and the fair market value of property or assets or marketable securities, received by the Parent or any Restricted Subsidiary by means of:

(A) repurchases, redemptions or other acquisitions or retirements of, or other returns on Investments from, any such Restricted Investment, proceeds realized upon the sale or other disposition to a Person other than the Parent or a Restricted Subsidiary of any such Restricted Investment, repayments of loans or advances or other transfers of assets (including by way of dividend, distribution, interest payments or returns of capital) to the Parent or any Restricted Subsidiary; or

(B) any dividend or distribution made by an Unrestricted Subsidiary or Affiliate to the Parent or a Restricted Subsidiary;

provided, *however*, that no amount will be included in Consolidated Net Income for purposes of the preceding clause (i) to the extent that it is (at the Parent's option) included under this clause (iv);

(v) the amount of the cash and the fair market value of property or assets or of marketable securities received by the Parent or any of its Restricted Subsidiaries in connection with:

(A) the sale or other disposition (other than to the Parent or a Restricted Subsidiary or an employee stock ownership plan or trust established by the Parent or any

Subsidiary of the Parent for the benefit of its employees to the extent funded by the Parent or any Restricted Subsidiary) of Capital Stock of an Unrestricted Subsidiary of the Parent; and

(B) the redesignation of Unrestricted Subsidiaries as Restricted Subsidiaries (valued, in each case, as provided in the definition of "Investment") not to exceed, in the case of any Unrestricted Subsidiary, the amount of Investments previously made by the Parent or any Restricted Subsidiary in such Unrestricted Subsidiary, which amount, in each case under this clause (v), was included in the calculation of the amount of Restricted Payments referred to in the first sentence of this clause (c); *provided*, *however*, that no amount will be included in Consolidated Net Income for purposes of the preceding clause (i) to the extent that it is (at the Parent's option) included under this clause (v); and

(vi) the greater of €22.5 million and 10.0% of Consolidated EBITDA.

The foregoing provisions will not prohibit any of the following (collectively, "**Permitted Payments**"):

(1) any purchase, repurchase, redemption, defeasance or other acquisition or retirement of Capital Stock, Disqualified Stock, Designated Preference Shares, Subordinated Shareholder Funding or Subordinated Indebtedness made by exchange (including any such exchange pursuant to the exercise of a conversion right or privilege in connection with which cash is paid in lieu of the issuance of fractional shares) for or out of the proceeds of the substantially concurrent sale of Capital Stock of the Parent (other than Disqualified Stock, Excluded Amounts or Designated Preference Shares), Subordinated Shareholder Funding or a substantially concurrent contribution to the equity (other than through the issuance of Disqualified Stock, Excluded Amounts or Designated Preference Shares or through an Excluded Contribution) of the Parent; *provided*, *however*, that to the extent so applied, the Net Cash Proceeds, or fair market value of property or assets or of marketable securities, from such sale of Capital Stock, Subordinated Shareholder Funding or such contribution will be excluded from clause (c)(ii) of the preceding paragraph;

(2) any purchase, repurchase, redemption, defeasance or other acquisition or retirement of Subordinated Indebtedness made by exchange for, or out of the proceeds of the substantially concurrent sale of, Refinancing Indebtedness permitted to be Incurred pursuant to the covenant described under "*—Limitation on Indebtedness*" above;

(3) any purchase, repurchase, redemption, defeasance or other acquisition or retirement of Preferred Stock of the Parent or a Restricted Subsidiary made by exchange for or out of the proceeds of the substantially concurrent sale of Preferred Stock of the Parent or a Restricted Subsidiary, as the case may be, that, in each case, is permitted to be Incurred pursuant to the covenant described under "*—Limitation on Indebtedness*" above, and that in each case, constitutes Refinancing Indebtedness;

(4) any purchase, repurchase, redemption, defeasance or other acquisition or retirement of Subordinated Indebtedness:

(a) (i) from Net Available Cash to the extent permitted under "*—Limitation on Asset Dispositions*" below, but only if the provisions of the covenant described under "*—Limitation on Asset Dispositions*" have first been complied with and (ii) at a purchase price not greater than 100% of the principal amount of such Subordinated Indebtedness plus accrued and unpaid interest (together with any applicable prepayment or redemption premiums);

(b) to the extent required by the agreement governing such Subordinated Indebtedness, following the occurrence of a Change of Control (or other similar event described therein as a "change of control" or equivalent), but only (i) if the Parent shall have first complied with the terms of the covenant described under

"*—Change of Control,*" if required, and purchased all Notes validly tendered pursuant to the offer to repurchase all the Notes required thereby, prior to purchasing, repurchasing, redeeming, defeasing or otherwise acquiring or retiring such Subordinated Indebtedness and (ii) at a purchase price not greater than 101% of the principal amount of such Subordinated Indebtedness plus accrued and unpaid interest (together with any applicable prepayment or redemption premiums); or

(c) (i) consisting of Acquired Indebtedness (other than Indebtedness Incurred (A) to provide all or any portion of the funds utilized to consummate the transaction or series of related transactions pursuant to which such Person became a Restricted Subsidiary or was otherwise acquired by the Parent or a Restricted Subsidiary or (B) otherwise in connection with or contemplation of such acquisition) and (ii) at a purchase price not greater than 100% of the principal amount of such Subordinated Indebtedness plus accrued and unpaid interest and any premium required by the terms of any Acquired Indebtedness;

(5) (a) any dividends or other distributions paid within 60 days after the date of declaration if at such date of declaration such dividend or other distribution would have complied with this covenant and (b) any payments associated with the Transactions;

(6) the purchase, repurchase, redemption, defeasance or other acquisition, cancellation or retirement for value of Capital Stock of any Parent Holding Company (including any options, warrants or other rights in respect thereof) and loans, advances, dividends or distributions by the Parent to any Parent Holding Company to permit any Parent Holding Company to purchase, repurchase, redeem, defease or otherwise acquire, cancel or retire for value Capital Stock of any Parent Holding Company (including any options, warrants or other rights in respect thereof), or payments to purchase, repurchase, redeem, defease or otherwise acquire, cancel or retire for value Capital Stock of any Parent Holding Company (including any options, warrants or other rights in respect thereof), in each case from Management Investors;

(7) the declaration and payment of dividends to holders of any class or series of Disqualified Stock, or of any Preferred Stock of a Restricted Subsidiary, Incurred in accordance with the terms of the covenant described under "*—Limitation on Indebtedness*" above;

(8) purchases, repurchases, redemptions, defeasances or other acquisitions or retirements of Capital Stock deemed to occur upon the exercise of stock options, warrants or other rights in respect thereof if such Capital Stock represents a portion of the exercise price thereof;

(9) dividends, loans, advances or distributions to any Parent Holding Company or other payments by the Parent or any Restricted Subsidiary in amounts equal to (without duplication):

(a) the amounts required for any Parent Holding Company to pay any Parent Holding Company Expenses or any Related Taxes; or

(b) amounts constituting or to be used directly or indirectly for purposes of making payments (x) of fees and expenses incurred in connection with the Transactions, (y) to the extent specified in or contemplated by the second paragraph under "*—Limitation on Affiliate Transactions,*" and (z) in connection with Permitted Parent Transactions.

(10) the declaration and payment by the Parent of, or loans, advances, dividends or distributions to any Parent Holding Company to pay, dividends on the common stock or common equity interests of the Parent or any Parent Holding Company following a Public Offering of such common stock or common equity interests, in an amount not to exceed in any fiscal year 6% of the Net Cash Proceeds received by the Parent from all such Public Offerings or contributed to the equity (other than through the issuance of Disqualified Stock or Designated Preference Shares or through Excluded Amounts or an

Excluded Contribution) of the Parent or loaned as Subordinated Shareholder Funding to the Parent;

(11) so long as no Event of Default has occurred and is continuing (or would result from the making of such payments), Restricted Payments (including loans or advances) in an aggregate amount outstanding at any time (excluding capitalized interest) not to exceed €57 million (or its currency equivalent) or, if higher, 25.0% of Consolidated EBITDA; *provided* that if an Investment is made pursuant to this clause (11) in a Person that is not a Restricted Subsidiary of the Parent and such Person is subsequently designated a Restricted Subsidiary of the Parent pursuant to the Indenture, such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (2) of the definition of "Permitted Investments" and not this clause (11);

(12) payments by the Parent, or loans, advances, dividends or distributions to any Parent Holding Company to make payments, to holders of Capital Stock of the Parent or any Parent Holding Company in lieu of the issuance of fractional shares of such Capital Stock, *provided*, *however*, that any such payment, loan, advance, dividend or distribution shall not be for the purpose of evading any limitation of this covenant or otherwise to facilitate any dividend or other return of capital to the holders of such Capital Stock (as determined in good faith by an Officer or the Board of Directors of the Parent);

(13) Investments in an aggregate amount outstanding at any time not to exceed the aggregate cash amount of Excluded Contributions, or consisting of non-cash Excluded Contributions, or Investments to the extent made in exchange for or using as consideration Investments previously made under this clause (13);

(14) (i) the declaration and payment of dividends to holders of any class or series of Designated Preference Shares of the Parent issued after the Issue Date; and (ii) the declaration and payment of dividends to any Parent Holding Company or any Affiliate thereof, the proceeds of which will be used to fund the payment of dividends to holders of any class or series of Designated Preference Shares of such Parent Holding Company issued after the Issue Date; *provided*, *however*, that, in the case of clauses (i) and (ii), the amount of all dividends declared or paid pursuant to this clause (14) shall not exceed the Net Cash Proceeds received by the Parent or the aggregate amount contributed in cash to the equity (other than through the issuance of Disqualified Stock or Excluded Amounts or an Excluded Contribution or, in the case of Designated Preference Shares by Parent Holding Company or an Affiliate, the issuance of Designated Preference Shares) of the Parent or loaned as Subordinated Shareholder Funding to the Parent, from the issuance or sale of such Designated Preference Shares;

(15) dividends or other distributions of Capital Stock of Unrestricted Subsidiaries;

(16) payment of any Receivables Fees and purchases of Receivables Assets pursuant to a Receivables Repurchase Obligation in connection with a Qualified Receivables Financing;

(17) so long as no Event of Default has occurred and is continuing, any dividend, distribution, loan or other payment; *provided* that the Consolidated Net Leverage Ratio on a pro forma basis after giving effect to any such dividend, distribution, loan or other payment does not exceed 7.5 to 1.0; and

(18) any step or payment in connection with the Transactions and payment of, and any dividend or other loan or distribution by the Parent or any Restricted Subsidiary of the Parent to fund the payment of, fees and expenses incurred in connection with the Transactions or owed to or in respect of Affiliates, in each case, to the extent permitted by the second paragraph under "*—Limitation on Affiliate Transactions.*"

The amount of all Restricted Payments (other than cash) shall be the fair market value on the date of such Restricted Payment of the asset(s) or securities proposed to be paid, transferred or issued by the Parent or such Restricted Subsidiary, as the case may be, pursuant to such Restricted

Payment. The fair market value of any cash Restricted Payment shall be its face amount. Any amounts (such amounts, the '"**Excluded Amounts**") that would otherwise be included in the calculation of the amount available for Restricted Payments pursuant to sub-clauses (ii) or (iii) of clause (c) of the first paragraph of this covenant will be excluded to the extent (1) such amounts result from the receipt of Net Cash Proceeds, property or assets or marketable securities received in contemplation of, or in connection with, an event that would otherwise constitute a Change of Control pursuant to the definition thereof were it not a Specified Change of Control Event, (2) the purpose of, or the effect of, the receipt of such Net Cash Proceeds, property or assets or marketable securities was to reduce the Consolidated Net Leverage Ratio of the Parent so that there would be an occurrence of a Specified Change of Control Event that would not have been achieved without the receipt of such Net Cash Proceeds, property or assets or marketable securities and (3) no Change of Control Offer is made in connection with such event in accordance with the requirements of the Indenture.

Limitation on Liens

The Parent will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create, Incur or suffer to exist any Lien upon any of its property or assets (including Capital Stock of a Restricted Subsidiary of the Parent), whether owned on the Issue Date or acquired after that date, or any interest therein or any income or profits therefrom, which Lien is securing any Indebtedness (such Lien, the "**Initial Lien**"), except (a) in the case of any property or asset that does not constitute Collateral, (i) Permitted Liens or (ii) Liens on property or assets that are not Permitted Liens if the Notes and the Indenture (or a Notes Guarantee in the case of Liens of a Guarantor) are, subject to the Agreed Security Principles, secured equally and ratably with (in the case of Liens with respect to Pari Passu Indebtedness), or on a basis junior to (in the case of Indebtedness which is Super Priority Indebtedness), or prior to (in the case of Liens with respect to Subordinated Indebtedness) such Indebtedness for so long as such Indebtedness is so secured, and (b) in the case of any property or asset that constitutes Collateral, Permitted Collateral Liens.

Any such Lien created in favor of the Notes pursuant to clause (a)(ii) of the preceding paragraph will be automatically and unconditionally released and discharged (i) upon the release and discharge of the Initial Lien to which it relates, and (ii) otherwise as set forth under "*—Security—Release of Liens*."

With respect to any Lien securing Indebtedness that was permitted to secure such Indebtedness at the time of the Incurrence of such Indebtedness, such Lien shall also be permitted to secure any Increased Amount of such Indebtedness. The "*Increased Amount*" of any Indebtedness shall mean any increase in the amount of such Indebtedness in connection with any accrual of interest, the accretion of accreted value, the amortization of original issue discount, the payment of interest in the form of additional Indebtedness with the same terms, accretion of original issue discount or liquidation preference and increases in the amount of Indebtedness outstanding solely as a result of fluctuations in the exchange rate of currencies or increases in the value of property securing Indebtedness.

Limitation on Restrictions on Distributions from Restricted Subsidiaries

The Parent will not, and will not permit any Restricted Subsidiary that is not the Issuer or a Guarantor to, create or otherwise cause or permit to exist or become effective any consensual encumbrance or consensual restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions in cash or otherwise on its Capital Stock or pay any Indebtedness or other obligations owed to the Issuer or the Parent;

(2) make any loans or advances to the Issuer or the Parent; or

(3) sell, lease or transfer any of its property or assets to the Issuer or the Parent,

provided that (x) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock and

(y) the subordination of (including the application of any standstill requirements to) loans or advances made to the Parent or any Restricted Subsidiary to other Indebtedness Incurred by the Parent or any Restricted Subsidiary shall not be deemed to constitute such an encumbrance or restriction.

The provisions of the preceding paragraph will not prohibit:

(1) any encumbrance or restriction pursuant to (a) any Credit Facility (including the Senior Credit Facilities) or (b) any other agreement or instrument, in each case, in effect at or entered into on the Issue Date;

(2) any encumbrance or restriction pursuant to an agreement or instrument of a Person or relating to any Capital Stock or Indebtedness of a Person, entered into on or before the date on which such Person was acquired by or merged, consolidated or otherwise combined with or into the Parent or any Restricted Subsidiary, or was designated as a Restricted Subsidiary or on which such agreement or instrument is assumed by the Parent or any Restricted Subsidiary in connection with an acquisition of assets (other than Capital Stock or Indebtedness Incurred as consideration in, or to provide all or any portion of the funds utilized to consummate, the transaction or series of related transactions pursuant to which such Person became a Restricted Subsidiary or was acquired by the Parent or was merged, consolidated or otherwise combined with or into the Parent or any Restricted Subsidiary entered into or in connection with such transaction) and outstanding on such date; *provided* that, for the purposes of this clause (2), if another Person is the Successor Company, any Subsidiary thereof or agreement or instrument of such Person or any such Subsidiary shall be deemed acquired or assumed by the Parent or any Restricted Subsidiary when such Person becomes the Successor Company;

(3) any encumbrance or restriction pursuant to an agreement or instrument effecting a refinancing of Indebtedness Incurred pursuant to, or that otherwise refinances, an agreement or instrument referred to in this second paragraph (an "**Initial Agreement**") or contained in any amendment, supplement or other modification to an agreement referred to in this paragraph; *provided*, *however*, that the encumbrances and restrictions with respect to the Parent or such Restricted Subsidiary contained in any such agreement or instrument are no less favorable in any material respect to the Holders taken as a whole than the encumbrances and restrictions contained in the Initial Agreement or Initial Agreements to which such refinancing or amendment, supplement or other modification relates (as determined in good faith by the Parent), or that the Parent determines when such Indebtedness is Incurred that such encumbrances or restrictions will not adversely affect, in any material respect, the Issuer's ability to make principal or interest payments on the Notes;

(4) any encumbrance or restriction:

    (a) that restricts in a customary manner the subletting, assignment or transfer of any property or asset that is subject to a lease, license or similar contract, or the assignment or transfer of any lease, license or other contract;

    (b) contained in mortgages, pledges, charges or other security agreements permitted under the Indenture or securing Indebtedness of the Parent or a Restricted Subsidiary permitted under the Indenture to the extent such encumbrances or restrictions restrict the transfer of the property or assets subject to such mortgages, pledges, charges or other security agreements; or

    (c) pursuant to customary provisions restricting dispositions of real property interests set forth in any reciprocal easement agreements of the Parent or any Restricted Subsidiary;

(5) any encumbrance or restriction pursuant to Purchase Money Obligations and Capitalized Lease Obligations permitted under the Indenture, in each case, that impose

encumbrances or restrictions on the property so acquired or any encumbrance or restriction pursuant to a joint venture agreement that imposes restrictions on the transfer of the assets of the joint venture;

(6) any encumbrance or restriction with respect to a Restricted Subsidiary (or any of its property or assets) imposed pursuant to an agreement entered into for the direct or indirect sale or disposition to a Person of all or substantially all the Capital Stock or assets of such Restricted Subsidiary (or the property or assets that are subject to such restriction) pending the closing of such sale or disposition;

(7) customary provisions in leases, licenses, joint venture agreements and other similar agreements and instruments entered into in the ordinary course of business or consistent with industry practices;

(8) encumbrances or restrictions arising or existing by reason of applicable law or any applicable rule, regulation or order, or required by any regulatory authority;

(9) any encumbrance or restriction on cash or other deposits or net worth imposed by customers, suppliers or landlords under agreements entered into in the ordinary course of business;

(10) any encumbrance or restriction pursuant to Currency Agreements, Interest Rate Agreements or Commodity Hedging Agreements;

(11) any encumbrance or restriction arising pursuant to an agreement or instrument relating to any Indebtedness permitted to be Incurred subsequent to the Issue Date pursuant to the provisions of the covenant described under "*—Limitation on Indebtedness,*" if the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially less favorable to the Holders than (i) the encumbrances and restrictions contained in the Senior Credit Facilities Agreement and the Intercreditor Agreement, together with the security documents associated therewith as in effect on the Issue Date or (ii) in comparable financings (as determined in good faith by an Officer or the Board of Directors of the Parent) or where the Parent determines when such Indebtedness is Incurred that such encumbrances or restrictions will not adversely affect, in any material respect, the Issuer's ability to make principal or interest payments on the Notes;

(12) any encumbrance or restriction existing by reason of any Lien permitted by the covenant described under "*—Limitation on Liens*"; or

(13) restrictions effected in connection with a Qualified Receivables Financing that, in the good faith determination of an Officer or the Board of Directors of the Parent, are necessary or advisable to effect such Qualified Receivables Financing.

Limitation on Asset Dispositions

The Parent will not, and will not permit any of its Restricted Subsidiaries to, make any Asset Disposition unless:

(1) the Parent or such Restricted Subsidiary, as the case may be, receives consideration (including by way of relief from, or by any other Person assuming responsibility for, any liabilities, contingent or otherwise) at least equal to the fair market value (such fair market value to be determined on the date of contractually agreeing to such Asset Disposition) of the shares and assets subject to such Asset Disposition (including, for the avoidance of doubt, if such Asset Disposition is a Permitted Asset Swap);

(2) in any such Asset Disposition, or series of related Asset Dispositions (except to the extent the Asset Disposition is a Permitted Asset Swap), at least 75% of the consideration from such Asset Disposition (excluding any consideration by way of relief from, or by any

other Person assuming responsibility for, any liabilities, contingent or otherwise, other than Indebtedness) received by the Parent or any Restricted Subsidiary, as the case may be, is in the form of cash, Cash Equivalents or Temporary Cash Investments; and

(3) an amount equal to 100% of the Net Available Cash from such Asset Disposition is directly or indirectly applied by the Parent or any Restricted Subsidiary, as the case may be:

(a) to the extent the Parent or any Restricted Subsidiary, as the case may be, elects (or is required by the terms of any Indebtedness of a Restricted Subsidiary), (i) to prepay, repay or purchase any Indebtedness of a Restricted Subsidiary that is not a Guarantor or the Issuer (in each case, other than Indebtedness owed to the Parent or any Restricted Subsidiary) or Super Priority Indebtedness within 365 days from the later of (A) the date of such Asset Disposition and (B) the receipt of such Net Available Cash; *provided*, *however*, that, in connection with any prepayment, repayment or purchase of Indebtedness pursuant to this clause (a), the Parent or such Restricted Subsidiary will retire such Indebtedness and will cause the related commitment (if any) (except in the case of any revolving Indebtedness including, but not limited to, the revolving credit facility made available under the Senior Credit Facilities Agreement) to be permanently reduced in an amount equal to the principal amount so prepaid, repaid or purchased; (ii) to prepay, repay or purchase Pari Passu Indebtedness at a price of no more than 100% of the principal amount of such Pari Passu Indebtedness plus accrued and unpaid interest to the date of such prepayment, repayment or purchase; *provided* that the Parent shall redeem, repay or repurchase Pari Passu Indebtedness that is Public Debt pursuant to this clause (ii) only if the Parent either (A) reduces the aggregate principal amount of the Notes on an equal or ratable basis with any such Pari Passu Indebtedness repaid pursuant to this clause (ii) by, at its option, (x) redeeming Notes as provided under "*—Optional Redemption*" and/or (y) purchasing Notes through open market purchases or in privately negotiated transactions at market prices (which may be below par) and/or (B) makes (at such time or subsequently in compliance with this covenant) an offer to the Holders to purchase their Notes in accordance with the provisions set forth below for an Asset Disposition Offer on an equal or ratable basis with any such Pari Passu Indebtedness repaid pursuant to this clause (ii) (which offer shall be deemed to be an Asset Disposition Offer for purposes hereof); (iii) to purchase Notes through open market purchases or in privately negotiated transactions at market prices (which may be below par); (iv) to make (at such time or subsequently in compliance with this covenant) an offer to the Holders to purchase their Notes in accordance with the provisions set forth below for an Asset Disposition Offer (which offer shall be deemed to be an Asset Disposition Offer for purposes hereof) or (v) to redeem Notes as described under "*—Optional Redemption*"; or

(b) to the extent the Parent or such Restricted Subsidiary elects, to invest in or commit to invest in Additional Assets (including by means of an investment in Additional Assets by a Restricted Subsidiary with Net Available Cash received by the Parent or a Restricted Subsidiary) or otherwise in the business of the Parent and its Restricted Subsidiaries within 365 days from the later of (i) the date of such Asset Disposition and (ii) the receipt of such Net Available Cash; *provided*, *however*, that any such investment made pursuant to a definitive binding agreement or a commitment approved by the Board of Directors or an Officer of the Parent that is executed or approved within such time will satisfy this requirement, so long as such investment is consummated within twelve months of such 365th day; or

(c) to make a capital expenditure within 365 days from the later of (i) the date of such Asset Disposition and (ii) the receipt of such Net Available Cash; *provided, however*, that any such capital expenditure made pursuant to a definitive binding agreement or a commitment approved by the Board of Directors or an Officer of the Parent that is executed or approved within such time will satisfy this requirement, so long as such capital expenditure is consummated within twelve months of such 365th day; or

(d) any combination of the foregoing,

provided that, pending the final application of any such Net Available Cash, the Parent and its Restricted Subsidiaries may temporarily reduce Indebtedness or otherwise invest such Net Available Cash in any manner not prohibited by the Indenture.

100% of any Net Available Cash from Asset Dispositions that is not applied or invested or committed to be applied or invested as provided in the preceding paragraph (or, if the Consolidated Net Leverage Ratio is equal to or less than 6.5:1 but greater than 6.0:1, 50% of such Net Available Cash, or if the Consolidated Net Leverage Ratio is equal to or less than 6.0:1, 0% of such Net Available Cash) will be deemed to constitute "**Excess Proceeds**" under the Indenture. On the 365th day after an Asset Disposition or at such earlier date that the Parent elects (the "**Asset Offer Determination Date**"), if the aggregate amount of Excess Proceeds under the Indenture exceeds the greater of €45 million and 20.0% of Consolidated EBITDA and has not been committed in accordance with clause (3)(b) of the first paragraph of this covenant (or if so committed, has not been applied or invested in accordance with such commitment within the relevant period), the Parent will be required to make an offer ("**Asset Disposition Offer**") to all Holders of Notes issued under the Indenture and, to the extent the Parent elects, to all holders of other outstanding Pari Passu Indebtedness, to purchase the maximum aggregate principal amount of Notes and any such Pari Passu Indebtedness to which the Asset Disposition Offer applies that may be purchased out of the Excess Proceeds, at an offer price in respect of the Notes in an amount equal to (and, in the case of any Pari Passu Indebtedness, at an offer price of no more than) 100% of the principal amount of the Notes and 100% of the principal amount of such Pari Passu Indebtedness, in each case, plus accrued and unpaid interest, if any, to, but not including, the date of purchase, in accordance with the procedures set forth in the Indenture or the agreements governing such Pari Passu Indebtedness, as applicable, and in minimum denominations of €100,000 and in integral multiples of €1,000 in excess thereof.

To the extent that the aggregate principal amount of Notes and Pari Passu Indebtedness so validly tendered and not properly withdrawn pursuant to an Asset Disposition Offer is less than the Excess Proceeds, the Parent may use any remaining Excess Proceeds, as well as any Net Available Cash that does not constitute Excess Proceeds, for general corporate purposes, subject to the other covenants contained in the Indenture. If the aggregate principal amount of the Notes surrendered in any Asset Disposition Offer by Holders and other Pari Passu Indebtedness surrendered by holders or lenders, collectively, exceeds the amount of Excess Proceeds, the Excess Proceeds shall be allocated among the Notes and Pari Passu Indebtedness to be purchased on a *pro rata* basis on the basis of the aggregate principal amount of tendered Notes and Pari Passu Indebtedness. For the purposes of calculating the aggregate principal amount of any such Indebtedness not denominated in euro, such Indebtedness shall be calculated by converting any such aggregate principal amounts into their Euro Equivalent determined as of a date selected by the Parent that is within the Asset Disposition Offer Period (defined below). Upon completion of any Asset Disposition Offer, the amount of Excess Proceeds shall be reset at zero. To the extent that any portion of Net Available Cash payable in respect of the Notes is denominated in a currency other than the currency in which the relevant Notes are denominated, the amount thereof payable in respect of such Notes shall not exceed the net amount of funds in the currency in which such Notes are denominated that is actually received by the Parent upon converting such portion into such currency.

The Asset Disposition Offer, insofar as it relates to the Notes, will remain open for a period of not less than five Business Days following its commencement (the "**Asset Disposition Offer Period**"). No later than five Business Days after the termination of the Asset Disposition Offer Period (the "**Asset Disposition Purchase Date**"), the Parent will purchase (or procure the purchase of) the aggregate principal amount of Notes and, to the extent they elect, Pari Passu Indebtedness required to be purchased pursuant to this covenant (the "**Asset Disposition Offer Amount**") or, if less than the Asset Disposition Offer Amount has been so validly tendered, all Notes and Pari Passu Indebtedness validly tendered in response to the Asset Disposition Offer.

On or before the Asset Disposition Purchase Date, the Parent will, to the extent lawful, accept for payment, on a *pro rata* basis to the extent necessary, the Asset Disposition Offer Amount of Notes and Pari Passu Indebtedness or portions of Notes and such Pari Passu Indebtedness so validly tendered and not properly withdrawn pursuant to the Asset Disposition Offer, or if less than the Asset Disposition Offer Amount has been validly tendered and not properly withdrawn, all Notes and Pari Passu Indebtedness so validly tendered and not properly withdrawn and, in the case of the Notes, in minimum denominations of €100,000 and in integral multiples of €1,000 in excess thereof. The Parent will deliver to the Trustee an Officer's Certificate stating that such Notes or portions thereof were accepted for payment by the Parent in accordance with the terms of this covenant. The Parent or the Paying Agent, as the case may be, will promptly (but in any case not later than five Business Days after termination of the Asset Disposition Offer Period) mail or deliver to each tendering Holder of Notes an amount equal to the purchase price of the Notes so validly tendered and not properly withdrawn by such Holder, and accepted by the Parent for purchase, and the Issuer will promptly issue a new Note (or amend the Global Note), and the Trustee (or its authenticating agent), upon delivery of an Officer's Certificate from the Issuer, will authenticate and mail or deliver (or cause to be transferred by book entry) such new Note to such Holder, in an aggregate principal amount equal to any unpurchased portion of the Note surrendered; *provided* that each such new Note will be in an aggregate principal amount with a minimum denomination of €100,000 and in integral multiples of €1,000 in excess thereof. Any Note not so accepted will be promptly mailed or delivered (or transferred by book entry) by the Parent to the Holder thereof.

For the purposes of clause (2) of the first paragraph of this covenant, the following will be deemed to be cash:

(1) the assumption by the transferee of Indebtedness of the Parent or Indebtedness of a Restricted Subsidiary (other than Subordinated Indebtedness of the Issuer or a Guarantor) and the release of the Parent or such Restricted Subsidiary from all liability on such Indebtedness in connection with such Asset Disposition;

(2) securities, notes or other obligations received by the Parent or any Restricted Subsidiary of the Parent from the transferee that are converted by the Parent or such Restricted Subsidiary into cash or Cash Equivalents within 180 days following the closing of such Asset Disposition;

(3) Indebtedness of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Disposition, to the extent that the Parent and each other Restricted Subsidiary are released from any Guarantee of payment of such Indebtedness in connection with such Asset Disposition;

(4) consideration consisting of Indebtedness of the Parent or any of its Restricted Subsidiaries (other than Subordinated Indebtedness) received after the Issue Date from Persons who are not the Parent or any Restricted Subsidiary; and

(5) any Designated Non-Cash Consideration received by the Parent or any Restricted Subsidiary in such Asset Dispositions having an aggregate fair market value, taken together with all other Designated Non-Cash Consideration received pursuant to this covenant that is at that time outstanding, not to exceed the greater of €22.5 million and 10.0% of Consolidated EBITDA (with the fair market value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value).

The Parent will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations (or rules of any exchange on which the

Notes are then listed) in connection with the repurchase of Notes pursuant to the Indenture. To the extent that the provisions of any securities laws or regulations (or exchange rules) conflict with provisions of this covenant, the Parent will comply with the applicable securities laws and regulations (or exchange rules) and will not be deemed to have breached its obligations under the Indenture by virtue of any conflict.

Limitation on Affiliate Transactions

The Parent will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, enter into or conduct any transaction (including the purchase, sale, lease or exchange of any property or the rendering of any service) with any Affiliate of the Parent (an "**Affiliate Transaction**") involving aggregate value in excess of €10 million unless:

(1) the terms of such Affiliate Transaction taken as a whole are not materially less favorable to the Parent or such Restricted Subsidiary, as the case may be, than those that could be obtained in a comparable transaction at the time of such transaction or the execution of the agreement providing for such transaction in arm's length dealings with a Person who is not such an Affiliate; and

(2) in the event such Affiliate Transaction involves an aggregate value in excess of the greater of €22.5 million and 10.0% of Consolidated EBITDA, the terms of such transaction have been approved by a majority of the members of the Board of Directors of the Parent.

The provisions of the preceding paragraph will not apply to:

(1) any Restricted Payment permitted to be made pursuant to the covenant described under "*—Limitation on Restricted Payments,*" any Permitted Payments (other than pursuant to clause (9)(b) of the second paragraph of the covenant described under "*—Limitation on Restricted Payments*") or any Permitted Investment;

(2) any issuance or sale of Capital Stock, other equity-related interests or other securities, or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, or entering into, or maintenance of, any employment, consulting, collective bargaining or benefit plan, program, agreement or arrangement, related trust or other similar agreement and other compensation arrangements to purchase Capital Stock of the Parent, any Restricted Subsidiary or any Parent Holding Company restricted stock plans, long-term incentive plans, stock appreciation rights plans, participation plans or similar employee benefits or consultants' plans (including valuation, health, insurance, deferred compensation, severance, retirement, savings or similar plans, programs or arrangements) or indemnities provided on behalf of officers, employees, directors or consultants approved by the Board of Directors of the Parent, in each case in the ordinary course of business;

(3) any Management Advances and any waiver or transaction with respect thereto and any transaction pursuant to or in connection with an MEP, incentive scheme, deferred compensation or similar arrangement (including any MEP Payment);

(4) any transaction between or among the Parent and any Restricted Subsidiary (or entity that becomes a Restricted Subsidiary as a result of such transaction), or between or among Restricted Subsidiaries;

(5) the payment of reasonable fees and reimbursement of expenses to, and customary indemnities (including under customary insurance policies) and employee benefit and pension expenses provided on behalf of, directors, officers, consultants or employees of the Parent, any Restricted Subsidiary of the Parent or any Parent Holding Company (whether directly or indirectly and including through any Person owned or controlled by any of such directors, officers or employees);

(6) the Transactions and the entry into and performance of obligations of the Parent or any of its Restricted Subsidiaries under the terms of any transaction arising out of, and any payments pursuant to or for purposes of funding, any agreement or instrument in effect as of or on the Issue Date (or, in the case of any Person that becomes a Restricted Subsidiary after the Issue Date, any arrangements of that Person in place at the date on which it becomes a Restricted Subsidiary), as these agreements and instruments may be amended, modified, supplemented, extended, renewed, replaced or refinanced from time to time, and the entry into and performance of any registration rights or other listing agreement in connection with any Public Offering;

(7) the execution, delivery and performance of any Tax Sharing Agreement or the formation and maintenance of any consolidated group for tax, accounting or cash pooling or management purposes in the ordinary course of business;

(8) transactions with customers, clients, landlords, suppliers or purchasers or sellers of goods or services, in each case in the ordinary course of business, which are fair to the Parent or the relevant Restricted Subsidiary in the good faith determination of an Officer or the Board of Directors of the Parent or the relevant Restricted Subsidiary, or are on terms no less favorable than those that could reasonably have been obtained at such time from an unaffiliated party;

(9) any payments arising on the exercise of any put or call options (or any equivalent right or obligation) in relation to any Associate or transaction in the ordinary course of business between or among the Parent or any Restricted Subsidiary and any Affiliate of the Parent or an Associate or similar entity that would constitute an Affiliate Transaction solely because the Parent or a Restricted Subsidiary or any Affiliate of the Parent or a Restricted Subsidiary or an Affiliate of any Permitted Holder owns an equity interest in or otherwise controls such Affiliate, Associate or similar entity;

(10) (a) issuances or sales of Capital Stock (other than Disqualified Stock or Designated Preference Shares) of the Parent or Subordinated Shareholder Funding; *provided* that the interest rate and other financial terms of such Subordinated Shareholder Funding are approved by a majority of the members of the Board of Directors of the Parent, (b) any amendment, waiver or other transaction with respect to any Subordinated Shareholder Funding in compliance with the other provisions of the Indenture and (c) directors' qualifying shares and shares issued to foreign nationals as required by applicable law;

(11) without duplication in respect of payments made pursuant to clause (12) hereof, (a) the payment of any fees (including transaction fees and annual monitoring fees), out of pocket expenses and/or other amounts as reflected in the original terms of each Service Agreement (including any such amounts payment of which is deferred), (b) payments by the Parent or any Restricted Subsidiary to any Permitted Holder or other direct or indirect equity investor (whether directly or indirectly, including through any Parent Holding Company) of fees and expenses in an aggregate amount not to exceed in each fiscal year the greater of €7 million and 3.0% of Consolidated EBITDA for the period of the most recent four consecutive fiscal quarters ending prior to the date of such determination or if greater, 3.0% of the cumulative gross equity contributions made (whether in the form of equity, preferred certificates, subordinated loans or otherwise) by the shareholders of the Parent from and including the Acquisition up to the date of any such payment, and (c) payments by the Parent or any Restricted Subsidiary to any Permitted Holder or other direct or indirect equity investor (whether directly or indirectly, including through any Parent Holding Company) for financial advisory, consulting, financing, underwriting or placement services or in respect of other investment banking activities, including in connection with acquisitions or divestitures, which payments in respect of this clause (c) are approved by a majority of the Board of Directors of the Parent in good faith;

(12) payment to any Permitted Holder or other direct or indirect equity investor of all reasonable out-of-pocket expenses Incurred by such Permitted Holder or other direct or indirect equity investor in connection with its direct or indirect investment in the Parent and its Subsidiaries;

(13) any transaction effected pursuant to or in connection with a Qualified Receivables Financing; and

(14) any transaction as to which the Parent delivers to the Trustee a letter from an Independent Financial Advisor stating that the transaction is fair to the Parent from a financial point of view, or meets the requirements of clause (1) of the first paragraph of this covenant.

Reports

For so long as any Notes are outstanding, the Parent will provide to the Trustee the following reports:

(1) within 120 days (or, in the case of the first such report, 150 days) after the end of the fiscal year, beginning with the fiscal year ending December 31, 2019, annual reports containing, to the extent applicable, the following information: (a) audited consolidated balance sheets of the Parent as of the end of the two most recent fiscal years and audited consolidated income statements and statements of cash flow of the Parent for the two most recent fiscal years, including complete footnotes to such financial statements and the report of the independent auditors on the financial statements; (b) unaudited pro forma income statement information and balance sheet information of the Parent (which, for the avoidance of doubt, shall not include the provision of a full income statement or balance sheet to the extent not reasonably available), together with explanatory footnotes, for any material acquisitions, dispositions or recapitalizations that have occurred since the beginning of the most recently completed fiscal year (and which have not already been the subject of pro forma information provided by the Parent); (c) an operating and financial review of the audited financial statements, including a discussion of the results of operations, financial condition, and liquidity and capital resources of the Parent, and a discussion of material commitments and contingencies and critical accounting policies, with a similar scope to that included in the Offering Memorandum; (d) a description of the business, management and shareholders of the Parent, all material affiliate transactions and a description of all material contractual arrangements, including material debt instruments; and (e) a description of material risk factors and material recent developments;

(2) within 60 days (or, in the case of the first three fiscal quarters ending after the Issue Date, 90 days) following the end of the first three fiscal quarters of the Parent beginning with the quarter ending March 31, 2020, all quarterly reports of the Parent containing the following information: (a) an unaudited condensed consolidated balance sheet of the Parent as of the end of such quarter and unaudited condensed statements of income and cash flow of the Parent for the most recent quarter year-to-date period ending on the unaudited condensed balance sheet date, and the comparable prior year period of the Parent, together with condensed footnote disclosure; (b) unaudited pro forma income statement information and balance sheet information of the Parent (which, for the avoidance of doubt, shall not include the provision of a full income statement or balance sheet to the extent not reasonably available), together with explanatory footnotes, for any material acquisitions, dispositions or recapitalizations that have occurred since the beginning of the relevant quarter (and which have not already been the subject of pro forma information provided by the Parent); (c) an operating and financial review of the unaudited financial statements, including a discussion of the results of operations, financial condition, EBITDA and material changes in liquidity and capital resources of the Parent, and a discussion of material changes not in the ordinary

course of business in commitments and contingencies since the most recent report; and (d) material recent developments; and

(3) promptly after the occurrence of any material acquisition, disposition or restructuring or any senior executive officer changes at the Parent or change in auditors of the Parent or any other material event that the Parent or any of its Restricted Subsidiaries announces publicly, a report containing a description of such event.

All financial statement and pro forma financial information shall be prepared in accordance with GAAP as in effect on the date of such report or financial statement (or otherwise on the basis of GAAP as then in effect) and on a consistent basis for the periods presented; *provided*, *however*, that (i) the reports set forth in clauses (1), (2) and (3) above may, in the event of a change in applicable GAAP, present earlier periods on a basis that applied to such periods and (ii) the Parent may elect to prepare information on a basis consistent with the method of presentation for the financial statements included in the Offering Memorandum so long as applicable. Except as provided for in this covenant, no report need include separate financial statements for any Subsidiaries of the Parent. The filing of an Annual Report on Form 20-F within the time period specified in (1) will satisfy such provision. At the Parent's election it may also include financial statements of a Parent Holding Company or Restricted Subsidiary in lieu of those for the Parent; *provided* that, if the financial statements of a Parent Holding Company or Restricted Subsidiary are included in such report, a reasonably detailed description of material differences between the financial statements of the Parent Holding Company or Restricted Subsidiary and the Parent shall be included for any period after the Issue Date. Following an IPO on the Capital Stock of the Parent or any parent thereof and/or the listing of such Capital Stock on a recognized European stock exchange, the requirements of this covenant shall be considered to have been fulfilled if the IPO Entity complies with the reporting requirements of such stock exchange.

At any time that any of the Parent's Subsidiaries are Unrestricted Subsidiaries and any such Unrestricted Subsidiary or group of Unrestricted Subsidiaries, if taken together as one Subsidiary, constitutes a Significant Subsidiary of the Parent, then the annual and quarterly financial information required by clauses (1) and (2) of the first paragraph of this covenant shall include either (i) a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, of the financial condition and results of operations of the Parent and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Parent or (ii) stand-alone audited or unaudited financial statements, as the case may be, of such Unrestricted Subsidiary or Unrestricted Subsidiaries (as a group or otherwise) together with an unaudited reconciliation to the financial information of the Parent and its Subsidiaries, which reconciliation shall include the following items: turnover, net sales, EBITDA, net income, cash, total assets, total debt, shareholders equity, capital expenditures and interest expense.

Substantially concurrently with the issuance to the Trustee of the reports or statement specified in clauses (1), (2) and (3) of the first paragraph or the second paragraph of this covenant, the Parent shall also (a) use its commercially reasonable efforts (i) to post copies of such reports or statement on such website as may be then maintained by the Parent and its Subsidiaries or (ii) otherwise to provide substantially comparable availability of such reports (as determined in good faith by an Officer or the Board of Directors of the Parent) or (b) to the extent the Parent determines in good faith that it cannot make such reports or statement available in the manner described in the preceding clause (a) owing to applicable law or after the use of its commercially reasonable efforts, furnish such reports or statement to the Holders and, upon request, prospective purchasers of the Notes. The Parent will also make available copies of all reports required by clauses (1) through (3) of the first paragraph of this covenant, if and for so long as the Notes are listed on the Official List of the Exchange and if and to the extent that the rules of the Authority so require.

In addition, so long as the Notes remain outstanding and during any period during which the Parent is not subject to Section 13 or 15(d) of the Exchange Act nor exempt therefrom pursuant to Rule 12g3-2(b), the Parent shall furnish to the Holders and, upon their request, prospective purchasers of the Notes, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act, to the extent not provided pursuant to the provisions described above.

Notwithstanding anything herein to the contrary, the Parent will not be deemed to have failed to comply with any of its obligations hereunder for purposes of clause (3) under "*—Events of Default*" until 180 days after the receipt of the written notice delivered thereunder. To the extent any information is not provided within the time periods specified in this section "*—Reports*" and such information is subsequently provided, the Parent will be deemed to have satisfied its obligations with respect thereto at such time and any Default or Event of Default with respect thereto shall be deemed to have been cured.

Delivery of any information, documents and reports to the Trustee pursuant to this section is for information purposes and the Trustee's receipt shall not constitute actual or constructive knowledge or notice of any information contained therein or determination from information contained therein, including the Parent's compliance with any of its covenants under the Indenture (as to which the Trustee is entitled to rely exclusively on an Officer's Certificate).

Merger and Consolidation

The Parent and the Issuer

Neither the Issuer nor the Parent will consolidate with or merge with or into, or convey, transfer or lease all or substantially all its assets to, any Person, unless:

(1) the resulting, surviving or transferee Person (the "**Successor Company**") will be a Person organized and existing under the laws of any member state of the European Union or the United States of America, any State of the United States or the District of Columbia, Canada or any province of Canada, Norway or Switzerland and the Successor Company (if not the Issuer or the Parent, as the case may be) will expressly assume (subject to any limitations contemplated by the Agreed Security Principles) (a) by supplemental indenture, executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, all the obligations of the Issuer or the Parent under the Notes or the Parent Guarantee, respectively, and (b) all obligations of the Issuer or the Parent, as the case may be, under the Security Documents (and, to the extent required by the Intercreditor Agreement, the Intercreditor Agreement);

(2) immediately after giving effect to such transaction (and treating any Indebtedness that becomes an obligation of the Successor Company or any Subsidiary of the Successor Company as a result of such transaction as having been Incurred by the Successor Company or such Subsidiary at the time of such transaction), no Default or Event of Default shall have occurred and be continuing;

(3) in the case of a transaction involving the Parent, immediately after giving effect to such transaction, either (a) the Successor Company would be able to Incur at least an additional €1.00 of Indebtedness pursuant to the first paragraph of the covenant described under "*—Limitation on Indebtedness*" or (b) the Fixed Charge Coverage Ratio would not be lower than it was immediately prior to giving effect to such transaction; and

(4) the Parent shall have delivered to the Trustee an Officer's Certificate to the effect that such consolidation, merger, conveyance, transfer or lease complies with the Indenture and that all conditions precedent in the Indenture relating to such consolidation, merger, conveyance, transfer or lease have been complied with or satisfied and that the Indenture, the Notes, the Intercreditor Agreement and the Security Documents constitute legal, valid and binding obligations of the Issuer or the Parent, as the case may be. The Trustee shall be entitled to rely conclusively on such Officer's Certificate without independent verification.

Any Indebtedness that becomes an obligation of the Parent or any Restricted Subsidiary (or that is deemed to be Incurred by any Restricted Subsidiary that becomes a Restricted Subsidiary) as a result of any such transaction undertaken in compliance with this covenant, and any Refinancing Indebtedness with respect thereto, shall be deemed to have been Incurred in compliance with the covenant described under "*—Limitation on Indebtedness*."

For purposes of this covenant, the sale, lease, conveyance, assignment, transfer, or other disposition of all or substantially all of the properties and assets of one or more Subsidiaries of the Parent which properties and assets, if held by the Parent instead of such Subsidiaries, would constitute all or substantially all of the properties and assets of the Parent on a consolidated basis, shall be deemed to be the transfer of all or substantially all of the properties and assets of the Parent.

The Successor Company will succeed to, and be substituted for, and may exercise every right and power of, the Issuer or the parent, as the case may be, under the Indenture but in the case of a lease of all or substantially all its assets, the predecessor company will not be released from its obligations under such Indenture, the Parent Guarantee or the Notes, as the case may be.

Notwithstanding the preceding clauses (2) and (3) and the provisions described below under "*—Guarantors*" (which do not apply to transactions referred to in this sentence) and, other than with respect to the second preceding paragraph and clause (4) of the first paragraph of this covenant, (a) any Restricted Subsidiary of the Parent may consolidate or otherwise combine with, merge into or transfer all or part of its properties and assets to the Parent, (b) any Restricted Subsidiary may consolidate or otherwise combine with, merge into or transfer all or part of its properties and assets to any other Restricted Subsidiary and (c) the Parent and its Restricted Subsidiaries may undertake the Transactions. Notwithstanding the preceding clauses (2), (3) and (4) (which do not apply to the transactions referred to in this sentence), each of the Issuer and the Parent may consolidate or otherwise combine with or merge into an Affiliate incorporated or organized for the purpose of changing the legal domicile of the Issuer or the Parent, as the case may be, reincorporating the Issuer or the Parent in another jurisdiction, or changing the legal form of the Issuer or the Parent.

There is no precise established definition of the phrase "substantially all" under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve "all or substantially all" of the property or assets of a Person.

The foregoing provisions (other than the requirements of clause (2) of the first paragraph of this covenant) will not apply to the creation of a new Subsidiary as a Restricted Subsidiary of the Parent and the transfer of any assets of the Parent or any Restricted Subsidiary to it.

Guarantors

No Guarantor that is not the Parent Guarantor may:

(1) consolidate with or merge with or into any Person;

(2) sell, convey, transfer or dispose of, all or substantially all its assets as an entirety or substantially as an entirety, in one transaction or a series of related transactions, to any Person; or

(3) permit any Person to merge with or into such Guarantor,

unless

(a) the other Person is the Parent or any Restricted Subsidiary that is a Guarantor or becomes a Guarantor concurrently with the transaction); or

(b) (i) either (x) a Guarantor is the continuing Person or (y) the resulting, surviving or transferee Person expressly assumes (in each case subject to any limitations contemplated by the Agreed Security Principles) all of the obligations of the Guarantor under its Notes Guarantee and the Security Documents (and, to the extent required by the Intercreditor Agreement, the Intercreditor Agreement); and

(ii) immediately after giving effect to the transaction, no Default has occurred and is continuing; or

(c) the transaction constitutes a sale or other disposition (including by way of consolidation or merger) of the Guarantor or the sale or disposition of all or substantially all the assets of the Guarantor (in each case other than to the Parent or a Restricted Subsidiary) otherwise permitted by the Indenture.

Notwithstanding the preceding clause (b) and the provisions described above under "*—The Parent and the Issuer*" (which does not apply to transactions referred to in this sentence), (a) any Restricted Subsidiary may consolidate or otherwise combine with, merge into or transfer all or part of its properties and assets to a Guarantor, (b) any Guarantor may consolidate or otherwise combine with, merge into or transfer all or part of its properties and assets to any other Guarantor and (c) the Guarantors may undertake the Transactions. Notwithstanding the preceding clause (b)(ii) (which does not apply to the transactions referred to in this sentence), a Guarantor may consolidate or otherwise combine with or merge into an Affiliate incorporated or organized for the purpose of changing the legal domicile of the Guarantor reincorporating the Guarantor in another jurisdiction, or changing the legal form of the Guarantor.

There is no precise established definition of the phrase "substantially all" under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve "all or substantially all" of the property or assets of a Person.

Limited Condition Transactions

When calculating the availability under any basket or ratio under the Indenture or determining compliance with any provision of the Indenture in connection with any Limited Condition Transaction and any actions or transactions related thereto (including acquisitions, Investments, the incurrence or issuance of Indebtedness, Disqualified Stock or Preferred Stock and the use of proceeds thereof, the incurrence of Liens, repayments and Restricted Payments), in each case, at the option of the Parent (the Parent's election to exercise such option, an "**LCT Election**"), the date of determination for availability under any such basket or ratio and whether any such action or transaction is permitted (or any requirement or condition therefor is complied with or satisfied (including as to the absence of any continuing Default or Event of Default)) under the Indenture shall be deemed to be the date (the "**LCT Test Date**") that the definitive documentation for such Limited Condition Transaction is entered into (or, if applicable, the date of delivery of a binding offer, a "certain funds" tender offer, an irrevocable notice, a declaration of a Restricted Payment or a similar event), and if, after giving pro forma effect to the Limited Condition Transaction and any actions or transactions related thereto (including acquisitions, Investments, the incurrence or issuance of Indebtedness, Disqualified Stock or Preferred Stock and the use of proceeds thereof, the incurrence of Liens, repayments and Restricted Payments) and any related pro forma adjustments, the Parent or any of its Restricted Subsidiaries would have been permitted to take such actions or consummate such transactions on the relevant LCT Test Date in compliance with such ratio, test or basket (and any related requirements and conditions), such ratio, test or basket (and any related requirements and conditions) shall be deemed to have been complied with (or satisfied) for all purposes (in the case of Indebtedness, for example, whether such Indebtedness is committed, issued or incurred at the LCT Test Date or at any time thereafter); *provided* that (a) if financial statements for one or more subsequent fiscal quarters shall have become available, the Parent may elect, in its sole discretion, to re-determine all such ratios, tests or baskets on the basis of such financial statements, in which case, such date of redetermination shall thereafter be deemed to be the applicable LCT Test Date for purposes of such ratios, tests or baskets, and (b) except as contemplated in the foregoing clause (a), compliance with such ratios, tests or baskets (and any related requirements and conditions) shall not be determined or tested at any time after the applicable LCT Test Date for such Limited Condition Transaction and any actions or transactions related thereto (including acquisitions, Investments, the incurrence or issuance of Indebtedness, Disqualified Stock or Preferred Stock and the use of proceeds thereof, the incurrence of Liens, repayments and Restricted Payments).

For the avoidance of doubt, if the Parent has made an LCT Election, (1) if any of the ratios, tests or baskets for which compliance was determined or tested as of the LCT Test Date would at any time after the LCT Test Date have been exceeded or otherwise failed to have been complied with as a result of fluctuations in any such ratio, test or basket, including due to fluctuations in Consolidated EBITDA of the Parent or the Person subject to such Limited Condition Transaction, such baskets, tests or ratios will not be deemed to have been exceeded or failed to have been complied with as a result of such fluctuations; (2) if any related requirements and conditions (including as to the absence of any continuing Default or Event of Default) for which compliance or satisfaction was determined or tested as of the LCT Test Date would at any time after the LCT Test Date not have been complied with or satisfied (including due to the occurrence or continuation of an Default or Event of Default), such requirements and conditions will not be deemed to have been failed to be complied with or satisfied (and such Default or Event of Default shall be deemed not to have occurred or be continuing); and (3) in calculating the availability under any ratio, test or basket in connection with any action or transaction unrelated to such Limited Condition Transaction following the relevant LCT Test Date and prior to the earlier of the date on which such Limited Condition Transaction is consummated or the date that the Definitive Agreement or date for redemption, purchase or repayment specified in an irrevocable notice for such Limited Condition Transaction is terminated, expires or passes, as applicable, without consummation of such Limited Condition Transaction, any such ratio, test or basket shall be determined or tested giving pro forma effect to such Limited Condition Transaction.

Additional Notes Guarantees

The Parent will not cause or permit any of its Restricted Subsidiaries that are not Guarantors, other than the Issuer, directly or indirectly, to Guarantee any Indebtedness under the Senior Credit Facilities Agreement (or other Indebtedness that is Incurred under clause (1) of the second paragraph of the covenant described under "*—Limitation on Indebtedness*"), in whole or in part unless, in each case, such Restricted Subsidiary becomes a Guarantor on the date on which such other Guarantee is Incurred and, if applicable, executes and delivers to the Trustee a supplemental indenture in the form attached to the Indenture pursuant to which such Restricted Subsidiary will provide a Notes Guarantee, which Notes Guarantee will be subordinated to or *pari passu* with such Restricted Subsidiary's Guarantee of such other Indebtedness.

A Restricted Subsidiary that is not a Guarantor may become a Guarantor if it executes and delivers to the Trustee a supplemental indenture in the form attached to the Indenture pursuant to which such Restricted Subsidiary will provide a Notes Guarantee.

Each additional Notes Guarantee will be limited as necessary to recognize certain defenses generally available to guarantors (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, thin capitalization, distributable reserves, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law.

Notwithstanding the foregoing, the Parent shall not be obligated to cause any Restricted Subsidiary to Guarantee the Notes or provide security to the extent and for so long as the Incurrence of such Guarantee could reasonably be expected to give rise to or result in: (1) any violation of applicable law or regulation; (2) any liability for the officers, directors or (except in the case of a Restricted Subsidiary that is a partnership) shareholders of such Restricted Subsidiary (or, in the case of a Restricted Subsidiary that is a partnership, directors or shareholders of the partners of such partnership); (3) any cost, expense, liability or obligation (including with respect to any Taxes) other than reasonable out-of-pocket expenses and other than reasonable expenses incurred in connection with any governmental or regulatory filings required as a result of, or any measures pursuant to clause (1) of this paragraph undertaken in connection with, such Guarantee, which in any case under any of clauses (1), (2) and (3) of this paragraph cannot be avoided through measures reasonably available to the Parent or a Restricted Subsidiary; or (4) an inconsistency with the Intercreditor Agreement or the Agreed Security Principles.

Impairment of Security Interest

The Parent shall not, and shall not permit any Restricted Subsidiary to, take or omit to take any action that would have the result of materially impairing the security interest with respect to the Collateral (it being understood that the Incurrence of Permitted Collateral Liens, or the confirmation or affirmation of security interests in respect of the Collateral, shall under no circumstances be deemed to materially impair the security interest with respect to the Collateral) for the benefit of the Trustee and the Holders, and the Parent shall not, and shall not permit any Restricted Subsidiary to, grant to any Person other than the Security Agent, for the benefit of the Trustee and the Holders and the other beneficiaries described in the Security Documents, any Lien over any of the Collateral that is prohibited by the covenant entitled "*—Limitation on Liens*"; *provided*, that the Parent and its Restricted Subsidiaries may Incur any Lien over any of the Collateral that is not prohibited by the covenant entitled "*—Limitation on Liens,*" including Permitted Collateral Liens, and the Collateral may be discharged, transferred or released in any circumstances not prohibited by the Indenture, the Intercreditor Agreement or the applicable Security Documents.

Notwithstanding the above, nothing in this covenant shall restrict the discharge and release of any Lien in accordance with the Indenture and the Intercreditor Agreement. Subject to the foregoing, the Security Documents may be amended, extended, renewed, restated, supplemented or otherwise modified or released (followed by an immediate retaking of a Lien of at least equivalent ranking over the same assets) to (i) cure any ambiguity, omission, defect or inconsistency therein; (ii) provide for Permitted Collateral Liens; (iii) add to the Collateral; or (iv) make any other change thereto that does not adversely affect the Holders in any material respect; *provided, however*, that, (except where permitted by the Indenture or the Intercreditor Agreement or to effect or facilitate the creation of Permitted Collateral Liens for the benefit of the Security Agent and holders of other Indebtedness Incurred in accordance with the Indenture), no Security Document may be amended, extended, renewed, restated or otherwise modified or released (followed by an immediate retaking of a Lien of at least equivalent ranking over the same assets), unless contemporaneously with such amendment, extension, renewal, restatement or modification or release (followed by an immediate retaking of a Lien of at least equivalent ranking over the same assets), the Parent delivers to the Security Agent and the Trustee, either (1) a solvency opinion, in form and substance reasonably satisfactory to the Security Agent and the Trustee, from an Independent Financial Advisor or appraiser or investment bank which confirms the solvency of the Parent and its Subsidiaries, taken as a whole, after giving effect to any transactions related to such amendment, extension, renewal, restatement, modification or release (followed by an immediate retaking of a Lien of at least equivalent ranking over the same assets), (2) a certificate from the chief financial officer or the Board of Directors of the relevant Person which confirms the solvency of the person granting any such Lien after giving effect to any transactions related to such amendment, extension, renewal, restatement, modification or replacement, or (3) an opinion of counsel (subject to any qualifications customary for this type of opinion of counsel), in form and substance reasonably satisfactory to the Trustee, confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or release (followed by an immediate retaking of a lien of at least equivalent ranking over the same assets), the Lien or Liens created under the Security Document, so amended, extended, renewed, restated, modified or released and replaced are valid and perfected Liens not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such Lien or Liens were not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, modification or replacement and to which the new Indebtedness secured by the Permitted Collateral Lien is not subject.

In the event that the Parent and its Restricted Subsidiaries comply with the requirements of this covenant, the Trustee and the Security Agent shall (subject to customary protections and indemnifications) consent to such actions without the need for instructions from the Holders.

Lines of Business

The Parent will not, and will not permit any Restricted Subsidiary to, engage in any business other than a Similar Business, except to such extent as would not be material to the Parent and its Restricted Subsidiaries, taken as a whole.

Suspension of Covenants on Achievement of Investment Grade Status

If on any date following the Issue Date, the Notes have achieved Investment Grade Status and no Default or Event of Default has occurred and is continuing (a "**Suspension Event**"), then, beginning on that day and continuing until the Reversion Date, the provisions of the Indenture summarized under the following captions will not apply to such Notes: "*—Limitation on Restricted Payments*," "*—Limitation on Indebtedness*," "*—Limitation on Restrictions on Distributions from Restricted Subsidiaries*," "*—Limitation on Affiliate Transactions*," "*—Limitation on Asset Dispositions*," "*—Additional Notes Guarantees*," "*—Lines of Business*," and the provisions of clause (3) of the first paragraph of the covenant described under "*—Merger and Consolidation—The Parent and the Issuer,*" and, in each case, any related default provision of the Indenture (the "**Suspended Covenants**") will cease to be effective and will not be applicable to the Parent and its Restricted Subsidiaries. Such covenants and any related default provisions will again apply according to their terms from the first day on which a Suspension Event ceases to be in effect. Such covenants will not, however, be of any effect with regard to actions of the Parent properly taken during the continuance of the Suspension Event, and the "*—Limitation on Restricted Payments*" covenant will be interpreted as if it had been in effect since the date of such Indenture except that no default will be deemed to have occurred solely by reason of a Restricted Payment made while that covenant was suspended. On the Reversion Date, all Indebtedness Incurred during the continuance of the Suspension Event will be classified, at the Parent's option, as having been Incurred pursuant to the first paragraph of the covenant described under "*—Limitation on Indebtedness*" or one of the clauses set forth in the second paragraph of such covenant (to the extent such Indebtedness would be permitted to be Incurred thereunder as of the Reversion Date and after giving effect to Indebtedness Incurred prior to the Suspension Event and outstanding on the Reversion Date). To the extent such Indebtedness would not be so permitted to be incurred under the first two paragraphs of the covenant described under "*—Limitation on Indebtedness*," such Indebtedness will be deemed to have been outstanding on the Issue Date, so that it is classified as permitted under clause (4)(b) of the second paragraph of the covenant described under "*—Limitation on Indebtedness*." In addition, on the Reversion Date, (1) any Affiliate Transaction entered into after the Reversion Date pursuant to an agreement entered into during the continuance of the Suspension Event shall be deemed to be permitted pursuant to clause (6) of the second paragraph of the covenant described under "*—Limitation on Affiliate Transactions*" and (2) any encumbrance or restriction on the ability of any Restricted Subsidiary that is not a Guarantor to take any action described in clauses (1) through (3) of the first paragraph of the covenant described under "*—Limitation on Restrictions on Distributions from Restricted Subsidiaries*" that becomes effective during the continuance of the Suspension Event shall be deemed to be permitted pursuant to clause (1)(b) of the second paragraph of the covenant described under "*—Limitation on Restrictions on Distributions from Restricted Subsidiaries*."

The Parent shall notify the Trustee that the conditions under this covenant have been satisfied, although such notification shall not be a condition for the suspension of the covenants set forth above to be effective. The Trustee shall not be obliged to notify Holders of such event.

Notwithstanding that the Suspended Covenants may be reinstated after the Reversion Date, (1) no Default, Event of Default or breach of any kind will be deemed to exist under the Indenture, the Notes or the Notes Guarantees with respect to the Suspended Covenants, and none of the Parent or any of its Subsidiaries shall bear any liability for any actions taken or events occurring during the continuance of the Suspension Event, or any actions taken at any time pursuant to any contractual obligation arising during the continuance of the Suspension Event, in each case as a result of a failure to comply with the Suspended Covenants during the continuance of the Suspension Event (or, upon termination of the Suspension Event or after that time based solely on any action taken or event that occurred during the continuance of the Suspension Event), and following a Reversion Date, the Parent and each Restricted Subsidiary will be permitted, without causing a Default or Event of Default, to honor, comply with or otherwise perform any contractual commitments or obligations arising during the continuance of the Suspension Event and to consummate the transactions contemplated thereby.

Events of Default

Each of the following is an Event of Default under the Indenture:

(1) default in any payment of interest or Additional Amounts, if any, on any Note when due and payable, continued for 30 days;

(2) default in the payment of the principal amount of or premium, if any, on any Note issued under the Indenture when due at its Stated Maturity, upon optional redemption, upon required repurchase, upon declaration or otherwise;

(3) failure to comply for 30 days after written notice by the Trustee on behalf of the Holders or by the Holders of at least 30% in aggregate principal amount of the outstanding Notes with any of the Issuer's or the Parent's obligations under the covenants described under "*—Change of Control*" above or under the covenants described under "*—Certain Covenants*" above (in each case, other than a failure to purchase Notes which will constitute an Event of Default under clause (2) above);

(4) failure by the Parent or any of its Restricted Subsidiaries to comply for 60 days after written notice by the Trustee on behalf of the Holders or by the Holders of at least 30% in aggregate principal amount of the outstanding Notes with its other agreements contained in the Indenture;

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Parent or any of its Restricted Subsidiaries (or the payment of which is Guaranteed by the Parent or any of its Restricted Subsidiaries) other than Indebtedness owed to the Parent or a Restricted Subsidiary whether such Indebtedness or Guarantee now exists, or is created after the date hereof, which default:

    (a) is caused by a failure to pay principal at Stated Maturity on such Indebtedness, immediately upon the expiration of the grace period provided in such Indebtedness ("**payment default**"); or

    (b) results in the acceleration of such Indebtedness prior to its maturity (the "**cross acceleration provision**");

    and, in each case, the aggregate principal amount of any such Indebtedness is €50 million or more;

(6) certain events of bankruptcy, insolvency or court protection of the Parent, the Issuer or a Significant Subsidiary or group of Restricted Subsidiaries that, taken together (as of the latest audited consolidated financial statements for the Parent and its Restricted Subsidiaries), would constitute a Significant Subsidiary (the "**bankruptcy provisions**");

(7) failure by the Parent, the Issuer or any Significant Subsidiary or group of Restricted Subsidiaries that, taken together (as of the latest audited consolidated financial statements for the Parent and its Restricted Subsidiaries), would constitute a Significant Subsidiary to pay final judgments aggregating in excess of €50 million (exclusive of any amounts that a solvent insurance company has acknowledged liability for), which judgments are not paid, discharged or stayed for a period of 60 days after the judgment becomes final and due (the "**judgment default provision**");

(8) any security interest under the Security Documents on any Collateral having a fair market value in excess of €50 million shall, at any time, cease to be in full force and effect (other than in accordance with the terms of the relevant Security Document, the Intercreditor Agreement and the Indenture) for any reason other than the satisfaction in full of all obligations under the Indenture or the release or amendment of any such security interest in accordance with the terms of the Indenture, the Intercreditor Agreement or such Security Document or any such security interest created thereunder shall be declared invalid or unenforceable or the Parent or any Restricted Subsidiary shall assert in writing that any such security interest is invalid or unenforceable and any such Default continues for 10 days (the "**security default provision**"); and

(9) any Notes Guarantee of the Parent or a Significant Subsidiary ceases to be in full force and effect (other than in accordance with the terms of such Notes Guarantee or the Indenture) or is declared invalid or unenforceable in a judicial proceeding or any Guarantor denies or disaffirms in writing its obligations under its Notes Guarantee and any such Default continues for 10 days (the "**guarantee default provision**").

However, a default under clauses (3), (4), (5) or (7) of this paragraph will not constitute an Event of Default until the Trustee or the Holders of at least 30% in aggregate principal amount of the outstanding Notes notify the Parent (and, in the case of notice from the Holders, the Trustee) of the default and, with respect to clauses (3), (4), (5) and (7), the Parent does not cure such default within the time specified in clauses (3), (4), (5) or (7), as applicable, of this paragraph after receipt of such notice.

If an Event of Default (other than an Event of Default described in clause (6) above) occurs and is continuing, the Trustee by notice to the Parent or the Holders of at least 30% in aggregate principal amount of the outstanding Notes by written notice to the Parent and the Trustee, may, and the Trustee at the request of such Holders shall, declare the principal of, premium, if any, and accrued and unpaid interest, including Additional Amounts, if any, on all the Notes to be due and payable. Upon such a declaration, such principal, premium and accrued and unpaid interest, including Additional Amounts, if any, will be due and payable immediately. In the event of a declaration of acceleration of the Notes because an Event of Default described in clause (5) under "Events of Default" has occurred and is continuing, the declaration of acceleration of the Notes shall be automatically annulled if the event of default or payment default triggering such Event of Default pursuant to clause (5) shall be remedied or cured, or waived by the holders of the Indebtedness, or the Indebtedness that gave rise to such Event of Default shall have been discharged in full, within 30 days after the declaration of acceleration with respect thereto and if (1) the annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, except nonpayment of principal, premium or interest, including Additional Amounts, if any, on the Notes that became due solely because of the acceleration of the Notes, have been cured or waived.

If an Event of Default described in clause (6) above occurs and is continuing, the principal of, premium, if any, and accrued and unpaid interest, including Additional Amounts, if any, on all the Notes will become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holders.

The Holders of a majority in aggregate principal amount of the outstanding Notes under the Indenture may waive all past or existing Defaults or Events of Default (except with respect to nonpayment of principal, premium or interest, or Additional Amounts, if any, which may only be waived with the consent of the Holders of at least 90% of the principal amount of the Notes then outstanding) and rescind any such acceleration with respect to such Notes and its consequences if rescission would not conflict with any judgment or decree of a court of competent jurisdiction.

Subject to the provisions of the Indenture relating to the duties of the Trustee, if an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee indemnity and/or security and/or cost and fee cover satisfactory to the Trustee against any losses, liabilities, fees or expenses which might be incurred by it in compliance with such request or direction. Except to enforce the right to receive payment of principal or interest when due, no Holder may pursue any remedy with respect to the Indenture or the Notes unless:

(1) such Holder has previously given the Trustee written notice that an Event of Default is continuing;

(2) Holders of at least 30% in aggregate principal amount of the outstanding Notes have requested in writing the Trustee to pursue the remedy;

(3) such Holders have offered in writing the Trustee security and/or indemnity and/or cost and fee cover satisfactory to it against any losses, liabilities, fees or expenses;

(4) the Trustee has not complied with such request within 60 days after the receipt of the written request and the offer of security and/or indemnity and/or cost and fee cover; and

(5) the Holders of a majority in aggregate principal amount of the outstanding Notes have not given the Trustee a written direction that is inconsistent with such request within such 60-day period.

Subject to certain restrictions, the Holders of a majority in aggregate principal amount of the outstanding Notes are given the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Indenture will provide that, in the event an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by the Indenture, and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that the Trustee determines is unduly prejudicial to the rights of any other Holder or that would involve the Trustee in personal liability. Prior to taking any action under the Indenture, the Trustee will be entitled to indemnification and/or security and/or cost and fee cover satisfactory to it against all losses, liabilities, fees and expenses caused or incurred by taking or not taking such action.

The Indenture will provide that if a Default occurs and is continuing and written notice of such occurrence is received by a trust officer of the Trustee from the Parent, the Trustee must give notice of the Default to the Holders within 60 days after being notified by the Parent. Except in the case of a Default in the payment of principal of, or premium, if any, or interest on any Note, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors or trust officers of the Trustee in good faith determines that withholding notice is in the interests of the Holders. The Parent is required to deliver to the Trustee, within 120 days after the end of each fiscal year, an Officer's Certificate indicating whether the signers thereof know of any Default that occurred during the previous year. The Parent is required to deliver to the Trustee, within 30 days after the occurrence thereof, written notice of any events of which it is aware which would constitute certain Defaults, their status and what action the Parent is taking or proposes to take in respect thereof.

The Indenture will provide for the Trustee to take action on behalf of the Holders in certain circumstances, but only if the Trustee is indemnified and/or secured and/or compensated to its satisfaction. It may not be possible for the Trustee to take certain actions in relation to the Notes and, accordingly, in such circumstances the Trustee will be unable to take action, notwithstanding the provision of an indemnity, security and/or cost or fee cover to it, and it will be for Holders to take action directly.

Holders may not enforce the Indenture or the Notes except as provided in the Indenture and may not enforce the Security Documents except as provided in such Security Documents and the Intercreditor Agreement or any Additional Intercreditor Agreement.

Amendments and Waivers

Subject to certain exceptions, the Note Documents may be amended, supplemented or otherwise modified with the consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding (including consents obtained in connection with a purchase of, or tender offer or exchange offer for, such Notes) and, subject to certain exceptions, any default or compliance with any provisions thereof may be waived with the consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding (including consents obtained in connection with a purchase of, or tender offer or exchange offer for, such Notes); *provided* that, if any amendment, waiver or other modification will only amend, waive or modify one series of the Notes, only the consent of a majority in aggregate principal amount of the then outstanding Notes of such series so amended, waived or modified shall be required. However, without the consent of Holders holding not less than 90% of the then outstanding aggregate principal amount of Notes (including consents obtained in connection with a purchase of, or tender offer or exchange offer for the Notes), or if any amendment, waiver or other modification will only amend, waive or modify one series of the Notes, without the consent of Holders holding not less than 90% of the then outstanding aggregate principal amount of Notes of such series so amended, waived or modified, an amendment, waiver or modification may not (with respect to any Notes held by a non-consenting Holder) amend, waive or modify the terms of the Indenture or the Notes to:

(1) reduce the principal amount of such Notes whose Holders must consent to an amendment;

(2) reduce the stated rate of or extend the stated time for payment of interest on any such Note;

(3) reduce the principal of or extend the Stated Maturity of any such Note;

(4) reduce the premium payable upon the redemption of any such Note or change the time at which any such Note may be redeemed, in each case as described above under "*—Optional Redemption*";

(5) make any such Note payable in money other than that stated in such Note;

(6) amend the contractual right of any Holder to institute suit for the payment of principal or interest on or with respect to such Holder's Notes on or after the due dates thereof;

(7) make any change in the provision of the Indenture described under "*—Withholding Taxes*" that adversely affects the right of any Holder of such Notes in any material respect or amends the terms of such Notes in a way that would result in a loss of an exemption from any of the Taxes described thereunder or an exemption from any obligation to withhold or deduct Taxes so described thereunder unless the Payor agrees to pay Additional Amounts, if any, in respect thereof;

(8) release (i) the security interest granted for the benefit of the Holders in the Collateral or (ii) any Notes Guarantee, in each case, other than pursuant to the terms of the Security Document or the Indenture, as applicable, except as permitted by the Intercreditor Agreement or any Additional Intercreditor Agreement;

(9) waive a Default or Event of Default with respect to the nonpayment of principal, premium or interest (except pursuant to a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of such Notes and a waiver of the payment default that resulted from such acceleration); or

(10) make any change in the amendment or waiver provisions which require the Holders' consent described in this sentence.

Notwithstanding the foregoing, without the consent of any Holder, the Issuer, the Trustee and the other parties thereto, as applicable, may amend or supplement any Note Documents to:

(1) cure any ambiguity, omission, defect, mistake, error or inconsistency, conform any provision to this "*Description of the Notes*," or reduce the minimum denomination of the Notes;

(2) provide for the assumption by a successor Person of the obligations of the Issuer or any Guarantor under any Note Document;

(3) provide for uncertificated Notes in addition to or in place of certificated Notes (provided that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Notes are described in Section 4701(b)(1)(B) of the Code);

(4) add to the covenants or provide for a Notes Guarantee for the benefit of the Holders or surrender any right or power conferred upon the Parent or any Restricted Subsidiary;

(5) make any change that does not adversely affect the rights of any Holder in any material respect;

(6) make such provisions as necessary (as determined in good faith by an Officer or the Board of Directors of the Parent) for the issuance of Additional Notes;

(7) to provide for any Restricted Subsidiary to provide a Notes Guarantee in accordance with the Covenant described under "*—Certain Covenants—Limitation on Indebtedness*" and "*—Certain Covenants—Additional Notes Guarantees*," to add Notes Guarantees with respect to the Notes, to add security to or for the benefit of the Notes, or to confirm and evidence the release, termination, discharge or retaking of any Notes Guarantee or Lien (including the Collateral and the Security Documents) with respect to or securing the Notes when such release, termination, discharge or retaking is provided for under the Indenture, the Intercreditor Agreement or the Security Documents;

(8) to evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee pursuant to the requirements thereof or to provide for the accession by the Trustee or the Security Agent to any Note Document;

(9) in the case of the Security Documents, to mortgage, pledge, hypothecate or grant a security interest in favor of the Security Agent for the benefit of parties to the Senior Credit Facilities Agreement, in any property which is required by the Senior Credit Facilities Agreement (as in effect on the Issue Date) to be mortgaged, pledged or hypothecated, or in which a security interest is required to be granted to the Security Agent, or to the extent necessary to grant a security interest for the benefit of any Person; provided that the granting of such security interest is not prohibited by the Indenture and the covenant described under "*—Certain Covenants—Impairment of Security Interest*" is complied with;

(10) to provide for the release or addition of collateral or Notes Guarantees in accordance with the terms of the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents; or

(11) to add any Super Priority Indebtedness, Pari Passu Indebtedness or other Indebtedness or obligations to any Security Documents to the extent permitted by the Indenture.

In formulating its decisions on such matters, the Trustee shall be entitled to receive and rely on such evidence as it deems appropriate including Officer's Certificates and Opinions of Counsel.

The consent of the Holders is not necessary under the Indenture to approve the particular form of any proposed amendment of any Note Document. It is sufficient if such consent approves the substance of the proposed amendment. A consent to any amendment or waiver under the Indenture by any Holder of Notes given in connection with a tender of such Holder's Notes will not be rendered invalid by such tender.

Acts by Holders

In determining whether the Holders of the required aggregate principal amount of the Notes have concurred in any direction, waiver or consent, any Notes owned by the Parent or by any Subsidiary or any Holding Company will be disregarded and deemed not to be outstanding.

Defeasance

The Issuer at any time may terminate all its and each Guarantor's obligations under any series of the Notes and the Indenture ("**legal defeasance**") and cure all then existing Defaults and Events of Default, except for certain obligations, including those respecting the defeasance trust, the rights, powers, trusts, duties, immunities and indemnities of the Trustee and the obligations of the Issuer in connection therewith and obligations concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust. Subject to the foregoing, if the Issuer exercises its legal defeasance option, the Security Documents in effect at such time will terminate (other than with respect to the defeasance trust).

The Issuer at any time may terminate its and the Guarantor's obligations under the covenants described under "*—Certain Covenants*" (other than with respect to clauses (1) and (2) of the covenant described under "*—Certain Covenants—Merger and Consolidation—The Parent and the Issuer*" and clause (a), (b) and (c) of the covenant described under "*—Certain Covenants—Merger and Consolidation—Guarantors*") and "*—Change of Control*" and default provisions relating to such covenants described under "*—Events of Default*" above, the operation of the cross-default upon a payment default, the cross acceleration provisions, the bankruptcy provisions with respect to the Parent and its Significant Subsidiaries, the judgment default provision, the guarantee default provision and the security default provision described under "*—Events of Default*" above ("**covenant defeasance**").

The Issuer at its option at any time may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option. If the Issuer exercises its legal defeasance option, payment of the applicable series of Notes may not be accelerated because of an Event of Default with respect to such Notes. If the Issuer exercises its covenant defeasance option with respect to any series of the Notes, payment of such Notes may not be accelerated because of an Event of Default specified in clause (3) (other than with respect to clauses (1) and (2) of the covenant described under "*—Certain Covenants—Merger and Consolidation—The Parent and the Issuer*" and clauses (a), (b), (c) of the covenant described under "*—Certain Covenants—Merger and Consolidation—Guarantors*"), (4), (5), (6), (7), (8) or (9) under "*—Events of Default*" above.

In order to exercise either defeasance option, the Issuer must irrevocably deposit in trust (the "**defeasance trust**") with the Trustee (or such entity designated or appointed (as agent) by the Trustee for this purpose) cash in euros or euro-denominated European Government Obligations or a combination thereof (with respect to the Notes and any other Notes denominated in euro) and cash, Other Government Obligations or a combination thereof in the currency or currencies in which any other Notes are denominated (with respect to any Notes denominated in any currency other than euro), as applicable, for the payment of principal, premium, if any, and interest on the applicable series of Notes to redemption or maturity, as the case may be, and must comply with certain other conditions, including delivery to the Trustee of:

(1) an Opinion of Counsel from United States counsel to the effect that Holders of the applicable Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such deposit and defeasance and will be subject to U.S. federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred (and in the case of legal defeasance only, such Opinion of Counsel from United States counsel must be based on a ruling of the U.S. Internal Revenue Service or other change in applicable U.S. federal income tax law since the issuance of the applicable series of Notes);

(2) an Officer's Certificate stating that the deposit was not made by the Issuer with the intent of defeating, hindering, delaying, defrauding or preferring any creditors of the Issuer;

(3) an Officer's Certificate and an Opinion of Counsel (which opinion of counsel may be subject to customary assumptions and exclusions), each stating that all conditions precedent provided for or relating to legal defeasance or covenant defeasance, as the case may be, have been complied with or satisfied;

(4) an Opinion of Counsel to the effect that the trust resulting from the deposit does not constitute, or is qualified as, a regulated investment company under the U.S. Investment Company Act of 1940; and

(5) all other documents or other information that the Trustee may reasonably require in connection with either defeasance option.

Satisfaction and Discharge

The Indenture and the rights of the Trustee and the Holders under the Security Documents will be discharged and cease to be of further effect (except as to surviving rights of conversion or transfer or exchange of the Notes, as expressly provided for in the Indenture) as to all outstanding Notes when (1) either (a) all the Notes previously authenticated and delivered (other than certain lost, stolen or destroyed Notes and certain Notes for which provision for payment was previously made and thereafter the funds have been released to the Issuer) have been delivered to the Trustee for cancellation; or (b) all Notes not previously delivered to the Trustee for cancellation (i) have become due and payable, (ii) will become due and payable at their Stated Maturity within one year or (iii) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Issuer; (2) the Issuer has deposited or caused to be deposited with the Trustee (or such entity designated or appointed (as agent) by the Trustee for this purpose) cash in euros or euro-denominated European Government Obligations or a combination thereof (with respect to the Notes and any other Notes denominated in euro) and cash, Other Government Obligations or a combination thereof in the currency or currencies in which any other Notes are denominated (with respect to any Notes denominated in any currency other than euro), as applicable, in an amount sufficient to pay and discharge the entire indebtedness on the Notes not previously delivered to the Trustee for cancellation, for principal, premium, if any, and interest to the date of deposit (in the case of Notes that have become due and payable), or to the Stated Maturity or redemption date, as the case may be; (3) the Issuer has paid or caused to be paid all other sums payable under the Indenture; (4) the Issuer has delivered irrevocable instructions under the Indenture to apply the deposited money towards payment of the Notes at maturity or on the redemption date, as the case may be; and (5) the Issuer has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel each to the effect that all conditions precedent under the "*—Satisfaction and Discharge*" section of the Indenture relating to the satisfaction and discharge of the Indenture have been complied with or satisfied, provided that any such counsel may rely on any Officer's Certificate as to matters of fact (including as to compliance with the foregoing clauses (1), (2) and (3)).

No Personal Liability of Directors, Officers, Employees and Shareholders

No director, officer, employee, incorporator or shareholder of the Issuer, the Parent or any of their Subsidiaries or Affiliates, as such, shall have any liability for any obligations of the Issuer or any Guarantor or any of their Subsidiaries under the Note Documents or Security Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. Such waiver may not be effective to waive liabilities under the U.S. federal securities laws and it is the view of the SEC that such a waiver is against public policy.

Concerning the Trustee and Certain Agents

BNY Mellon Corporate Trust Services Limited is to be appointed as Trustee under the Indenture. The Indenture will provide that, except during the continuance of an Event of Default, the Trustee will perform such duties and only such duties as are set forth specifically in such Indenture, and no implied covenants or obligations shall be read into the Indenture against the Trustee. If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by the Indenture and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs. The permissive rights of the Trustee to take or refrain from taking any action enumerated in the Indenture will not be construed as an obligation or duty.

The Indenture will set out the terms under which the Trustee may retire or be removed, and replaced. Such terms will include, among others, (1) that the Trustee may be removed at any time by the Holders of a majority in principal amount of the then outstanding Notes, or may resign at any time by giving written notice to the Issuer and (2) that if the Trustee at any time (a) has or acquires a conflict of interest that is not eliminated or (b) becomes incapable of acting as Trustee or becomes insolvent or bankrupt, then the Issuer may remove the Trustee, or any Holder who has been a *bona fide* Holder for not less than 6 months may petition any court for removal of the Trustee and appointment of a successor Trustee.

Any removal or resignation of the Trustee shall not become effective until the acceptance of appointment by the successor Trustee.

The Indenture will contain provisions for the indemnification of the Trustee for any losses, damages, claims, liabilities, taxes and expenses incurred without negligence, willful misconduct or bad faith on its part, arising out of or in connection with the acceptance or administration of the Indenture. Each of the Trustee and the Security Agent shall be entitled to rely solely and conclusively on any Officer’s Certificate in formulating its opinion or in taking any action (including, without limitation, release of a Notes Guarantee or Collateral) under the Indenture, and may rely on such Officer’s Certificate without need for investigation or verification (including for the avoidance of doubt the receipt of Opinions of Counsel), except as may otherwise be expressly required under the terms of the Indenture.

Notices

All notices to Holders of Notes will be validly given if mailed to them at their respective addresses in the register of the Holders, if any, maintained by the Registrar. In addition, for so long as any of the Notes are listed on the Official List of the Exchange and if and for so long as the rules of the Authority shall so require, the Issuer will notify the Authority of any notice with respect to the Notes. In addition, for so long as any Notes are represented by Global Notes, all notices to Holders will be delivered to Euroclear and Clearstream, each of which will give such notices to the holders of Book-Entry Interests.

Each such notice shall be deemed to have been given on the date of such publication or, if published more than once on different dates, on the first date on which publication is made; *provided* that, if notices are mailed, such notice shall be deemed to have been given on the later of such publication and the seventh day after being so mailed. Any notice or communication mailed to a Holder shall be mailed to such Person by first-class mail or other equivalent means and shall be sufficiently given to such Holder if so mailed within the time prescribed. Failure to send a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

Prescription

Claims against the Issuer or any Guarantor for the payment of principal, or premium, if any, on the Notes or any Notes Guarantee will be prescribed five years after the applicable due date for payment thereof. Claims against the Issuer for the payment of interest on the Notes will be prescribed three years after the applicable due date for payment of interest.

Currency Indemnity and Calculation of Euro-Denominated Restrictions

The euro is the sole currency of account and payment for all sums payable by the Issuer and the Guarantors under or in connection with the Euro Notes and the relevant Notes Guarantees, as the case may be, including damages (the "**Required Currency**"). Any amount received or recovered in a currency other than the Required Currency, whether as a result of, or the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer, any Guarantor or otherwise by any Holder or by the Trustee, in respect of any sum expressed to be due to it from the Issuer or a Guarantor will only constitute a discharge to the Issuer or such Guarantor, as applicable, to the extent of the amount of the Required Currency which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

If that amount of Required Currency is less than the amount of Required Currency expressed to be due to the recipient or the Trustee under any Note, the Issuer and the Guarantors will indemnify them against any loss sustained by such recipient or the Trustee as a result. In any event, the Issuer and the Guarantors will indemnify the recipient or the Trustee on a joint or several basis against the cost of making any such purchase. For the purposes of this currency indemnity provision, it will be *prima facie* evidence of the matter stated therein for the Holder of a Note or the Trustee to certify in a manner reasonably satisfactory to the Issuer (indicating the sources of information used) the loss it Incurred in making any such purchase. These indemnities constitute a separate and independent obligation from the Issuer's and the Guarantors' other obligations, will give rise to a separate and independent cause of action, will apply irrespective of any waiver granted by any Holder of a Note or the Trustee (other than a waiver of the indemnities set out herein) and will continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note, any Notes Guarantee or to the Trustee.

Except as otherwise specifically set forth herein, for purposes of determining compliance with any euro-denominated restriction herein, the Euro Equivalent amount for purposes hereof that is denominated in a non-euro currency shall be calculated based on the relevant currency exchange rate in effect on the date such non-euro amount is Incurred or made, as the case may be.

Enforceability of Judgments

Since, as of the Issue Date, substantially all the assets of the Issuer and the Guarantors are held by Subsidiaries located outside the United States, any judgment obtained in the United States against the Issuer or any Guarantor, including judgments with respect to the payment of principal, premium, if any, interest, Additional Amounts, if any, and any redemption price and any purchase price with respect to the Notes or the Notes Guarantees, may be difficult to collect in full within the United States.

Consent to Jurisdiction and Service

In relation to any legal action or proceedings arising out of or in connection with the Indenture and the Notes and the Notes Guarantees, the Issuer and each Guarantor will in the Indenture irrevocably submit to the jurisdiction of the federal and state courts in the Borough of Manhattan in the City of New York, County and State of New York, United States.

Governing Law

The Indenture and the Notes, including any Notes Guarantees, and the rights and duties of the parties thereunder will be governed by and construed in accordance with the laws of the State of New York.

Certain Definitions

"**Acquisition**" means the acquisition of Q-Park N.V. by Byzantium Acquisition B.V., which was completed on October 17, 2017, pursuant to the agreement for the sale and purchase of Q-Park N.V. between sellers named therein and Byzantium Acquisition B.V. as purchaser, dated June 12, 2017 and as further amended from time to time.

"**Acquired Indebtedness**" means Indebtedness (1) of a Person or any of its Subsidiaries existing at the time such Person becomes a Restricted Subsidiary, or (2) assumed in connection with the acquisition of assets from such Person, in each case whether or not Incurred by such Person in connection with such Person becoming a Restricted Subsidiary of the Parent or such acquisition or (3) of a Person at the time such Person merges with or into or consolidates or otherwise combines with the Parent or any Restricted Subsidiary. Acquired Indebtedness shall be deemed to have been Incurred, with respect to clause (1) of the preceding sentence, on the date such Person becomes a Restricted Subsidiary and, with respect to clause (2) of the preceding sentence, on the date of consummation of such acquisition of assets and, with respect to clause (3) of the preceding sentence, on the date of the relevant merger, consolidation or other combination.

"**Additional Assets**" means:

(1) any property or assets (other than Indebtedness and Capital Stock) used or to be used by the Parent, a Restricted Subsidiary or otherwise useful in a Similar Business (it being understood that capital expenditures on property or assets already used in Similar Business or to replace any property or assets that are the subject of such Asset Disposition shall be deemed an investment in Additional Assets);

(2) the Capital Stock of a Person that is engaged in a Similar Business and becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by the Parent or a Restricted Subsidiary of the Parent; or

(3) Capital Stock constituting a minority interest in any Person that at such time is a Restricted Subsidiary of the Parent.

"**Affiliate**" of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"**Agreed Security Principles**" means the Agreed Security Principles included in the Indenture, as applied in good faith by the Parent.

"**Applicable Premium**" means, with respect to any Note, the greater of:

(1) 1% of the principal amount of such Note; and

(2) (a) in the case of a 2025 Note, on any redemption date, the excess (to the extent positive) of:

(i) the present value at such redemption date of (x) the redemption price of such 2025 Note at March 1, 2022 (such redemption price (expressed in percentage of principal amount) being set forth in the table under "*—Optional Redemption*" (excluding accrued but unpaid interest)), plus (y) all required interest payments due on such 2025 Note to and including such date set forth in clause (x) (excluding accrued but unpaid interest), computed upon the redemption date using a discount rate equal to the Bund Rate at such redemption date plus 50 basis points (subject to a 0.0% floor); over

(ii) the outstanding principal amount of such 2025 Note,

(b) in the case of a 2027 Note, on any redemption date, the excess (to the extent positive) of:

(i) the present value at such redemption date of (x) the redemption price of such 2027 Note at March 1, 2023 (such redemption price (expressed in percentage of principal amount) being set forth in the table under "*—Optional Redemption*" (excluding accrued but unpaid interest)), plus (y) all required interest payments due on such 2027 Note to and including such date set forth in clause (x) (excluding accrued but unpaid interest), computed upon the redemption date using a discount rate equal to the Bund Rate at such redemption date plus 50 basis points (subject to a 0.0% floor); over

(ii) the outstanding principal amount of such 2027 Note,

(c) in the case of a Floating Rate Note, on any redemption date, the excess (to the extent positive) of:

(i) the present value at such redemption date of (x) the redemption price of such Floating Rate Note at March 1, 2021 (such redemption price (expressed in percentage of principal amount) being set forth in the table under "*—Optional Redemption*" (excluding accrued but unpaid interest)), plus (y) all required interest payments due on such Floating Rate Note to and including such date set forth in clause (x) (excluding accrued but unpaid interest), computed upon the redemption date using a discount rate equal to the Bund Rate at such redemption date plus 50 basis points (subject to a 0.0% floor), and assuming that the interest rate in effect throughout such period is equal to the interest rate applying to the Floating Rate Note on the date that is two Business Days before the date of the relevant redemption notice; over

(ii) the outstanding principal amount of such Floating Rate Note,

in each case, as calculated by the Parent or on behalf of the Parent by such Person as the Parent shall designate. Calculation of the Applicable Premium shall not be an obligation or duty of the Trustee, the Calculation Agent or any Paying Agent.

"**Asset Disposition**" means any direct or indirect sale, lease (other than an operating lease entered into in the ordinary course of business), transfer, issuance or other disposition, or a series of related sales, leases (other than operating leases entered into in the ordinary course of business), transfers, issuances or dispositions that are part of a common plan, of shares of Capital Stock of a Subsidiary (other than directors' qualifying shares), property or other assets (each referred to for the purposes of this definition as a "**disposition**") by the Parent or any of its Restricted Subsidiaries, including any disposition by means of a merger, consolidation or similar transaction. Notwithstanding the preceding provisions of this definition, the following items shall not be deemed to be Asset Dispositions:

(1) a disposition by a Restricted Subsidiary to the Parent or by the Parent or a Restricted Subsidiary to a Restricted Subsidiary;

(2) a disposition of cash, Cash Equivalents, Temporary Cash Investments or Investment Grade Securities;

(3) a disposition of inventory or other assets in the ordinary course of business;

(4) a disposition of obsolete, damaged, unnecessary, unsuitable, surplus or worn out equipment, inventory or other assets or equipment, inventory or other assets that are no longer useful in the conduct of the business of the Parent and its Restricted Subsidiaries (including the disposal, lapse or abandonment of intellectual property that it is no longer economically practicable to maintain or which is no longer required for the business of the Parent and its Restricted Subsidiaries);

(5) transactions permitted under "*—Certain Covenants—Merger and Consolidation*" or a transaction that constitutes a Change of Control;

(6) an issuance of Capital Stock by a Restricted Subsidiary to the Parent or to another Restricted Subsidiary or as part of or pursuant to an equity incentive or compensation plan approved by the Board of Directors of the Parent;

(7) any dispositions of Capital Stock, properties or assets in a single transaction or series of related transactions with a fair market value of less than €40 million or, if greater, 15.0% of Consolidated EBITDA;

(8) any Restricted Payment that is permitted to be made, and is made, under the covenant described above under "*—Certain Covenants—Limitation on Restricted Payments*" and the making of any Permitted Payment or Permitted Investment or, for purposes of clause (3) of the first paragraph under "*—Certain Covenants—Limitation on Asset Dispositions*," asset sales, the proceeds of which are used to make such Restricted Payments or Permitted Investments;

(9) dispositions in connection with Permitted Liens;

(10) dispositions of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings (exclusive of factoring or similar arrangements but, for the avoidance of doubt, including dealings with trade debtors with respect to book debts);

(11) the licensing or sub-licensing, leasing or assignment of intellectual property or other general intangibles and licenses, sub-licenses, assignments, leases, subleases or other dispositions of other property (including without limitation equipment or vehicles), in each case, in the ordinary course of business or consistent with industry practices;

(12) foreclosure, condemnation or any similar action with respect to any property or other assets;

(13) the sale or discount (with or without recourse, and on customary or commercially reasonable terms) of accounts receivable or notes receivable arising in the ordinary course of business, or the conversion or exchange of accounts receivable for notes receivable;

(14) any disposition of Capital Stock, Indebtedness, other securities or assets of an Unrestricted Subsidiary;

(15) any disposition of Capital Stock of a Restricted Subsidiary pursuant to an agreement or other obligation with or to a Person (other than the Parent or a Restricted Subsidiary) from whom such Restricted Subsidiary was acquired, or from whom such Restricted Subsidiary acquired its business and assets (having been newly formed in connection with such acquisition), made as part of such acquisition and in each case comprising all or a portion of the consideration in respect of such sale or acquisition;

(16) any surrender or waiver of contract rights or the settlement, release, recovery on or surrender of contract, tort or other claims of any kind (including any disposition of a loan in connection with a capitalization, forgiveness, waiver, release or other discharge of that loan);

(17) any disposition of assets to a Person who is providing services related to such assets, the provision of which have been or are to be outsourced by the Parent or any Restricted Subsidiary to such Person;

(18) any disposition with respect to assets built, owned or otherwise acquired by the Parent or any Restricted Subsidiary (together with any related rights and assets) pursuant to customary sale and lease-back transactions, asset securitizations and other similar financings permitted by the Indenture;

(19) sales or dispositions of receivables, bills of exchange and/or inventory, together with any related rights and assets, including cash collection accounts, books and records (with or without recourse, and on customary or commercially reasonable terms), or any disposition of the Capital Stock of a Subsidiary, all or substantially all of the assets of which relate to (a) or (b) below:

(a) in connection with any Qualified Receivables Financing;

(b) in connection with any factoring, sale or discounting transaction (or other receivables based financing arrangement); or

(c) in the ordinary course of business;

(20) any disposition in connection with a Capitalized Lease Obligation;

(21) any disposition pursuant to (including a disposition which forms part of or results from) a Permitted Reorganization;

(22) any disposition to which the Parent or a Restricted Subsidiary is contractually committed as at the Issue Date (or, in the case of any person which becomes a Restricted Subsidiary after the Issue Date, any disposal to which that person is contractually committed as at the date on which it becomes a Restricted Subsidiary), in each case as any such contractual commitment may be replaced, renewed or extended from time to time;

(23) any disposition of an interest in a derivative transaction;

(24) any disposition of any asset made in order to comply with an order of any agency of state, authority or other regulatory body or any applicable law or regulation;

(25) any disposition of shares or other ownership interests the subject of an IPO Event;

(26) any exchange of like property for use in a Similar Business; and

(27) any disposition of assets (being a disposition otherwise permitted under any of clauses (1) to (26) above to be made to persons which are not the Parent or any Restricted Subsidiary) to a special purpose vehicle and the subsequent disposal of that special purpose vehicle where the assets transferred to the special purpose vehicle are the only material assets thereof.

"**Associate**" means (i) any Person engaged in a Similar Business of which the Parent or its Restricted Subsidiaries are the legal and beneficial owners of between 20% and 50% of all outstanding Voting Stock and (ii) any joint venture entered into by the Parent or any Restricted Subsidiary of the Parent.

"**Authority**" means The International Stock Exchange Authority Limited.

"**Board of Directors**" means (1) with respect to the Parent or the Issuer or any company or corporation, the board of directors or managers, as applicable, of that company or corporation, or any duly authorized committee thereof; (2) with respect to any partnership, the board of directors or other governing body of the general partner of the partnership or any duly authorized committee thereof; and (3) with respect to any other Person, the board or any duly authorized committee of such Person serving a similar function. Whenever any provision requires any action or determination to be made by, or any approval of, a Board of Directors, such action, determination or approval shall be deemed to have been taken or made if approved by a majority of the directors (excluding employee representatives, if any) on any such Board of Directors (whether or not such action or approval is taken as part of a formal board meeting or as a formal board approval).

"**Bund Rate**" means the yield to maturity at the time of computation of direct obligations of the Federal Republic of Germany (Bunds or *Bundesanleihen*) with a constant maturity (as officially compiled and published in the most recent financial statistics that has become publicly available at least two Business Days (but not more than five Business Days) prior to the redemption date (or, if such financial statistics are not so published or available, any publicly available source of similar market data selected by the Parent in good faith)) most nearly equal to the period from the redemption date to the First Call Date; *provided, however*, that if the period from the redemption date to the applicable date set forth above is not equal to the constant maturity of a direct obligation of the Federal Republic of Germany for which a weekly average yield is given, the Bund Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of direct obligations of the Federal Republic of Germany for which such yields are given, except that if the period from such redemption date to the applicable date set forth above is less than one year, the weekly average yield on actually traded direct obligations of the Federal Republic of Germany adjusted to a constant maturity of one year shall be used; *provided, further*, that if such yield would otherwise be less than zero, it shall be assumed to be zero; and provided further that for the purposes of this definition, the "First Call Date" shall be March 1, 2022 in respect of the 2025 Notes, March 1, 2023 in respect of the 2027 Notes and March 1, 2021 in respect of the Floating Rate Notes.

"**Business Day**" means each day that is not a Saturday, Sunday or other day on which banking institutions in the Netherlands, London, United Kingdom, or New York, New York, United States are authorized or required by law, regulation or executive order to close; *provided*, *however*, that for any payments to be made in euro under the Indenture, such day shall also be a day on which the TARGET2 payment system is open for the settlement of payments.

"**Capital Stock**" of any Person means any and all shares of, rights to purchase, warrants or options for, or other equivalents of or partnership or other interests in (however designated), equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity.

"**Capitalized Lease Obligations**" means an obligation that is required to be classified and accounted for as a financial lease for financial reporting purposes on the basis of GAAP as of the Issue Date, other than any Facility Leases. The amount of Indebtedness represented by such obligation will be the capitalized amount of such obligation at the time any determination thereof is to be made as determined on the basis of GAAP, and the Stated Maturity thereof will be the date of the last payment of rent or any other amount due under such lease prior to the first date such lease may be terminated without penalty; *provided* that any obligations in respect of leases which would have previously been categorized as operating leases prior to the adoption of IFRS 16 (or equivalent standards under Dutch GAAP) ("**Capitalized Operating Leases**") shall not be categorized as Capitalized Lease Obligations for the purposes of the Indenture.

"**Cash Equivalents**" means:

(1) securities issued or directly and fully Guaranteed or insured by the United States or Canadian governments, a Permissible Jurisdiction, France, England, Switzerland, the Channel Islands, or Norway or, in each case, any agency or instrumentality of thereof (*provided* that the full faith and credit of such country or such member state is pledged

in support thereof), having maturities of not more than two years from the date of acquisition (or, if later, from the relevant date of calculation under the Indenture);

(2) certificates of deposit, time deposits, eurodollar time deposits, overnight bank deposits or bankers' acceptances having maturities of not more than one year from the date of acquisition thereof (or, if later, from the relevant date of calculation under the Indenture) issued by any lender to the Parent or a Restricted Subsidiary or by any bank or trust company (a) whose commercial paper is rated at least "A-1" or the equivalent thereof by S&P or at least "P-1" or the equivalent thereof by Moody's (or if at the time neither is issuing comparable ratings, then a comparable rating of another Nationally Recognized Statistical Rating Organization) or (b) (in the event that the bank or trust company does not have commercial paper which is rated) having combined capital and surplus in excess of €500 million;

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clauses (1) and (2) above or clause (5) below entered into with any bank meeting the qualifications specified in clause (2) above;

(4) commercial paper rated at the time of acquisition thereof at least "A-2" or the equivalent thereof by S&P or "P-2" or the equivalent thereof by Moody's or carrying an equivalent rating by a Nationally Recognized Statistical Rating Organization, if both of the two named rating agencies cease publishing ratings of investments or, if no rating is available in respect of the commercial paper, the issuer of which has an equivalent rating in respect of its long-term debt, and in any case maturing within one year after the date of acquisition thereof (or, if later, from the relevant date of calculation under the Indenture);

(5) readily marketable direct obligations issued by any state of the United States of America, any province of Canada, any Permissible Jurisdiction, France, England, Switzerland, the Channel Islands or Norway or any political subdivision thereof, in each case, having one of the two highest rating categories obtainable from either Moody's or S&P (or, if at the time, neither is issuing comparable ratings, then a comparable rating of another Nationally Recognized Statistical Rating Organization) with maturities of not more than two years from the date of acquisition (or, if later, from the relevant date of calculation under the Indenture);

(6) Indebtedness or preferred stock issued by Persons with a rating of "BBB–" or higher from S&P or "Baa3" or higher from Moody's (or, if at the time, neither is issuing comparable ratings, then a comparable rating of another Nationally Recognized Statistical Rating Organization) with maturities of 12 months or less from the date of acquisition (or, if later, from the relevant date of calculation under the Indenture);

(7) bills of exchange issued in the United States, Canada, a Permissible Jurisdiction, France, England, Switzerland, Norway, the Channel Islands or Japan eligible for rediscount at the relevant central bank and accepted by a bank or other financial institution (or any dematerialized equivalent); and

(8) interests in any investment company, money market fund or enhanced high yield fund which invests 95% or more of its assets in cash or in instruments of the types specified in clauses (1) through (7) above.

"**Change of Control**" means:

(1) the Parent becomes aware of (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) any "person" or "group" of related persons (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act as in effect on the Issue Date), other than one or more Permitted Holders, is or becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Issue Date), directly or indirectly, of

more than 50% of the total voting power of the Voting Stock of the Parent, provided that for the purposes of this clause, no Change of Control shall be deemed to occur by reason of the Parent becoming a Subsidiary of a Successor Parent Holding Company; or

(2) the sale, lease, transfer, conveyance or other disposition (other than by way of merger, consolidation or other business combination transaction), in one or a series of related transactions, of all or substantially all of the assets of the Parent and its Restricted Subsidiaries taken as a whole to a Person, other than the Parent (including, for the avoidance of doubt, any successor thereto pursuant to the provisions described under "*—Certain Covenants—Merger and Consolidation*") or a Restricted Subsidiary or one or more Permitted Holders and any "person" or "group" of related persons (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act as in effect on the Issue Date), other than one or more Permitted Holders, is or become(s) the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Issue Date), directly or indirectly, of more than 50.0% of the total voting power of the Voting Stock of the transferee Person in such sale, lease, transfer, conveyance or other disposition, as the case may be;

provided that, in each case, a Change of Control shall not be deemed to have occurred if such Change of Control is also a Specified Change of Control Event.

Notwithstanding the preceding or any provision of Rule 13d-3 of the Exchange Act, (i) a Person or group shall not be deemed to beneficially own securities subject to an equity or asset purchase agreement, merger agreement or similar agreement (or voting or option or similar agreement related thereto) until the consummation of the transactions contemplated by such agreement, (ii) if any group includes one or more Permitted Holders, the issued and outstanding Voting Stock of the Parent beneficially owned, directly or indirectly, by any Permitted Holders that are part of such group shall not be treated as being beneficially owned by any other member of such group for purposes of determining whether a Change of Control has occurred and (iii) a Person or group will not be deemed to beneficially own the Voting Stock of another person as a result of its ownership of Voting Stock or other securities of such other Person's Parent Holding Company (or related contractual rights) unless it owns 50% or more of the total voting power of the Voting Stock of such Parent Holding Company. For purposes of this definition and any related definition to the extent used for purposes of this definition, at any time when 50% or more of the total voting power of the Voting Stock of the Parent is directly or indirectly owned by a Parent Holding Company of which the Parent is a Subsidiary, all references to the Parent shall be deemed to refer to its ultimate Parent Holding Company of which the Parent is a Subsidiary (but excluding any Permitted Holder) that directly or indirectly owns such Voting Stock.

"**Clearstream**" means Clearstream Banking, a *société anonyme* as currently in effect or any successor securities clearing agency.

"**Code**" means the United States Internal Revenue Code of 1986, as amended.

"**Commodity Hedging Agreements**" means, in respect of a Person, any commodity purchase contract, commodity futures or forward contract, commodities option contract or other similar contract (including commodities derivative agreements or arrangements), to which such Person is a party or a beneficiary.

"**Consolidated EBITDA**" for any period means, without duplication, the Consolidated Net Income for such period, plus the following to the extent deducted in calculating such Consolidated Net Income:

(1) Consolidated Interest Expense and Receivables Fees, except for any Consolidated Interest Expense attributed to Facility Leases or to Capitalized Operating Leases;

(2) Consolidated Income Taxes;

(3) consolidated depreciation expense;

(4) consolidated amortization or impairment expense;

(5) any expenses, charges or other costs related to any equity offering (including any Equity Offering and IPO Event), Investment, acquisition (including one-time amounts paid in connection with the acquisition or retention of one or more individuals comprising part of a management team retained to manage the acquired business; *provided* that such payments are made in connection with such acquisition and are consistent with the customary practice in the industry at the time of such acquisition), disposition, recapitalization or the Incurrence of any Indebtedness permitted by the Indenture (in each case whether or not successful) (including any such fees, expenses or charges related to the Transactions) in each case, as determined in good faith by an Officer or the Board of Directors of the Parent;

(6) any minority interest expense (whether paid or not) consisting of income attributable to minority equity interests of third parties in such period;

(7) the amount of (x) management, monitoring, consulting, employment and advisory fees and related expenses paid in such period to the Permitted Holders to the extent permitted by the covenant described under "*—Certain Covenants—Limitation on Affiliate Transactions*" and (y) any fees and other compensation paid to the members of the board of directors (or the equivalent thereof) of the Parent or any of its Holding Companies;

(8) the amount of any restructuring charges or reserves, equity-based or non-cash compensation charges or expenses including any such charges or expenses arising from grants of stock appreciation or similar rights, stock options, restricted stock or other rights, retention charges (including charges or expenses in respect of incentive plans), start-up or initial costs for any project or new production line, division or new line of business or other business optimization expenses or reserves including, without limitation, costs or reserves associated with improvements to IT and accounting functions, integration and facilities opening costs or any one-time costs incurred in connection with acquisitions and Investments and costs related to the closure and/or consolidation of facilities;

(9) the amount of loss or discount on sale of receivables, Receivables Assets and related assets to any Receivables Subsidiary in connection with a Qualified Receivables Financing;

(10) at the option of the Parent, any adjustment of the nature used in connection with the calculation of "Pro Forma Underlying EBITDA" and "Underlying EBITDA" as set forth in "*Summary—Historical Consolidated Financial and Other Information—Underlying Financial Data derived from Management Accounts*" contained in the Offering Memorandum applied in good faith by the Parent to the extent any adjustment of such nature continues to be applicable during the period in which Consolidated EBITDA is being calculated; and

(11) other non-cash charges, write-downs or items reducing Consolidated Net Income (excluding any such non-cash charge, write-down or item to the extent it represents an accrual of or reserve for cash charges in any future period) or other items classified by the Parent as extraordinary, exceptional, unusual or nonrecurring items plus the release of provisions less other non-cash items of income increasing Consolidated Net Income (excluding any such non-cash item of income to the extent it represents a receipt of cash in any future period).

For the purposes of determining "Consolidated EBITDA" under the Indenture, (i) calculations shall be made giving effect to the same adjustments (including without limitation as to pro forma effects of Sales, Purchases and other adjustments) on the same basis as for calculating the Consolidated Net Leverage Ratio for the Parent and its Restricted Subsidiaries and (ii) subject to a contrary election under clause (i) of the second paragraph of the definition "Consolidated Net Leverage Ratio," for purposes of determining any basket or threshold amount which is expressed to be determined by reference to a percentage of Consolidated EBITDA, Consolidated EBITDA shall be measured on the most recent date on which new commitments are obtained (in the case of revolving facilities) or the date upon which Indebtedness is incurred (in the case of term facilities) or otherwise on the date the relevant basket is measured, and for the period of the most recent four consecutive fiscal quarters ending prior to such date for which internal consolidated financial statements of the Parent are available.

"**Consolidated Financial Interest Expense**" means, for any period (in each case, determined on the basis of GAAP), the consolidated net interest income/expense of the Parent and its Restricted Subsidiaries related to Indebtedness (including (a) all commissions, discounts and other fees and charges owed with respect to letters of credit or bankers acceptances, (b) the interest component of Capitalized Lease Obligations and (c) net payments, if any, pursuant to interest rate Hedging Obligations with respect to Indebtedness) but not including any pension liability interest cost, amortization of discount, debt issuance cost and premium, commissions, discounts and other fees and charges owed or paid with respect to financings, or costs associated with Hedging Obligations (other than those described in (c)). Notwithstanding anything to the contrary stated above, Consolidated Financial Interest Expense shall not include any interest expense relating to interest of any entity that is not the relevant Person, the Parent or a Restricted Subsidiary or any Receivables Fees.

"**Consolidated Income Taxes**" means taxes or other payments, including deferred Taxes, based on income, profits or capital (including without limitation withholding taxes), trade taxes and franchise taxes of any of the Parent and its Restricted Subsidiaries whether or not paid, estimated, accrued or required to be remitted to any Governmental Authority.

"**Consolidated Interest Expense**" means, for any period (in each case, determined on the basis of GAAP), the consolidated net interest income/expense of the Parent and its Restricted Subsidiaries, including any pension liability interest cost, plus or including (without duplication) any interest, costs and charges consisting of:

(1) interest expense attributable to Capitalized Lease Obligations;

(2) amortization of debt discount, debt issuance cost and premium;

(3) non-cash interest expense;

(4) commissions, discounts and other fees and charges owed with respect to financings not included in clause (2) above;

(5) costs associated with Hedging Obligations;

(6) dividends or other distributions in respect of all Disqualified Stock of the Parent and all Preferred Stock of any Restricted Subsidiary, to the extent held by Persons other than the Parent or a subsidiary of the Parent;

(7) the consolidated interest expense that was capitalized during such period; and

(8) interest actually paid by the Parent or any Restricted Subsidiary under any Guarantee of Indebtedness or other obligation of any other Person.

"**Consolidated Leverage**" means the sum of the aggregate outstanding Indebtedness of the Parent and its Restricted Subsidiaries (excluding Hedging Obligations except to the extent provided in clause (c) of the penultimate paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*"), less cash and Cash Equivalents held by the Parent or any of its Restricted Subsidiaries, as of the date of determination. In respect of any applicable period, the exchange rate used to calculate Consolidated Leverage may, at the option of the Parent, be (i) the weighted average exchange rate for that period used by the Parent to calculate Consolidated EBITDA (as determined by the Parent); or (ii) the relevant prevailing exchange rate at close of business on the last day of that period (as determined by the Parent), *provided* that, where applicable, any amount of Indebtedness will be stated so as to take into account the hedging effect of any currency hedging entered into in respect of or by reference to that Indebtedness.

"**Consolidated Net Income**" means, for any period, the net income (loss) of the Parent and its Restricted Subsidiaries determined on a consolidated basis on the basis of GAAP; *provided*, *however*, that there will not be included in such Consolidated Net Income:

(1) subject to the limitations contained in clause (3) below, any net income (loss) of any Person if such Person is not a Restricted Subsidiary, except that the Parent's equity in the net income of any such Person for such period will be included in such Consolidated Net Income up to the aggregate amount of cash or Cash Equivalents actually distributed by such Person during such period to the Parent or a Restricted Subsidiary as a dividend or other distribution or return on investment or that could have been distributed, as reasonably determined by an Officer of the Parent (subject, in the case of a dividend or other distribution or return on investment to a Restricted Subsidiary, to the limitations contained in clause (2) below);

(2) solely for the purpose of determining the amount available for Restricted Payments under clause (c)(i) of the first paragraph of the covenant described under "*—Certain Covenants—Limitation on Restricted Payments*," any net income (loss) of any Restricted Subsidiary (other than the Guarantors) if such Subsidiary is subject to restrictions, directly or indirectly, on the payment of dividends or the making of distributions by such Restricted Subsidiary, directly or indirectly, to the Issuer or a Guarantor by operation of the terms of such Restricted Subsidiary's charter or any agreement, instrument, judgment, decree, order, statute or governmental rule or regulation applicable to such Restricted Subsidiary or its shareholders (other than (a) restrictions that have been waived or otherwise released, (b) restrictions pursuant to the Notes or the Indenture, and (c) restrictions not prohibited by the covenant described under "*—Certain Covenants—Limitation on Restrictions on Distributions from Restricted Subsidiaries*," except that the Parent's equity in the net income of any such Restricted Subsidiary for such period will be included in such Consolidated Net Income up to the aggregate amount of cash or Cash Equivalents actually distributed or that could have been distributed by such Restricted Subsidiary during such period to the Parent or a Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend to another Restricted Subsidiary, to the limitation contained in this clause));

(3) any net gain (or loss) realized upon the sale or other disposition of any asset or disposed operations of the Parent or any Restricted Subsidiaries (including pursuant to any sale/leaseback transaction) which is not sold or otherwise disposed of in the ordinary course of business (as determined in good faith by an Officer or the Board of Directors of the Parent);

(4) any extraordinary, exceptional, unusual or nonrecurring gain, loss or charge (including for the avoidance of doubt, any tax referable to any payments, dividends or other distributions made or declared intra-group) or any charges or reserves in respect of any restructuring, redundancy or severance expense or other costs related to the Transactions, in each case, as determined in good faith by an Officer or the Board of Directors of the Parent;

(5) at the election of the Parent with respect to any quarterly period, the cumulative effect of a change in accounting principles;

(6) any non-cash compensation charge or expense arising from any grant of stock, stock options or other equity based awards and any non-cash deemed finance charges in respect of any pension liabilities or other provisions;

(7) all deferred financing costs written off and premiums paid or other expenses incurred directly in connection with any early extinguishment of Indebtedness and any net gain (loss) from any write-off or forgiveness of Indebtedness, and any provisions in respect of working capital;

(8) any unrealized gains or losses in respect of Hedging Obligations or any ineffectiveness recognized in earnings related to qualifying hedge transactions or the fair value of changes therein recognized in earnings for derivatives that do not qualify as hedge transactions, in each case, in respect of Hedging Obligations;

(9) any unrealized foreign currency transaction gains or losses in respect of Indebtedness of any Person denominated in a currency other than the functional currency of such Person and any unrealized foreign exchange gains or losses relating to translation of assets and liabilities denominated in foreign currencies;

(10) any unrealized foreign currency translation or transaction gains or losses in respect of Indebtedness or other obligations of the Parent or any Restricted Subsidiary owing to the Parent or any Restricted Subsidiary;

(11) any purchase accounting effects including, but not limited to, adjustments to inventory, stock, property and equipment, software and other intangible assets and deferred revenues in component amounts required or permitted by GAAP and related authoritative pronouncements (including the effects of such adjustments pushed down to the Parent and the Restricted Subsidiaries), as a result of any consummated acquisition or the amortization or write-off of any amounts thereof (including any write-off of in process research and development);

(12) any goodwill or other intangible asset impairment charge, amortization, expense or write-off;

(13) Consolidated Income Taxes to the extent in excess of cash payments made in respect of such Consolidated Income Taxes;

(14) consolidated depreciation expense, to the extent in excess of capital expenditure related to tangible assets for the relevant period; and

(15) the impact of capitalized, accrued or accreting or pay-in-kind interest or principal on Subordinated Shareholder Funding.

"**Consolidated Net Leverage Ratio**" means, as of any date of determination, the ratio of (x)(i) the Consolidated Leverage at such date plus (ii) the Reserved Indebtedness Amount of the Parent and its Restricted Subsidiaries that is secured by Liens on the Collateral on at least a pari passu basis with the Notes at such date to (y) Consolidated EBITDA for the period of the most recent four consecutive fiscal quarters ending prior to the date of such determination for which internal consolidated financial statements of the Parent are available; *provided*, *however*, that for the purposes of calculating Consolidated EBITDA for such period, if, as of such date of determination:

(1) since the beginning of such period the Parent or any Restricted Subsidiary has disposed of any company, any business, or any group of assets constituting an operating unit of a business (any such disposition, a "**Sale**") or if the transaction giving rise to the need to calculate the Consolidated Net Leverage Ratio is such a Sale, Consolidated EBITDA for such period will be reduced by an amount equal to the Consolidated EBITDA (if positive) attributable to the assets which are the subject of such Sale for such period or increased by an amount equal to the Consolidated EBITDA (if negative) attributable thereto for such period; *provided* that if any such sale constitutes "discontinued operations" in accordance with GAAP, Consolidated Net Income shall be reduced by an amount equal to the Consolidated Net Income (if positive) attributable to such operations for such period or increased by an amount equal to the Consolidated Net Income (if negative) attributable thereto for such period;

(2) since the beginning of such period, the Parent or any Restricted Subsidiary (by merger or otherwise) has made an Investment in any Person that thereby becomes a Restricted Subsidiary, or otherwise has acquired any company, any business, or any group of assets constituting an operating unit of a business (any such Investment or acquisition, a "**Purchase**"), including any such Purchase occurring in connection with a transaction causing a calculation to be made hereunder, Consolidated EBITDA for such period will be calculated after giving pro forma effect thereto, including anticipated synergies and cost savings as if such Purchase occurred on the first day of such period;

(3) since the beginning of such period, the Parent or any Restricted Subsidiary has made or implemented a Specified Transaction or Group Initiative, including any such Specified Transaction or Group Initiative occurring in connection with a transaction causing a calculation to be made hereunder, Consolidated EBITDA for such period will be calculated after giving pro forma effect thereto, including anticipated synergies and cost savings as Specified Transaction or Group Initiative occurred on the first day of such period;

(4) since the beginning of such period, any Person (that became a Restricted Subsidiary or was merged or otherwise combined with or into the Parent or any Restricted Subsidiary since the beginning of such period) will have made any Sale, Purchase, Specified Transaction or Group Initiative that would have required an adjustment pursuant to clause (1), (2) or (3) above if made by the Parent or a Restricted Subsidiary since the beginning of such period, Consolidated EBITDA for such period will be calculated after giving pro forma effect thereto, including anticipated synergies and cost savings, as if such Sale or Purchase occurred on the first day of such period; and

(5) since the beginning of such period, a transfer of shares of, or other transaction has occurred or is contractually committed with respect to, the Parent or any Restricted Subsidiary, that constitutes an event that is contemplated by the definition of "Specified Change of Control Event" (any such transaction, a "**Specified Change of Control Transaction**"), and solely for the purpose of making the determination pursuant to "Specified Change of Control Event," Consolidated EBITDA for such period shall be calculated after giving pro forma effect thereto (including anticipated synergies and expenses and cost savings expected to be obtained from the Specified Change of Control Transaction) as if such Specified Change of Control Transaction (including such synergies and expenses and cost savings) had occurred on the first day of such period.

For the purposes of this definition and the definitions of Consolidated EBITDA, Consolidated Financial Interest Expense, Consolidated Income Taxes, Consolidated Interest Expense, Consolidated Net Income, Consolidated Secured Leverage Ratio and Fixed Charge Coverage Ratio, (a) calculations will be as determined in good faith by a responsible financial or chief accounting officer of the Parent (including in respect of cost savings and synergies) as though the full effect of synergies and cost savings were realized on the first day of the relevant period and shall also include the reasonably anticipated full run rate cost savings effect (as calculated in good faith by a responsible financial or chief accounting officer of the Parent) of any restructuring, operating expense reduction, operating improvement, cost savings programs (or, in each case, other similar initiative) (each, a "**Group Initiative**") that have been initiated or implemented by the Parent or its Restricted Subsidiaries during the relevant period or in connection with an event specified in clauses (1), (2), (3) or (4) above as though such Group Initiative had been fully implemented on the first day of the relevant period, (b) in determining the amount of Indebtedness outstanding on any date of determination, pro forma effect shall be given to any Incurrence, repayment, repurchase, defeasance or other acquisition, retirement or discharge of Indebtedness as if such transaction had occurred on the first day of the relevant period, (c) pro forma effect shall be given to anticipated acquisitions which have become subject to Definitive Agreements, (d) Indebtedness Incurred in reliance on the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*" as of the date of determination shall be excluded, (e) the discharge on the determination date of any

Indebtedness to the extent that the discharge of such Indebtedness results from proceeds Indebtedness Incurred in reliance on the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*" shall not be given effect, (f) calculations shall also give pro forma effect to any Specified Transaction that has occurred since the beginning of such period but which has not yet been fully reflected in the relevant period (as determined and calculated by a responsible financial or accounting officer of the Parent) and (g) calculations shall exclude any non-recurring costs and other expenses arising directly or indirectly as a consequence of any Sale or Purchase or Specified Transaction and/or the implementation of any Group Initiative; (h) notwithstanding anything to the contrary herein, in the event an item of Indebtedness, Disqualified Stock or Preferred Stock (or any portion thereof) is incurred or issued, any Lien is incurred or other transaction is undertaken in reliance on a ratio basket based on the Fixed Charge Coverage Ratio, Consolidated Net Leverage Ratio or Consolidated Secured Leverage Ratio, such ratio(s) shall be calculated without regard to the incurrence or repayment of any Indebtedness under any revolving credit facility or letter of credit facility (1) immediately prior to or in connection therewith or (2) used to finance working capital needs of the Parent and its Restricted Subsidiaries (as reasonably determined by the Parent); (i) "determined on a consolidated basis on the basis of GAAP," "determined on the basis of GAAP" and similar provisions shall at the election of the Parent allow for calculation to be made on the basis of presentation of the financial statements included in the Offering Memorandum; (j) in the event that the Parent or a Restricted Subsidiary enters into or increases commitments under a revolving credit facility or letter of credit facility, the Fixed Charge Coverage Ratio, Consolidated Net Leverage Ratio, Consolidated Secured Leverage Ratio or Consolidated EBITDA-based permission, as applicable, for borrowings and reborrowing thereunder (and including issuance and creation of letters of credit and bankers' acceptances thereunder) will, at the Parent's option as elected on the date the Parent or a Restricted Subsidiary, as the case may be, enters into or increases such commitments, either (a) be determined on the date of such revolving credit facility, such letter of credit facility or such increase in commitments (assuming that the full amount thereof has been borrowed as of such date), and, if such Fixed Charge Coverage Ratio, Consolidated Net Leverage Ratio, Consolidated Secured Leverage Ratio or Consolidated EBITDA-based permission, as applicable, test is satisfied with respect thereto at such time, any borrowing or reborrowing thereunder (and the issuance and creation of letters of credit and bankers' acceptances thereunder) will be permitted under this covenant irrespective of the Fixed Charge Coverage Ratio, Consolidated Net Leverage Ratio, Consolidated Secured Leverage Ratio or Consolidated EBITDA, as applicable, at the time of any borrowing or reborrowing (or issuance or creation of letters of credit or bankers' acceptances thereunder) (the committed amount permitted to be borrowed or reborrowed (and the issuance and creation of letters of credit and bankers' acceptances) on a date pursuant to the operation of this clause (a) shall be the "**Reserved Indebtedness Amount**" as of such date for purposes of the Fixed Charge Coverage Ratio, Consolidated Net Leverage Ratio, Consolidated Secured Leverage Ratio or Consolidated EBITDA-based permission, as applicable) and for purposes of subsequent calculations of the Fixed Charge Coverage Ratio (only for purposes of testing incurrence of the Reserved Indebtedness Amount), Consolidated Net Leverage Ratio, Consolidated Secured Leverage Ratio or Consolidated EBITDA-based permission (only for the purpose of calculation of the relevant permission), as applicable, the Reserved Indebtedness Amount shall be deemed to be outstanding, whether or not such amount is actually outstanding, for so long as such commitments are outstanding or (b) be determined on the date such amount is borrowed pursuant to any such facility or increased commitment; and (k) for the purposes of the covenant described under "*—Certain Covenants—Limitation on Asset Dispositions,*" the Consolidated Net Leverage Ratio shall be calculated as of the applicable Asset Offer Determination Date and on a basis *pro forma* for the proposed application of Net Available Cash, deeming Net Available Cash which is proposed to be offered to Holders of the Notes or to other holders of Pari Passu Indebtedness at a price of par to have been accepted in such offer.

"**Consolidated Secured Leverage Ratio**" means the Consolidated Net Leverage Ratio, but calculated by excluding all Indebtedness other than Senior Secured Indebtedness.

"**Contingent Obligations**" means, with respect to any Person, any obligation of such Person guaranteeing in any manner, whether directly or indirectly, any operating lease, dividend or other obligation that does not constitute Indebtedness ("**primary obligations**") of any other Person (the "**primary obligor**"), including any obligation of such Person, whether or not contingent:

(1) to purchase any such primary obligation or any property constituting direct or indirect security therefor;

(2) to advance or supply funds:

(a) for the purchase or payment of any such primary obligation; or

(b) to maintain the working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; or

(3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

"**Credit Facility**" means, with respect to the Parent or any of its Subsidiaries, one or more debt facilities, indentures or other arrangements (including the Senior Credit Facilities or commercial paper facilities and overdraft facilities) with banks, other financial institutions or investors providing for revolving credit loans, term loans, notes, receivables financing (including through the sale of receivables to such institutions or to special purpose entities formed to borrow from such institutions against such receivables), letters of credit or other Indebtedness, in each case, as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time (and whether in whole or in part and whether or not with the original facility agent (or other administrative agent) and lenders or another facility agent (or other administrative agent) or agents or other banks or institutions and whether provided under the Senior Credit Facilities Agreement or one or more other credit or other agreements, indentures, financing agreements or otherwise) and in each case including all agreements, instruments and documents executed and delivered pursuant to or in connection with the foregoing (including any notes and letters of credit issued pursuant thereto and any Guarantee or guarantee agreement and any pledge agreement, debenture, collateral agreement, patent and trademark security agreement, mortgages or letter of credit applications and other Guarantees, pledges, agreements, security agreements and collateral documents). Without limiting the generality of the foregoing, the term "Credit Facility" shall include any agreement or instrument (1) changing the maturity of any Indebtedness Incurred thereunder or contemplated thereby, (2) adding Subsidiaries of the Parent as additional borrowers or guarantors thereunder, (3) increasing the amount of Indebtedness Incurred thereunder or available to be borrowed thereunder or (4) otherwise altering the terms and conditions thereof.

"**Currency Agreement**" means, in respect of a Person, any foreign exchange contract, currency swap agreement, currency futures contract, currency option contract, currency derivative or other similar agreement to which such Person is a party or beneficiary.

"**Default**" means any event which is, or after notice or passage of time or both would be, an Event of Default; *provided* that any Default that results solely from the taking of an action that would have been permitted but for the continuation of a previous Default will be deemed to be cured if such previous Default is cured prior to becoming an Event of Default.

"**Definitive Agreement**" means any agreement for the consummation of an acquisition, including without limitation by way of tender offer, scheme of arrangement, merger, amalgamation or consolidation, by the Parent or one or more of its Restricted Subsidiaries (*provided* that in the case of a public tender offer, a solicitation of proxies or a proposal for a scheme of arrangement or similar scheme, a Definitive Agreement will be deemed to have been entered into at the time of the public announcement of such transaction).

“**Designated Non-Cash Consideration**” means the fair market value of non-cash consideration received by the Parent or one of its Restricted Subsidiaries in connection with an Asset Disposition that is so designated as Designated Non-Cash Consideration pursuant to an Officer’s Certificate, setting forth the basis of such valuation, less the amount of cash, Cash Equivalents or Temporary Cash Investments received in connection with a subsequent payment, redemption, retirement, sale or other disposition of such Designated Non-Cash Consideration. A particular item of Designated Non-Cash Consideration will no longer be considered to be outstanding when and to the extent it has been paid, redeemed or otherwise retired or sold or otherwise disposed of in compliance with the covenant described under “*—Certain Covenants—Limitation on Asset Dispositions*.”

“**Designated Preference Shares**” means, with respect to the Parent or any Parent Holding Company, Preferred Stock (other than Disqualified Stock) (a) that is issued for cash (other than to the Parent or a Subsidiary of the Parent or an employee stock ownership plan or trust established by the Parent or any such Subsidiary for the benefit of their employees to the extent funded by the Parent or such Subsidiary) and (b) that is designated as “Designated Preference Shares” pursuant to an Officer’s Certificate of the Parent at or prior to the issuance thereof, the Net Cash Proceeds of which are excluded from the calculation set forth in clause (c)(ii) of the first paragraph of the covenant described under “*—Certain Covenants—Limitation on Restricted Payments*.”

“**Disqualified Stock**” means, with respect to any Person, any Capital Stock of such Person which by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable) or upon the happening of any event:

(1) matures or is mandatorily redeemable for cash or in exchange for Indebtedness pursuant to a sinking fund obligation or otherwise;

(2) is convertible or exchangeable for Indebtedness or Disqualified Stock (excluding Capital Stock which is convertible or exchangeable solely at the option of the Parent or a Restricted Subsidiary); or

(3) is or may become (in accordance with its terms) upon the occurrence of certain events or otherwise redeemable or purchasable for cash or in exchange for Indebtedness at the option of the holder of the Capital Stock in whole or in part,

in each case on or prior to the earlier of (a) the latest Stated Maturity of any of the Notes or (b) the date on which there are no Notes outstanding; *provided*, *however*, that (i) only the portion of Capital Stock which so matures or is mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date will be deemed to be Disqualified Stock, (ii) any Capital Stock that would constitute Disqualified Stock solely because the holders thereof have the right to require the Parent to repurchase such Capital Stock upon the occurrence of a change of control or asset sale (howsoever defined or referred to) shall not constitute Disqualified Stock if any such redemption or repurchase obligation is subject to compliance by the relevant Person with the covenant described under “*—Certain Covenants—Limitation on Restricted Payments*” and (iii) Capital Stock constituting Subordinated Shareholder Funding shall not be Disqualified Stock.

“**Equity Offering**” means (x) a sale of Capital Stock of the Parent (other than Disqualified Stock) other than offerings registered on Form S-8 (or any successor form) under the Securities Act or any similar offering in other jurisdictions, or (y) the sale of Capital Stock or other securities, the proceeds of which are contributed to the equity (other than through the issuance of Disqualified Stock or Designated Preference Shares or through an Excluded Contribution or Excluded Amounts) of, or as Subordinated Shareholder Funding to, the Parent.

“**euro**” or “**€**” means the single currency of the participating member states of the European Monetary Union.

“**Euro Equivalent**” means, except as otherwise specifically set forth herein, with respect to any monetary amount in a currency other than euro, at any time of determination thereof by the

Parent or the Trustee, the amount of euro obtained by converting such currency other than euro involved in such computation into euro at the spot rate for the purchase of euro with the applicable currency other than euro as published in *The Financial Times* in the "Currency Rates" section (or, if *The Financial Times* is no longer published, or if such information is no longer available in *The Financial Times*, such source as may be selected in good faith by the Parent) on the date of such determination.

"**Euroclear**" means Euroclear Bank SA/NV, or any successor securities clearing agency.

"**European Government Obligations**" means any security that is (1) a direct obligation of Belgium, the Netherlands, France, Germany or any Permissible Jurisdiction, for the payment of which the full faith and credit of such country is pledged or (2) an obligation of a person controlled or supervised by and acting as an agency or instrumentality of any such country the payment of which is unconditionally Guaranteed as a full faith and credit obligation by such country, which, in either case under the preceding clause (1) or (2), is not callable or redeemable at the option of the issuer thereof.

"**European Union**" means all members of the European Union as of January 1, 2004.

"**Exchange**" means The International Stock Exchange and its successors and assigns.

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder, as amended.

"**Excluded Contribution**" means Net Cash Proceeds or property or assets received by the Parent as capital contributions to the equity (other than through Excluded Amounts, the issuance of Disqualified Stock or Designated Preference Shares) of the Parent after the Issue Date or from the issuance or sale (other than to a Restricted Subsidiary or an employee stock ownership plan or trust established by the Parent or any Subsidiary of the Parent for the benefit of its employees to the extent funded by the Parent or any Restricted Subsidiary) of Capital Stock (other than Disqualified Stock or Designated Preference Shares or Excluded Amounts) of the Parent, in each case, to the extent designated as an Excluded Contribution pursuant to an Officer's Certificate of the Parent.

"**Facility Leases**" means any lease of real property or premises, where the lease is classified as a finance lease for the purposes of GAAP, but as to which there is no option to, or obligation to, purchase the leased asset at the conclusion of the lease.

"**fair market value**" shall be determined in good faith by the Parent and may be conclusively established by means of an Officer's Certificate or a resolution of the Board of Directors of the Parent setting out such fair market value as determined by such Officer or such Board of Directors in good faith.

"**Fixed Charge Coverage Ratio**" means, with respect to any Person on any determination date, the ratio of Consolidated EBITDA of such Person for the most recently completed four consecutive fiscal quarters ending immediately prior to such determination date for which internal consolidated financial statements of such Person are available to the Fixed Charges of such Person and its Restricted Subsidiaries for such four consecutive fiscal quarters. In the event that the Parent or any Restricted Subsidiary Incurs, assumes, Guarantees, redeems, defeases, retires or extinguishes any Indebtedness (other than Indebtedness Incurred under any revolving credit facility, unless such Indebtedness has been permanently repaid and has not been replaced) or issues or redeems Disqualified Stock or Preferred Stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated but prior to or simultaneously with the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "**Fixed Charge Coverage Ratio Calculation Date**"), then the Fixed Charge Coverage Ratio shall be calculated giving pro forma effect to such Incurrence, assumption, Guarantee, redemption, defeasance, retirement or extinguishment of Indebtedness, or such issuance or redemption of Disqualified Stock or Preferred Stock, as if the same had occurred at the beginning of the applicable four-quarter period, provided that the pro forma calculation of Fixed Charges shall not give effect to (i) any Indebtedness Incurred on the Fixed Charge Coverage Ratio Calculation Date pursuant to the provisions of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*" or (ii) the discharge on the Fixed Charge Coverage Ratio Calculation Date of any Indebtedness to the extent that such discharge results from the proceeds Incurred pursuant to the provisions of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*".

For purposes of making the computation referred to above, any Sale, Purchase, Specified Transaction or Group Initiative that have been made or implemented by the Parent or any of its Restricted Subsidiaries during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Fixed Charge Coverage Ratio Calculation Date may be calculated on a pro forma basis in a manner consistent with the adjustments described in the definition of "Consolidated Net Leverage Ratio", assuming that all such Sales, Purchases, Specified Transactions and Group Initiatives (and any change in any associated fixed charge obligations and any change in Consolidated EBITDA resulting therefrom), including the full run rate effect of anticipated synergies and savings, had occurred on the first day of the four-quarter reference period.

If since the beginning of such period any Person that subsequently became a Restricted Subsidiary or was merged with or into the Parent or any of its Restricted Subsidiaries since the beginning of such period shall have made or implemented any Sale, Purchase, Specified Transaction or Group Initiative that would have permitted or required adjustment pursuant to this definition, then the Fixed Charge Coverage Ratio may (or, where applicable, shall) be calculated giving pro forma effect thereto, including anticipated synergies and savings, for such period as if such Sale, Purchase, Specified Transaction or Group Initiative and the full run rate effect of such anticipated synergies and savings had occurred at the beginning of the applicable four-quarter period.

For purposes of this definition, whenever pro forma effect is to be given to a transaction, the pro forma calculations shall be made in good faith by the chief financial officer or finance director of the Parent or the relevant Restricted Subsidiary (or such other person as is performing the functions of the chief financial officer or finance director), including synergies and savings. If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the Fixed Charge Coverage Ratio Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligations applicable to such Indebtedness). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Parent or the relevant Restricted Subsidiary to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For purposes of making the computation referred to above, interest on any Indebtedness under a revolving credit or similar facility computed on a pro forma basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period except as set forth in the first paragraph of this definition. Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency interbank offered rate, or other rate, shall be determined to have been based upon the rate actually chosen, or if none, then based upon such optional rate chosen as the Parent may designate. For the purpose of calculating pro forma effect under this definition, pro forma effect may also be given to anticipated acquisitions where the Indebtedness to be Incurred is to finance such acquisitions in whole or in part, which have not yet occurred but which have become subject to a definitive purchase agreement or other contract.

"**Fixed Charges**" means, with respect to any Person for any period, the sum of:

(1) Consolidated Financial Interest Expense of such Person for such period;

(2) all dividends or other distributions payable in cash (excluding items eliminated in consolidation) on any series of Preferred Stock during such period;

(3) all dividends or other distributions payable in cash (excluding items eliminated in consolidation) on any series of Disqualified Stock during such period; and

(4) any cash interest expense on Indebtedness of another person that is guaranteed by such Person or its Restricted Subsidiaries or secured by a Lien on assets of such Person or its Restricted Subsidiaries, but only to the extent such interest expense is actually paid in cash by such Person or any of its Restricted Subsidiaries, determined on a consolidated basis in accordance with GAAP.

"**GAAP**" means Dutch Generally Accepted Accounting Standards as in effect from time to time; *provided* that at any date after the Issue Date the Parent may make an irrevocable election to establish that "GAAP" shall mean International Financial Reporting Standards as in effect from time to time; and *provided further* that at any date after the Issue Date the Parent may make an irrevocable election to establish that "GAAP" shall mean GAAP (or IFRS, if an election to replace Dutch GAAP with IFRS has been made) as in effect on a date that is on or prior to the date of such election; and in each case, GAAP shall include any variation thereof with which the Parent or its Restricted Subsidiaries are, or may be, required or elect to comply.

"**Governmental Authority**" means any nation, sovereign or government, any state, province, territory or other political subdivision thereof, and any entity or authority exercising executive, legislative, judicial, regulatory, self-regulatory or administrative functions of or pertaining to government, including a central bank or stock exchange.

"**Group Initiative**" shall have the meaning given in the definition of "Consolidated Net Leverage Ratio".

"**Guarantee**" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person, including any such obligation, direct or indirect, contingent or otherwise, of such Person:

(1) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such other Person (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take-or-pay or to maintain financial statement conditions or otherwise); or

(2) entered into primarily for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part);

provided, *however*, that the term "Guarantee" will not include endorsements for collection or deposit in the ordinary course of business. The term "Guarantee" used as a verb has a corresponding meaning.

"**Guarantor**" means each of the Parent and any Restricted Subsidiary that provides a Note Guarantee of the Notes from time to time.

"**Hedging Obligations**" of any Person means the obligations of such Person pursuant to any Interest Rate Agreement, Currency Agreement or Commodity Hedging Agreement (each, a "**Hedging Agreement**").

"**Holder**" means each Person in whose name the Notes are registered on the Registrar's books, which shall initially be the nominee of the common depository for Clearstream and Euroclear.

"**Holding Company**" means, in relation to any Person, any Person of which it is a Subsidiary.

"**IFRS**" means International Financial Reporting Standards (formerly International Accounting Standards) endorsed from time to time by the European Union or any variation thereof with which the Parent or its Restricted Subsidiaries are, or may be, required to comply.

"**Incur**" means issue, create, assume, enter into any Guarantee of, incur, extend or otherwise become liable for; *provided*, *however*, that any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Restricted Subsidiary (whether by merger, consolidation, acquisition or otherwise) will be deemed to be Incurred by such Restricted Subsidiary at the time it becomes a Restricted Subsidiary and the terms "Incurred" and "Incurrence" have meanings correlative to the foregoing and any Indebtedness pursuant to any revolving credit or similar facility shall only be "Incurred" at the time any funds are borrowed thereunder.

"**Indebtedness**" means, with respect to any Person on any date of determination (without duplication):

(1) the principal of indebtedness of such Person for borrowed money;

(2) the principal of obligations of such Person evidenced by bonds (other than a performance or advance payment bond or similar instrument), debentures, notes or other similar instruments;

(3) all reimbursement obligations of such Person in respect of letters of credit, bankers' acceptances or other similar instruments (except to the extent such reimbursement obligations relate to trade payables and such obligations are satisfied within 30 days of Incurrence), in each case only to the extent issued by a bank or financial institution and provided that the underlying obligation in respect of which the instrument was issued would be treated as Indebtedness;

(4) the principal component of all obligations of such Person to pay the deferred and unpaid purchase price of property (except trade payables), where the deferred payment is arranged primarily as a means of raising finance, which purchase price is due more than one year after the date of placing such property in service or taking final delivery and title thereto (or if the relevant supplier customarily allows a period for payment, if later the date 180 days after the expiry of that period), for the avoidance of doubt excluding where the payment deferral results from the delayed or non-satisfaction of contract terms by the supplier, from a dispute carried out in good faith or from contract terms establishing payment schedules tied to total or partial contract completion and/or to the results of operational testing procedures and excluding earn-outs and other contingent consideration arrangements);

(5) Capitalized Lease Obligations of such Person;

(6) the principal component of all obligations, or liquidation preference, of such Person with respect to any Disqualified Stock or, with respect to any Restricted Subsidiary, any Preferred Stock (but excluding, in each case, any accrued dividends);

(7) the principal component of all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided*, *however*, that the amount of such Indebtedness will be the lesser of (a) the fair market value of such asset at such date of determination (as determined in good faith by the Parent) and (b) the amount of such Indebtedness of such other Persons;

(8) Guarantees by such Person of the principal component of Indebtedness of other Persons to the extent Guaranteed by such Person; and

(9) to the extent not otherwise included in this definition, net obligations of such Person under Currency Agreements and Interest Rate Agreements (the amount of any such obligations to be equal at any time to the termination value of such agreement or arrangement giving rise to such obligation that would be payable by such Person at such time).

The amount of Indebtedness of any Person at any time in the case of a revolving credit or similar facility shall be the total amounts of funds borrowed and then outstanding. In relation to any Indebtedness in respect of bank accounts subject to netting, cash pooling, net balance, balance transfer or similar arrangements, only the net balance shall be used. The amount of Indebtedness of any Person at any date shall be determined as set forth above or otherwise provided in the Indenture, and (other than with respect to letters of credit or Guarantees or Indebtedness specified in clause (7) or (8) above) shall equal the amount thereof that would appear on a balance sheet of such Person (excluding any notes thereto) prepared on the basis of GAAP.

Notwithstanding the above provisions, in no event shall the following constitute Indebtedness:

(a) Subordinated Shareholder Funding;

(b) any lease, concession or license of property (or Guarantee thereof) which would have previously been categorized as operating leases prior to the adoption of IFRS 16 or the equivalent standard under Dutch GAAP, or any deposit made in relation thereto, or any Facility Lease;

(c) any asset retirement obligations;

(d) any prepayments of deposits received from clients or customers in the ordinary course of business;

(e) any income tax or other payables, any social security, tax or pension obligations or bonds in relation thereto, or obligations under any Tax Sharing Agreement;

(f) any license, permit or other approval (or Guarantees given in respect of such obligations) Incurred on or prior to the Issue Date or in the ordinary course of business;

(g) Contingent Obligations Incurred in the ordinary course of business and obligations under or in respect of Qualified Receivables Financings;

(h) in connection with the purchase by the Parent or any Restricted Subsidiary of any business, any post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing; *provided*, *however*, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid within 180 days thereafter;

(i) trade credit on normal commercial terms;

(j) for the avoidance of doubt, any obligations in respect of workers' compensation claims, early retirement or termination obligations, pension fund obligations or contributions or similar claims;

(k) obligations of any Person for the reimbursements of any obligor in relation to any confirming services, reverse factoring services and commercial discount lines in the ordinary course of business;

(l) obligations of any Person for the reimbursement of any obligor on any letter of credit, banker's acceptance, performance bond, advance payment bonds, surety bonds, completion or performance guarantees or similar transactions, to the extent that such letters, bonds, guarantees or similar transactions are not drawn upon or, if and to the extent drawn upon, are honored in accordance with their terms and if to be reimbursed, are reimbursed no later than the fifth Business Day following receipt by such Person of a demand for reimbursement following payment on the letter of credit or bond;

(m) with respect to any Person, any obligations in respect of Indebtedness of any other Person, other than as provided for in clause (8) above;

(n) Indebtedness incurred by the Parent or any of its Restricted Subsidiaries in connection with a transaction where a substantially concurrent Investment is made by the Parent or any of its Restricted Subsidiaries in the form of cash deposited with the lender (or representative of lenders) of such Indebtedness, or a Subsidiary or Affiliate thereof, in an amount equal to such Indebtedness. For the avoidance of doubt, if any Indebtedness is excluded pursuant to this clause (n), any associated cash deposited in connection therewith shall not offset the Fixed Charge Coverage Ratio, the Consolidated Net Leverage Ratio or the Consolidated Secured Leverage Ratio;

(o) any obligations arising under or pursuant to a declaration of joint and several liability (*hoofdelijke aansprakelijkheid*) as referred to in Section 2:403 of the Dutch Civil Code (including any liability arising under or in connection with a declaration of joint and several liability (*hoofdelijke aansprakelijkheid*) issued for the purpose of Section 2:403 Dutch Civil Code (and any residual liability (*overblijvende aansprakelijkheid*) under such declaration arising pursuant to Section 2:404(2) Dutch Civil Code)); and

(p) any obligations arising by operation of law as a result of the existence of a fiscal unity (*fiscale eenheid*) of which the Parent or any of its Subsidiaries incorporated in the Netherlands is a member.

For the avoidance of doubt, where the amount of Indebtedness falls to be calculated or where the existence (or otherwise) of any Indebtedness is to be established, unless the context requires otherwise (as determined by the Parent in good faith), indebtedness owed by the Parent or any Restricted Subsidiary to the Parent or any other Restricted Subsidiary shall not be taken into account.

"**Independent Financial Advisor**" means an investment banking or accounting firm or any third party appraiser; *provided*, *however*, that such firm or appraiser is not an Affiliate of the Parent.

"**Initial Investors**" means KKR and any funds or partnerships managed or advised, directly or indirectly, by KKR or an Affiliate thereof, and, solely in their capacity as such, any limited partner of or co-investor with any such partnership or fund.

"**Initial Public Offering**" means an Equity Offering of common stock or other common equity interests of the Parent or any Parent Holding Company or any successor of the Parent or any Parent Holding Company (the "**IPO Entity**") following which there is a Public Market and, as a result of which, the shares of common stock or other common equity interests of the IPO Entity in such offering are listed on an internationally recognized exchange or traded on an internationally recognized market.

"**Intercreditor Agreement**" means the Intercreditor Deed dated on or about the Issue Date, among, *inter alios*, the lenders and agent under the Senior Credit Facilities Agreement, the Trustee, the Security Agent as well as certain hedging counterparties, as amended from time to time.

"**Interest Rate Agreement**" means, with respect to any Person, any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement or other similar agreement or arrangement to which such Person is party or a beneficiary.

"**Investment**" means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of any direct or indirect advance, loan or other extensions of credit (other than advances or extensions of credit to customers, suppliers, directors, officers or employees of any Person in the ordinary course of business, and excluding any debt or extension of credit represented by a bank deposit (other than a time deposit) and any loans or credit arising as a result of the operation of cash pooling, net balance or similar arrangements) or capital contribution to (by means of any transfer of cash or other property to others or any payment for property or services for the account or use of others), or the Incurrence of a Guarantee of any obligation of, or any purchase or acquisition of Capital Stock, Indebtedness or other similar instruments issued by, such other Persons and all other items that are or would be classified as investments on a balance sheet prepared on the basis of GAAP; *provided*, *however*, that endorsements of negotiable instruments and documents in the ordinary course of business will not be deemed to be an Investment.

For purposes of "*—Certain Covenants—Limitation on Restricted Payments*:"

(1) "Investment" will include the portion (proportionate to the Parent's equity interest in a Restricted Subsidiary to be designated as an Unrestricted Subsidiary) of the fair market value of the net assets of such Restricted Subsidiary of the Parent at the time that such Restricted Subsidiary is designated an Unrestricted Subsidiary; *provided*, *however*, that

upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Parent will be deemed to continue to have a permanent "Investment" in an Unrestricted Subsidiary in an amount (if positive) equal to (a) the Parent's "Investment" in such Subsidiary at the time of such redesignation less (b) the portion (proportionate to the Parent's equity interest in such Subsidiary) of the fair market value of the net assets of such Subsidiary at the time that such Subsidiary is so re-designated a Restricted Subsidiary;

(2) any property transferred to or from an Unrestricted Subsidiary will be valued at its fair market value at the time of such transfer, in each case as determined in good faith by an Officer or the Board of Directors of the Parent; and

(3) if the Parent or any of its Restricted Subsidiaries issues, sells or otherwise disposes of any Capital Stock of a Person that is a Restricted Subsidiary of the Parent such that, after giving effect thereto, such Person is no longer a Restricted Subsidiary of the Parent, any Investment by the Parent or any of its Restricted Subsidiaries in such Person remaining after giving effect thereto shall not be deemed to be a new Investment at such time.

The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced (at the Parent's option) by any dividend, distribution, interest payment, return of capital, repayment or other amount or value received in respect of such Investment.

"**Investment Grade Securities**" means:

(1) securities issued or directly and fully Guaranteed or insured by the United States or Canadian government or any agency or instrumentality thereof (other than Cash Equivalents);

(2) securities issued or directly and fully guaranteed or insured by a Permissible Jurisdiction or France, England, Switzerland, Norway or any agency or instrumentality thereof (other than Cash Equivalents);

(3) debt securities or debt instruments with a rating of "A–" or higher from S&P or "A3" or higher by Moody's or the equivalent of such rating by such rating organization or, if no rating of Moody's or S&P then exists, the equivalent of such rating by any other Nationally Recognized Statistical Ratings Organization, but excluding any debt securities or instruments constituting loans or advances among the Parent and its Subsidiaries; and

(4) investments in any fund that invests exclusively in investments of the type described in clauses (1), (2) and (3) above which fund may also hold cash and Cash Equivalents pending investment or distribution.

"**Investment Grade Status**" shall occur when the Notes receive both of the following:

(1) a rating of "BBB–" or higher from S&P; and

(2) a rating of "Baa3" or higher from Moody's;

or the equivalent of such rating by either such rating organization or, if no rating of Moody's or S&P then exists, the equivalent of such rating by any other Nationally Recognized Statistical Ratings Organization.

"**IPO Event**" means the occurrence of an Initial Public Offering or a Listing.

"**Issue Date**" means February 13, 2020.

"**Issuer**" means Q-Park Holding I B.V., a company incorporated under the laws of the Netherlands and registered with the Dutch Trade Register of the Chambers of Commerce, and any successor or assign thereto.

"**KKR**" means Kohlberg, Kravis, Roberts & Co. L.P. and its Affiliates, and any fund, partnership and/or other entities represented, managed, advised, owned or controlled directly or indirectly by it or any of them.

"**Lien**" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or lease in the nature thereof).

"**Limited Condition Transaction**" means (1) any Investment or acquisition (whether by merger, amalgamation, consolidation or other business combination or the acquisition of Capital Stock or otherwise), (2) any redemption, repurchase, defeasance, satisfaction and discharge or repayment of Indebtedness, Disqualified Stock or Preferred Stock requiring irrevocable notice in advance of such redemption, repurchase, defeasance, satisfaction and discharge or repayment and (3) any Restricted Payment requiring irrevocable notice in advance thereof.

"**Listing**" means a listing of all or any part of the share capital of the Parent or any Subsidiary of the Parent on any other recognized investment exchange (as that term is used in the Financial Services and Markets Act 2000) or any other sale or issue by way of flotation or public offering in relation to the Parent or any such Subsidiary of the Parent in any jurisdiction or country.

"**Management Advances**" means loans or advances made to, or Guarantees with respect to loans or advances made to Management Investors:

(1) (a) in respect of travel, entertainment or moving related expenses Incurred in the ordinary course of business or (b) for purposes of funding any such person's purchase of Capital Stock or Subordinated Shareholder Funding (or similar obligations) of the Parent, its Subsidiaries or any Parent Holding Company;

(2) in respect of moving related expenses Incurred in connection with any closing or consolidation of any facility or office; or

(3) not exceeding the greater of €11 million and 5.0% of Consolidated EBITDA in the aggregate outstanding at any time.

"**Management Investors**" means the officers, directors, employees and other members of the management of or consultants to any Parent Holding Company, the Parent or any of their respective Subsidiaries, or spouses, family members or relatives thereof, or any trust, partnership or other entity for the benefit of or the beneficial owner of which (directly or indirectly) is any of the foregoing, or any of their heirs, executors, successors and legal representatives, who at any date beneficially own or have the right to acquire, directly or indirectly, Capital Stock of the Parent, any Restricted Subsidiary or any Parent Holding Company.

"**MEP**" means any management equity plan, employee benefit scheme, incentive scheme or other similar or equivalent arrangement implemented or to be implemented.

"**MEP Payment**" means any payment or transaction which is, or which is to be made, entered into or used directly or indirectly (or to facilitate any such step or payment):

(1) to make payment to a member of any MEP (including payments to members leaving any MEP) or any trust or other person in respect of any MEP, incentive scheme or similar arrangement or pay any costs and expenses properly incurred in the establishing and maintaining of any MEP, incentive scheme or similar arrangement (provided further that, for the avoidance of doubt, nothing in the Note Documents shall prohibit any payments to, or the acquisition of shares or other interests or investments of, employees or management); and/or

(2) for repayment or refinancing of amounts outstanding under any loan made in connection with an MEP, incentive scheme or similar arrangement or capitalization of such loans.

"**Moody's**" means Moody's Investors Service, Inc. or any of its successors or assigns that is a Nationally Recognized Statistical Rating Organization.

“**Nationally Recognized Statistical Rating Organization**” means a nationally recognized statistical rating organization within the meaning of Section 3(a)(62) of the Exchange Act.

“**Net Available Cash**” from an Asset Disposition means cash payments received (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise and net proceeds from the sale or other disposition of any securities received as consideration, but only as and when received, but excluding any other consideration received in the form of assumption by the acquiring person of Indebtedness or other obligations relating to the properties or assets that are the subject of such Asset Disposition or received in any other non-cash form) therefrom, in each case net of:

(1) all legal, accounting, investment banking, title and recording tax expenses, commissions and other fees and expenses Incurred, and all Taxes paid or required to be paid or accrued as a liability under GAAP (after taking into account any available tax credits or deductions and any tax sharing arrangements), as a consequence of such Asset Disposition;

(2) all payments made on any Indebtedness which is secured by any assets subject to such Asset Disposition, in accordance with the terms of any Lien upon such assets, or which by its terms or by applicable law are required to be repaid out of the proceeds from such Asset Disposition;

(3) all distributions and other payments required to be made to minority interest holders (other than any Parent Holding Company, the Parent or any of their respective Subsidiaries) in Subsidiaries or joint ventures as a result of such Asset Disposition; and

(4) the deduction of appropriate amounts required to be provided by the seller as a reserve, on the basis of GAAP, against any liabilities associated with the assets disposed of in such Asset Disposition and retained by the Parent or any Restricted Subsidiary after such Asset Disposition.

“**Net Cash Proceeds**,” with respect to any issuance or sale of Capital Stock or Subordinated Shareholder Funding, means the cash proceeds of such issuance or sale net of attorneys’ fees, accountants’ fees, underwriters’ or placement agents’ fees, listing fees, discounts or commissions and brokerage, consultant and other fees and charges actually Incurred in connection with such issuance or sale and net of taxes paid or payable as a result of such issuance or sale (after taking into account any available tax credit or deductions and any tax sharing arrangements).

“**Note Documents**” means the Notes (including Additional Notes), the Indenture, the Intercreditor Agreement and the Security Documents.

“**Offering Memorandum**” means the final offering memorandum in relation to the Notes dated February 6, 2020.

“**Officer**” means, with respect to any Person, (1) any member of the Board of Directors, the chief executive officer, the president, the chief financial officer, any vice president, the treasurer, any managing director, or the secretary (a) of such Person or (b) if such Person is owned or managed by a single entity, of such entity, or (2) any other individual designated as an “Officer” for the purposes of the Indenture by the Board of Directors of such Person.

“**Officer’s Certificate**” means, with respect to any Person, a certificate signed by one Officer of such Person.

“**Opinion of Counsel**” means a written opinion from legal counsel reasonably satisfactory to the Trustee. The counsel may be an employee of or counsel to the Parent or its Subsidiaries.

“**Other Government Obligations**” of a given currency means any security that is a direct obligation of, or obligations guaranteed by, a country the official currency of which is the relevant currency, and the payment for which such country pledges its full faith and credit (in each case other than European Government Obligations).

"**Parent**" means Q-Park Holding B.V., a company incorporated under the laws of the Netherlands and registered with the Dutch Trade Register of the Chambers of Commerce, and any successor thereto.

"**Parent Holding Company**" means any Person of which the Parent at any time is or becomes a Subsidiary after the Issue Date and any holding companies established by any Permitted Holder for purposes of holding its investment in any Parent Holding Company.

"**Parent Holding Company Expenses**" means:

(1) costs (including all professional fees and expenses) Incurred by any Parent Holding Company in connection with reporting obligations under or otherwise Incurred in connection with compliance with applicable laws, rules or regulations of any governmental, regulatory or self-regulatory body or stock exchange, the Indenture or any other agreement or instrument relating to Indebtedness of the Parent or any Restricted Subsidiary, including in respect of any reports filed with respect to the Securities Act, Exchange Act or the respective rules and regulations promulgated thereunder;

(2) customary indemnification obligations of any Parent Holding Company owing to directors, officers, employees or other Persons under its charter or by-laws or pursuant to written agreements with any such Person to the extent relating to the Parent and its Subsidiaries;

(3) obligations of any Parent Holding Company in respect of director and officer insurance (including premiums therefor) to the extent relating to the Parent and its Subsidiaries;

(4) fees, costs and expenses payable by any Parent Holding Company in connection with the Transactions;

(5) general corporate overhead expenses, including professional fees and expenses and other operational expenses of any Parent Holding Company or any of its Affiliates related to the ownership or operation of the business of the Parent or any of its Restricted Subsidiaries (including remuneration payable to employees, directors and officers);

(6) costs and expenses with respect to any litigation or other dispute relating to the Transactions or the ownership, directly or indirectly, by any Parent Holding Company of the Parent or any of its Subsidiaries;

(7) other fees, expenses and costs relating directly or indirectly to activities of the Parent and its Subsidiaries or any Parent Holding Company or any other Person established for purposes of or in connection with the Transactions or which holds directly or indirectly any Capital Stock or Subordinated Shareholder Funding of the Parent, in an amount not to exceed the greater of €11 million and 5.0% of Consolidated EBITDA in any fiscal year;

(8) expenses Incurred by any Parent Holding Company in connection with any Public Offering, IPO Event or other sale of Capital Stock or Indebtedness:

   (x) where the net proceeds of such offering or sale are intended to be received by or contributed to the Parent or a Restricted Subsidiary;

   (y) pro-rated amount of such expenses in proportion to the amount of such net proceeds intended to be so received or contributed; or

   (z) otherwise on an interim basis prior to completion of such offering so long as any Parent Holding Company shall cause the amount of such expenses to be repaid to the Parent or the relevant Restricted Subsidiary out of the proceeds of such offering promptly if completed;

(9) amounts to enable a Parent Holding Company (or any other company which acts as the host of any MEP, incentive scheme or similar arrangement) to:

(a) pay Taxes, duties or similar amounts;

(b) pay fees, expenses and other costs incurred in acting as, or maintaining its existence as, a holding company of the Parent and its Subsidiaries and/or host of any MEP, incentive scheme or similar arrangement or arising by operation of law or in the ordinary course of administration of its business as a holding company of the Parent and its Subsidiaries (including remuneration payable to employees, directors and officers);

(c) meet substance requirements for Tax purposes; and/or

(d) to make any payment for or on account of Tax as a result of the existence of a fiscal unity for Dutch tax purposes.

"**Pari Passu Indebtedness**" means any Indebtedness of the Issuer or any Guarantor if such Indebtedness or Guarantee ranks equally in right of payment to the Notes or the Notes Guarantees, as the case may be, and, in each case, is secured by a Lien on the Collateral.

"**Permissible Jurisdiction**" means any state, commonwealth or territory of the United States or the District of Columbia, Canada or any province of Canada, Japan, any member state of the European Union, Switzerland, Norway, Australia or the Channel Islands or any political subdivision, taxing authority agency or instrumentality of any such state, commonwealth, territory, union, country or member state and also, for the purposes of the definitions of "Cash Equivalents" and "Temporary Cash Investments" only, any jurisdiction in which the Parent or a Restricted Subsidiary does business as of the Issue Date.

"**Permitted Asset Swap**" means the concurrent purchase and sale or exchange of assets used or useful in a Similar Business or a combination of such assets and cash, Cash Equivalents or Temporary Cash Investments between the Parent or any of its Restricted Subsidiaries and another Person; *provided* that any cash or Cash Equivalents received in excess of the value of any cash or Cash Equivalents sold or exchanged must be applied in accordance with the covenant described under "*—Certain Covenants—Limitation on Asset Dispositions*."

"**Permitted Collateral Liens**" means (A) Liens on the Collateral (i) that are "Permitted Liens" or (ii) that are Liens on bank accounts granted to cash management banks securing cash management obligations, (B) Liens on the Collateral to secure Indebtedness or other obligations of the Parent or a Restricted Subsidiary that are permitted to be Incurred under clauses (1), (2) (in the case of (2), to the extent such Guarantee is in respect of Indebtedness otherwise permitted to be secured and specified in this definition of Permitted Collateral Liens), (4)(a), (5)(i) (covering only the shares and assets of the acquired Person the Indebtedness of which is so secured), (5)(ii) (but only if after giving effect to such Incurrence on that date, the Consolidated Secured Leverage Ratio is either (a) less than 7.0 to 1.0 or (b) not greater than prior to such Incurrence), (6), (7), (11), (12), (15) or (16) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*") and any Refinancing Indebtedness in respect of such Indebtedness; *provided*, *however*, that such Lien will not give an entitlement to be repaid with proceeds of enforcement of the Collateral in a manner which is inconsistent with the Intercreditor Agreement and any Additional Intercreditor Agreement, and provided further that no Indebtedness may constitute "Super Priority Indebtedness" under the Intercreditor Agreement unless incurred under any of clauses (1), (6) and (15); (C) Liens on the Collateral securing Indebtedness incurred under the first paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*," *provided that* any such Indebtedness may not constitute Super Priority Indebtedness and *provided further that* after giving effect to such incurrence, the Consolidated Secured Leverage Ratio is less than 7.0 to 1.0 and (D) Liens on the Collateral that secure Indebtedness on a basis junior to the Notes, *provided* that the holders of such Indebtedness (or their representative) accede to the Intercreditor Agreement or an

Additional Intercreditor Agreement. To the extent that Indebtedness relating to an instrument or agreement is permitted to be secured by a Permitted Collateral Lien, other obligations arising under or associated with such instrument or agreement not themselves constituting Indebtedness may also be secured by such Permitted Collateral Lien.

"Permitted Holders" means, collectively, (1) the Initial Investors and any Affiliate or Related Person of any of them, (2) Senior Management and Related Persons, (3) any Person who is acting as an underwriter in connection with a public or private offering of Capital Stock of any Parent Holding Company or the Parent, acting in such capacity and (4) any "group" (as such term is defined under Section 13(d)(3) of the Exchange Act) of which a Permitted Holder (without giving effect to this clause (4)) is a "Permitted Holder" and where such Permitted Holder is the beneficial owner of more than 50% of the Capital Stock beneficially owned by such group. Any person or group whose acquisition of beneficial ownership constitutes (i) a Change of Control in respect of which a Change of Control Offer is made in accordance with the requirements of the Indenture or (ii) a Change of Control which is also a Specified Change of Control Event, will thereafter, together with its Affiliates, constitute an additional Permitted Holder.

"**Permitted Investment**" means (in each case, by the Parent or any of its Restricted Subsidiaries):

(1) Investments in (a) a Restricted Subsidiary (including the Capital Stock of a Restricted Subsidiary) or the Parent or (b) a Person (including the Capital Stock of any such Person) that is engaged in any Similar Business and such Person will, upon the making of such Investment, become a Restricted Subsidiary;

(2) Investments in another Person if such Person is engaged in any Similar Business and as a result of such Investment such other Person is merged, consolidated or otherwise combined with or into, or transfers or conveys all or substantially all its assets to, or is liquidated into, the Parent or a Restricted Subsidiary;

(3) Investments in cash, Cash Equivalents, Temporary Cash Investments or Investment Grade Securities;

(4) Investments in receivables owing to the Parent or any Restricted Subsidiary created or acquired in the ordinary course of business;

(5) Investments in payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the ordinary course of business;

(6) Management Advances and MEP Payments;

(7) Investments received in settlement of debts created in the ordinary course of business and owing to the Parent or any Restricted Subsidiary, or as a result of foreclosure, perfection or enforcement of any Lien, or in satisfaction of judgments or pursuant to any plan of reorganization or similar arrangement including upon the bankruptcy or insolvency of a debtor;

(8) Investments made as a result of the receipt of non-cash consideration from a sale or other disposition of property or assets, including an Asset Disposition, that was made in compliance with "*—Certain Covenants—Limitation on Asset Dispositions*";

(9) Investments in existence on, or made pursuant to contractual commitments in existence on, the Issue Date (or, in the case of any Person which becomes a Restricted Subsidiary after the Issue Date, any Investments in existence on, or to which that Person is contractually committed as at the date on, which it becomes a Restricted Subsidiary), and in the case of any such Investment or commitment, as that Investment or commitment is extended, modified, replaced or renewed from time to time;

(10) Currency Agreements, Interest Rate Agreements, Commodity Hedging Agreements and related Hedging Obligations, which transactions or obligations are Incurred in compliance with "*—Certain Covenants—Limitation on Indebtedness*";

(11) Investments, the outstanding principal amount of which, taken together with all other Investments made pursuant to this clause (11) and at any time outstanding (measured as of the time of original Investment without giving effect to appreciation or to accretion or capitalization of interest), in an aggregate amount at the time of such Investment not to exceed the greater of €57 million and 25.0% of Consolidated EBITDA plus an amount equal to 100% of the dividends, distributions and other amounts (including payments received in respect of loans and advances) received by the Parent or a Restricted Subsidiary from such Investments (which dividends or distributions, at the option of the Parent (without double counting), are not included in the calculation under the first paragraph of the covenant described under "*—Certain Covenants—Limitation on Restricted Payments*"); *provided* that, if an Investment is made pursuant to this clause in a Person that is not a Restricted Subsidiary and such Person subsequently becomes a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary pursuant to the covenant described under "*—Certain Covenants—Limitation on Restricted Payments*," such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (2) of the definition of "Permitted Investment" and not this clause;

(12) Investments in negotiable instruments held for collection and pledges or deposits with respect to workers' compensation, leases or utilities provided to third parties in the ordinary course of business or Liens otherwise described in the definition of "Permitted Liens" or made in connection with Liens permitted under the covenant described under "*—Certain Covenants—Limitation on Liens*";

(13) any Investment to the extent made directly or indirectly using Capital Stock of the Parent (other than Disqualified Stock), Subordinated Shareholder Funding, or Capital Stock of any Parent Holding Company as consideration;

(14) any transaction to the extent constituting an Investment that is (i) specified in or contemplated by the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Affiliate Transactions*"; or (ii) made pursuant to or in connection with (A) any issuance or sale of Capital Stock, options, other equity-related interests or other securities, or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, or entering into, or maintenance of, any employment, consulting, collective bargaining or benefit plan, program, agreement or arrangement, related trust or other similar agreement and other compensation arrangements, options, warrants or other rights to purchase Capital Stock of the Parent, any Restricted Subsidiary or any Parent Holding Company, restricted stock plans, long-term incentive plans, stock appreciation rights plans, participation plans or similar employee benefits or consultants' plans (including valuation, health, insurance, deferred compensation, severance, retirement, savings or similar plans, programs or arrangements) or indemnities provided on behalf of officers, employees, directors or consultants approved by the Board of Directors of the Parent, in each case in the ordinary course of business; (B) the payment of reasonable fees and reimbursement of expenses to, and customary indemnities (including under customary insurance policies) and employee benefit and pension expenses provided on behalf of, directors, officers, consultants or employees of the Parent, any Restricted Subsidiary of the Parent or any Parent Holding Company (whether directly or indirectly and including through any Person owned or controlled by any of such directors, officers or employees); (C) any transaction between or among the Parent and any Restricted Subsidiary (or entity that becomes a Restricted Subsidiary as a result of such transaction) or between or among Restricted Subsidiaries; (D) execution, delivery and performance of any Tax Sharing Agreement or the formation and maintenance of any consolidated group for tax, accounting or cash pooling or management purposes in the ordinary course of business; (E)(1) issuances or sales of Capital Stock (other than Disqualified Stock or Designated Preference Shares) of the Parent or options, warrants or other rights to acquire such Capital Stock or indebtedness constituting Subordinated Shareholder Funding provided

that the interest rate and other financial terms of such indebtedness constituting Subordinated Shareholder Funding are approved by the Board of Directors of the Parent and (2) any amendment, waiver or other transaction with respect to any indebtedness constituting Subordinated Shareholder Funding in compliance with the other provisions of the Indenture; or (F) a Permitted Reorganization; and (iii) any transaction effected as part of a Qualified Receivables Financing;

(15) Investments consisting of purchases and acquisitions of inventory, supplies, materials and equipment or leases or agreements in respect of vehicles, information technology and other electronic equipment and point of sale equipment or network or related (or similar or replacement) assets or licenses or leases of intellectual property, in each case, in the ordinary course of business;

(16) guarantees, keepwells and similar arrangements not prohibited by the covenant described under "*—Certain Covenants—Limitation on Indebtedness*" (including payments made pursuant to or to fund any amount that may be required by any such arrangement); and

(17) Investments in Permitted Joint Ventures provided that the aggregate outstanding principal amount of Investments made pursuant to this clause (17) (excluding capitalized interest) does not exceed the greater of €57 million and 25.0% of Consolidated EBITDA plus an amount equal to 100% of the dividends, distributions and other amounts (including payments received in respect of loans and advances) received by the Parent or a Restricted Subsidiary from any Permitted Joint Venture (which dividends or distributions are not included in the calculation under the first paragraph of the covenant described under "*—Certain Covenants—Limitation on Restricted Payments*"), provided that if an Investment is made pursuant to this clause (17) in a Person that is not a Restricted Subsidiary and such Person subsequently becomes a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (2) of this definition of Permitted Investments and not this clause (17);

(18) Investments consisting of the acquisition of shares or other ownership interests held directly or indirectly by current, former or future employees or members of management or any trust or other person in respect of or in connection with any MEP, incentive scheme or similar arrangement;

(19) any vendor loan or similar instrument issued or entered into in respect of a disposal not prohibited under the Indenture, provided that for the avoidance of doubt, contingent consideration arrangements (including earn-outs) shall not constitute Investments for the purpose of the Indenture;

(20) Investments made pursuant to transactions required by, or to facilitate compliance with, any laws applicable to the Parent or any Restricted Subsidiary;

(21) Investments made in connection with Capitalized Lease Obligations, hire, purchase, conditional sale, sale and leaseback or other agreement for the acquisition of any asset upon deferred payment terms, in each case where such agreement or arrangement is not otherwise prohibited by the terms of the Indenture;

(22) any investment pursuant to the exercise of put/call options (or any equivalent right or obligation) arising under any joint venture permitted by the terms of the Indenture (in each case provided that such put/call option was entered into for bona fide business reasons);

(23) any loan or extension of credit made by a Restricted Subsidiary outstanding on the Issue Date (or, in the case of any Person which becomes a Restricted Subsidiary after the Issue Date, any loan or extension of credit made by that Person and outstanding on the date on which it becomes a Restricted Subsidiary), or, in each case, any refinancing, replacement, extension or renewal thereof;

(24) any Investment funded directly or indirectly with the proceeds of the issuance or sale of Capital Stock of the Parent, the proceeds of Subordinated Shareholder Funding or the proceeds of an IPO Event, *provided* that no amount shall be taken into account for the purpose of this clause (24) where to do so would result in double counting as a consequence of that amount being (at the Parent's option) an Excluded Contribution or included in the calculation set out in clauses (c)(ii) or (c)(iii) of the first paragraph of the covenant described under "*—Certain Covenants—Limitation on Restricted Payments*" or where such amount constitutes an Excluded Amount;

(25) trade credit given on normal commercial terms (including, without limitation, the making of loans, guarantees and the granting of credit to customers in the ordinary course of activities);

(26) a loan made, credit granted or guarantee given by the Parent or any Restricted Subsidiary to or for the benefit of any employee or director of the Parent or any Restricted Subsidiary (or any person who was an employee or director at the time the loan was made, credit granted or guarantee given), *provided* that the maximum aggregate principal amount of Indebtedness outstanding under all loans made, credit granted and guarantees given pursuant to this clause (26) (excluding capitalized interest) does not at any time exceed an amount equal to the greater of €22.5 million and 10.0% of Consolidated EBITDA plus the aggregate amount of all such loans, credit and guarantees in existence as at the Issue Date;

(27) any arrangement in respect of, or the making of any payment or matter permitted by the covenant described under "*—Certain Covenants—Limitation on Restricted Payments*," or any transaction to facilitate the making of such payment or matter;

(28) any credit balances held with banks or other financial institutions;

(29) any Investment arising as a result of the operation of cash pooling, net balance, balance transfer or similar arrangements made available to the Parent or any Restricted Subsidiary or arising in the course of other treasury management operations of the Parent and its Restricted Subsidiaries;

(30) advance payments made in relation to capital expenditure of the Parent and its Restricted Subsidiaries in the ordinary course of business;

(31) loans to or for the benefit of current, future or former employees or members of management (or any trust or other entity holding shares or other investments in connection with any MEP, incentive scheme or similar arrangement) the proceeds of which are to be used (directly or indirectly, including by way of refinancing previous acquisitions) to fund the acquisition of shares or other ownership interests or investments pursuant to any MEP, incentive scheme or similar arrangement and loans the proceeds of which are to be used (directly or indirectly) to fund the acquisition of shares or other ownership interests or investments from current, future or former employees or management, in each case as any such loan may be replaced, renewed or extended from time to time;

(32) any loan made or credit granted in connection with any actual, proposed or future payment of Tax (including as a consequence of any 'group contributions' or similar or equivalent arrangements);

(33) the endorsement of negotiable instruments in the ordinary course of trade; and

(34) Investments in the Notes.

"**Permitted Joint Venture**" means:

(1) any corporation, association or other business entity (other than a partnership) that is not a Restricted Subsidiary and of which a portion of the Capital Stock is at the time of determination owned or controlled, directly or indirectly, by the Parent or one or more Restricted Subsidiaries or a combination thereof; and

(2) any partnership, joint venture, limited liability company or similar entity that is not a Restricted Subsidiary and of which a portion of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are at the time of determination, owned or controlled, directly or indirectly, by the Parent or one or more Restricted Subsidiaries or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise.

"**Permitted Liens**" means, with respect to any Person:

(1) Liens on assets or property of a Restricted Subsidiary that is not a Guarantor securing Indebtedness of any Restricted Subsidiary that is not a Guarantor;

(2) pledges, deposits or Liens under workmen's compensation laws, unemployment insurance laws, social security laws or similar legislation, or insurance related obligations (including pledges or deposits securing liability to insurance carriers under insurance or self-insurance arrangements), or in connection with bids, tenders, completion guarantees, contracts (other than for borrowed money) or leases, or to secure utilities, licenses, public or statutory obligations, or to secure surety, indemnity, judgment, appeal or performance bonds, guarantees of government contracts (or other similar bonds, instruments or obligations), or as security for contested taxes or import or customs duties or for the payment of rent, or other obligations of like nature, in each case Incurred in the ordinary course of business;

(3) Liens imposed by law, including carriers', warehousemen's, mechanics', landlords', materialmen's and repairmen's or other like Liens, in each case for sums not yet overdue for a period of more than 60 days or that are bonded or being contested in good faith by appropriate proceedings;

(4) Liens for taxes, assessments or other governmental charges not yet delinquent or which are being contested in good faith by appropriate proceedings;

(5) Liens in favor of the issuers of surety, performance or other bonds, guarantees or letters of credit or bankers' acceptances (not issued to support Indebtedness for borrowed money) issued pursuant to the request of and for the account of such Person in the ordinary course of its business;

(6) encumbrances, ground leases, easements (including reciprocal easement agreements and any Liens arising in connection with any swapping of logistics capabilities), survey exceptions, or reservations of, or rights of others for, licenses, rights of way, sewers, electric lines, utility agreements, telegraph and telephone lines and other similar purposes, or zoning, building codes or other restrictions (including minor defects or irregularities in title and similar encumbrances) as to the use of real properties or Liens incidental to the conduct of the business of the Parent and its Restricted Subsidiaries or to the ownership of its properties which do not in the aggregate materially adversely affect the value of said properties (taken as a whole) or materially impair their use in the operation of the business of the Parent and its Restricted Subsidiaries (taken as a whole);

(7) Liens securing Hedging Obligations permitted under the Indenture, or over assets or property of any Restricted Subsidiary which is not required to provide a Guarantee pursuant to the Agreed Security Principles and which Lien is in favor of obligations under the Indenture;

(8) leases, licenses, subleases and sublicenses of assets (including real property and intellectual property rights), in each case entered into in the ordinary course of business;

(9) Liens arising out of judgments, decrees, orders or awards not giving rise to an Event of Default so long as any appropriate legal proceedings which may have been duly initiated for the review of such judgment, decree, order or award have not been finally

terminated or the period within which such proceedings may be initiated has not expired;

(10) Liens on assets or property of the Parent or any Restricted Subsidiary for the purpose of securing Capitalized Lease Obligations or Purchase Money Obligations, or securing the payment of all or a part of the purchase price of, or securing other Indebtedness Incurred to finance or refinance the acquisition, improvement or construction of, assets or property acquired or constructed in the ordinary course of business; *provided* that (a) the aggregate principal amount of Indebtedness secured by such Liens is otherwise permitted to be Incurred under the Indenture and (b) any such Lien may not extend to any assets or property of the Parent or any Restricted Subsidiary other than assets or property acquired, improved, constructed or leased with the proceeds of such Indebtedness and any improvements or accessions to such assets and property;

(11) Liens arising by virtue of any statutory or common law provisions or standard terms and procedures relating to banker's Liens, rights of set-off or similar rights and remedies as to deposit accounts, securities accounts, or other funds maintained with a depositary or financial institution or clearing system (including Euroclear or Clearstream);

(12) Liens arising from Uniform Commercial Code financing statement filings (or similar filings in other applicable jurisdictions) regarding operating leases entered into by the Parent and its Restricted Subsidiaries in the ordinary course of business;

(13) (a) Liens existing on the Issue Date and (b) Liens with respect to Credit Facilities and other Indebtedness incurred pursuant to clause (15) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*";

(14) Liens on property, other assets or shares of stock of a Person at the time such Person becomes a Restricted Subsidiary (or at the time the Parent or a Restricted Subsidiary acquires such property, other assets or shares of stock, including any acquisition by means of a merger, consolidation or other business combination transaction with or into the Parent or any Restricted Subsidiary); *provided*, that such Liens are limited to all or part of the same property, other assets or stock (plus improvements, accession, proceeds or dividends or distributions in connection with the original property, other assets or stock) that secured (or, under the written arrangements under which such Liens arose, could secure) the obligations to which such Liens relate;

(15) Liens on assets or property of any Restricted Subsidiary securing Indebtedness or other obligations of such Restricted Subsidiary owing to the Parent or another Restricted Subsidiary, or Liens in favor of the Parent or any Restricted Subsidiary;

(16) Liens (other than Permitted Collateral Liens) securing Refinancing Indebtedness Incurred to refinance Indebtedness that was previously so secured, and permitted to be secured under the Indenture; *provided* that any such Lien is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which the original Lien arose, could secure) the Indebtedness being refinanced or is in respect of property that is or could be the security for or subject to a Permitted Lien hereunder;

(17) any interest or title of a lessor under any Capitalized Lease Obligation or operating lease;

(18) (a) mortgages, liens, security interests, restrictions, encumbrances or any other matters of record that have been placed by any government, statutory or regulatory authority, developer, landlord or other third party on property over which the Parent or any Restricted Subsidiary of the Parent has easement rights or on any leased property and subordination or similar arrangements relating thereto and (b) any condemnation or eminent domain proceedings affecting any real property;

(19) any Lien, encumbrance or other restriction (including put and call arrangements) with respect to Capital Stock of, or other ownership interests in, any joint venture, minority interest arrangement or similar investment or arrangement (and/or related assets, including shares or other ownership interests in any special purpose vehicle holding any such assets) pursuant to any joint venture, minority interest or other similar agreement, and any Lien constituting a Permitted Investment;

(20) any encumbrance or restriction (including put and call arrangements) with respect to Capital Stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

(21) Liens on property or assets under construction (and related rights) in favor of a contractor or developer or arising from progress or partial payments by a third party relating to such property or assets;

(22) Liens on cash accounts securing Indebtedness incurred under clause (10) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*" with local financial institutions;

(23) Liens on escrowed proceeds for the benefit of the related holders of debt securities or other Indebtedness (or the underwriters or arrangers thereof) or on cash set aside at the time of the Incurrence of any Indebtedness or government securities purchased with such cash, in either case to the extent such cash or government securities prefund the payment of interest on such Indebtedness and are held in an escrow account or similar arrangement to be applied for such purpose;

(24) Liens securing or arising by reason of any netting or set-off arrangement entered into in the ordinary course of banking or other trading activities or pursuant to any derivative or hedging transaction, or liens over cash accounts securing cash pooling arrangements;

(25) Liens arising out of conditional sale, title retention, hire purchase, consignment or similar arrangements for the sale of goods or otherwise in connection with any leasing (including sale and leaseback transactions), vendor financing or similar arrangements;

(26) Liens, provided that the aggregate principal amount of Indebtedness (excluding capitalized interest) secured by such Liens in aggregate does not exceed the greater of €45 million and 20.0% of Consolidated EBITDA;

(27) Permitted Collateral Liens;

(28) Liens on Capital Stock or other securities or assets of any Unrestricted Subsidiary;

(29) (a) Liens directly or indirectly securing the Notes; and (b) Liens in respect of property and assets securing Indebtedness if the recovery in respect of such Liens is subject to the Intercreditor Agreement or an Additional Intercreditor Agreement, or otherwise is subject to loss-sharing as among the Holders and the creditors of such Indebtedness;

(30) Liens on Receivables Assets Incurred in connection with a Qualified Receivables Financing;

(31) Liens securing Indebtedness permitted to be Incurred pursuant to clause (1) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*";

(32) any cash collateral arrangement securing the obligations of an ancillary lender, landlord, hedging counterparty or regulator in respect of ancillary facilities, leases, hedging obligations or capital, surety or other guarantee requirements under applicable regulations of the Parent or its Restricted Subsidiaries;

(33) Liens arising on rental deposits in connection with the occupation of leasehold premises in the ordinary course of business;

(34) any Liens granted in favor of creditors so as to implement a Permitted Reorganization or a permitted capital reduction;

(35) any Lien constituting a right to use certain assets of the Parent or any Restricted Subsidiary or any similar or equivalent arrangement, in each case to the extent that such Lien is granted or arises in respect of the obligations of the Parent or any Restricted Subsidiary under any contract entered into in the ordinary course of business;

(36) Liens arising by operation of law or regulation, by contract or under general business conditions, in each case by virtue of the provision of general banking or overdraft facilities or arrangements (including any cash pooling, net balance, balance transfer, netting, set-off or similar arrangements entered into by the Parent or any Restricted Subsidiary) or as otherwise required by a bank or financial institution under its standard terms and conditions (a) for operation of any accounts or facilities, (b) for transactions in the ordinary course of banking arrangements or (c) for other transactions expressly permitted or required by the Indenture;

(37) Liens arising by way of rights of set-off, bailment or similar rights arising pursuant to any risk and/or revenue sharing contract and other contracts entered into in the ordinary course of business;

(38) any Liens (including escrow, cash collateral or similar arrangements and arrangements with tax authorities) arising in connection with (a) any acquisition or disposal not prohibited by the terms of the Indenture; or (b) any other acquisition or disposal made by the Parent or a Restricted Subsidiary prior to the Issue Date;

(39) payments into court or any Lien arising in connection with any legal proceedings being contested by the Parent or any Restricted Subsidiary in good faith (including Liens arising under any court order or injunctions or security for costs);

(40) any Liens granted over or in relation to amounts (and/or any related accounts, rights and interests) received or to be received by the Parent or any Restricted Subsidiary on behalf of (or otherwise required to be paid to) any Person other than the Parent or a Restricted Subsidiary;

(41) Liens arising in connection with any transaction or arrangements permitted under clause (19) of the definition of "Permitted Investment";

(42) any Liens granted to secure the obligations of the Parent or any Restricted Subsidiary in respect of arrangements permitted under clauses (18) and (19) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*";

(43) any Liens over shares or other interests in any Permitted Joint Venture and/or related assets (including the shares or other ownership interests in any special purpose vehicle holding any such assets) granted or arising in connection with arrangements relating to a Permitted Joint Venture;

(44) Liens arising pursuant to an order of attachment or injunction restraining disposal of assets or similar legal process and any other Liens arising in connection with court proceedings which are contested by the Parent or any Restricted Subsidiary in good faith;

(45) Liens on cash, Cash Equivalents or other assets arising in connection with the defeasance, discharge or redemption of Indebtedness;

(46) Liens arising by operation of law (or by agreement to the same effect) in the ordinary course of business and not as a result of any default or omission on the part of the Parent or any Restricted Subsidiary;

(47) any Lien arising in connection with any cash collateral or similar or equivalent arrangements in respect of a guarantee granted by the Parent or any Restricted Subsidiary or any other guarantee granted in respect of the obligations or liabilities of

the Parent or any Restricted Subsidiary (in each case to the extent that such guarantee is not prohibited by the terms of the Indenture);

(48) any Lien arising by operation of law as a result of the existence of a fiscal unity for Dutch tax purposes (fiscale eenheid); and

(49) any Lien arising under or pursuant to the general terms and conditions (*algemene bankvoorwaarden*) of any member of the Dutch Bankers' Association (*Nederlandse Vereniging van Banken*) and/or any similar term applied by a financial institution in the Netherlands pursuant to its general terms and conditions.

"**Permitted Parent Transactions**" means (i) any issuance or sale of Capital Stock, options, other equity-related interests or other securities, or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, or entering into, or maintenance of, any employment, consulting, collective bargaining or benefit plan, program, agreement or arrangement, related trust or other similar agreement and other compensation arrangements, options, warrants or other rights to purchase Capital Stock of the Parent, any Restricted Subsidiary or any Parent Holding Company, restricted stock plans, long-term incentive plans, stock appreciation rights plans, participation plans or similar employee benefits or consultants' plans (including valuation, health, insurance, deferred compensation, severance, retirement, savings or similar plans, programs or arrangements) or indemnities provided on behalf of officers, employees, directors or consultants approved by the Board of Directors of the Parent, in each case in the ordinary course of business; (ii) any Management Advances and/or MEP Payments (and in each case any waiver or transaction with respect thereto); (iii) the payment of reasonable fees and reimbursement of expenses to, and customary indemnities (including under customary insurance policies) and employee benefit and pension expenses provided on behalf of, directors, officers, consultants or employees of the Parent, any Restricted Subsidiary of the Parent or any Parent Holding Company (whether directly or indirectly and including through any Person owned or controlled by any of such directors, officers or employees); or (iv) execution, delivery and performance of any Tax Sharing Agreement or the formation and maintenance of any consolidated group for tax, accounting or cash pooling or management purposes in the ordinary course of business.

"**Permitted Reorganization**" means any reorganization and other activities related to (i) an IPO Event, as described in "*—IPO Pushdown*" or (ii) tax planning and tax reorganization, so long as, after giving effect thereto, the enforceability of the obligations under the Notes and the Indenture are not materially impaired.

"**Person**" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity.

"**Preferred Stock**," as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"**Public Debt**" means any Indebtedness consisting of bonds, debentures, notes or other similar debt securities issued in (1) a public offering registered under the Securities Act or (2) a private placement to institutional investors that is underwritten for resale in accordance with Rule 144A or Regulation S under the Securities Act, whether or not it includes registration rights entitling the holders of such debt securities to registration thereof with the SEC for public resale.

"**Public Market**" means any time after:

(1) an Equity Offering has been consummated; and

(2) at least 20% of the total issued and outstanding ordinary shares or common equity of the IPO Entity has been distributed to investors other than the Permitted Holders or any other direct or indirect shareholders of the Parent as of the Issue Date;

“**Public Offering**” means any offering, including an Initial Public Offering, of shares of common stock or other common equity interests that are listed on an exchange or publicly offered (which shall include an offering pursuant to Rule 144A and/or Regulation S under the Securities Act to professional market investors or similar persons).

“**Purchase Money Obligations**” means any Indebtedness Incurred to finance or refinance the acquisition, leasing, construction or improvement of property (real or personal) or assets (including Capital Stock), and whether acquired through the direct acquisition of such property or assets or the acquisition of the Capital Stock of any Person owning such property or assets, or otherwise.

“**Qualified Receivables Financing**” means any Receivables Financing of a Receivables Subsidiary that meets the following conditions: (1) the Board of Directors of the Parent shall have determined in good faith that such Qualified Receivables Financing (including financing terms, covenants, termination events and other provisions) is in the aggregate economically fair and reasonable to the Parent and the Receivables Subsidiary, (2) all sales of accounts receivable and related assets to the Receivables Subsidiary are made at fair market value, and (3) the financing terms, covenants, termination events and other provisions thereof shall be on market terms or better (as determined in good faith by the Parent) and may include Standard Securitization Undertakings.

The grant of a security interest in any accounts receivable of the Parent or any of its Restricted Subsidiaries (other than a Receivables Subsidiary) to secure Indebtedness under a Credit Facility or Indebtedness in respect of the Notes shall not be deemed a Qualified Receivables Financing.

“**Receivables Assets**” means any assets that are or will be the subject of a Qualified Receivables Financing.

“**Receivables Fees**” means distributions or payments made directly or by means of discounts with respect to any participation interest issued or sold in connection with, and other fees paid to a Person that is not a Restricted Subsidiary in connection with, any Receivables Financing.

“**Receivables Financing**” means any transaction or series of transactions that may be entered into by the Parent or any of its Subsidiaries pursuant to which the Parent or any of its Subsidiaries may sell, convey or otherwise transfer to (a) a Receivables Subsidiary (in the case of a transfer by the Parent or any of its Subsidiaries), or (b) any other Person (in the case of a transfer by a Receivables Subsidiary), or may grant a security interest in, any accounts receivable (whether now existing or arising in the future) of the Parent or any of its Subsidiaries, and any assets related thereto, including all collateral securing such accounts receivable, all contracts and all guarantees or other obligations in respect of such accounts receivable, proceeds of such accounts receivable and other assets which are customarily transferred or in respect of which security interest are customarily granted in connection with asset securitization transactions involving accounts receivable and any Hedging Obligations entered into by the Parent or any such Subsidiary in connection with such accounts receivable.

“**Receivables Repurchase Obligation**” means any obligation of a seller of receivables in a Qualified Receivables Financing to repurchase receivables arising as a result of a breach of a representation, warranty or covenant or otherwise, including as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, off-set or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller.

“**Receivables Subsidiary**” means a Subsidiary of the Parent (or another Person formed for the purposes of engaging in a Qualified Receivables Financing with the Parent in which the Parent or any Subsidiary of the Parent makes an Investment and to which the Parent or any Subsidiary of the Parent transfers accounts receivable and/or related assets) which engages in no activities other than in connection with the financing of accounts receivable of the Parent and/or its Subsidiaries, all proceeds thereof and all rights (contractual or other), collateral and other assets relating thereto, and any business or activities incidental or related to such business, and which is designated by the Board of Directors of the Parent (as provided below) as a Receivables Subsidiary and:

(1) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (i) is guaranteed by the Parent or any other Restricted Subsidiary of the Parent (excluding guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to Standard Securitization Undertakings), (ii) is recourse to or obligates the Parent or any other Restricted Subsidiary of the Parent in any way other than pursuant to Standard Securitization Undertakings, or (iii) subjects any property or asset of the Parent or any other Restricted Subsidiary of the Parent, directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings;

(2) with which neither the Parent nor any other Restricted Subsidiary of the Parent has any contract, agreement, arrangement or understanding other than on terms which the Parent reasonably believes to be no less favorable to the Parent or such Restricted Subsidiary than those that might be obtained at the time from Persons that are not Affiliates of the Parent; and

(3) to which neither the Parent nor any other Restricted Subsidiary of the Parent has any obligation to maintain or preserve such entity's financial condition or cause such entity to achieve certain levels of operating results.

In the event of any designation by the Board of Directors of the Parent of a Person as a Receivables Subsidiary, the Parent shall deliver to the Trustee an Officer's Certificate certifying that such designation complied with or satisfied the foregoing conditions.

"**refinance**" means refinance, refund, replace, renew, repay, modify, restate, defer, substitute, supplement, reissue, resell, extend or increase (including pursuant to any defeasance or discharge mechanism) and the terms "refinances," "refinanced" and "refinancing" as used for any purpose in the Indenture shall have a correlative meaning.

"**Refinancing Indebtedness**" means Indebtedness that is Incurred to refund, refinance, replace, exchange, renew, repay or extend (including pursuant to any defeasance or discharge mechanism) any Indebtedness (or unutilized commitment in respect of Indebtedness that could have otherwise been incurred in compliance with the Indenture) existing on the date of the Indenture or Incurred in compliance with the Indenture (including Indebtedness of the Parent that refinances Indebtedness (or unutilized commitment in respect of Indebtedness) of any Restricted Subsidiary and Indebtedness of any Restricted Subsidiary that refinances Indebtedness (or unutilized commitment in respect of Indebtedness) of the Parent or another Restricted Subsidiary) including Indebtedness that refinances Refinancing Indebtedness; *provided*, *however*, that:

(1) if the Indebtedness being refinanced constitutes Subordinated Indebtedness, the Refinancing Indebtedness has a final Stated Maturity at the time such Refinancing Indebtedness is Incurred that is the same as or later than the final Stated Maturity of the Indebtedness being refinanced or, if shorter, one year after the latest Stated Maturity of any of the Notes;

(2) such Refinancing Indebtedness is Incurred in an aggregate principal amount (or if issued with original issue discount, an aggregate issue price) that is equal to or less than the sum of the aggregate principal amount (or if issued with original issue discount, the aggregate accreted value) then outstanding of the Indebtedness (or unutilized commitment in respect of Indebtedness) being refinanced (plus, without duplication, any additional Indebtedness Incurred to pay interest or premiums required by the instruments governing such existing Indebtedness and costs, expenses and fees Incurred in connection therewith); and

(3) if the Indebtedness being refinanced is expressly subordinated to the Notes or the Notes Guarantees, such Refinancing Indebtedness is subordinated to the Notes or the Notes Guarantees on terms at least as favorable to the Holders as those contained in the documentation governing the Indebtedness being refinanced,

provided, *however*, that Refinancing Indebtedness shall not include Indebtedness of the Parent or a Restricted Subsidiary that refinances Indebtedness of an Unrestricted Subsidiary.

Refinancing Indebtedness in respect of any Credit Facility or any other Indebtedness may be Incurred from time to time after the termination, discharge or repayment of any such Credit Facility or other Indebtedness.

"**Related Person**," with respect to any Permitted Holder, means:

(1) any controlling equityholder or Subsidiary of such Person; or

(2) in the case of an individual, any spouse, family member or relative of such individual, any trust or partnership for the benefit of one or more of such individual and any such spouse, family member or relative, or the estate, executor, administrator, committee or beneficiaries of any thereof; or

(3) any trust, corporation, partnership or other Person for which one or more of the Permitted Holders and other Related Persons of any thereof constitute the beneficiaries, stockholders, partners or owners thereof, or Persons beneficially holding in the aggregate a majority (or more) controlling interest therein; or

(4) in the case of the Initial Investors any investment fund or vehicle managed, sponsored or advised by such Person or any successor thereto, or by any Affiliate of such Person or any such successor.

"**Related Taxes**" means:

(1) any Taxes, including sales, use, transfer, rental, ad valorem, value added, stamp, property, consumption, franchise, license, capital, registration, business, customs, net worth, gross receipts, excise, occupancy, intangibles or similar Taxes (other than (x) Taxes measured by income and (y) withholding Taxes), required to be paid (provided such Taxes are in fact paid) by any Parent Holding Company by virtue of its:

   (a) being organized or having Capital Stock outstanding (but not by virtue of owning stock or other equity interests of any corporation or other entity other than, directly or indirectly, the Parent or any of the Parent's Subsidiaries);

   (b) issuing or holding Subordinated Shareholder Funding;

   (c) being a Parent Holding Company, directly or indirectly, of the Parent or any of the Parent's Subsidiaries;

   (d) receiving dividends from or other distributions in respect of the Capital Stock of, directly or indirectly, the Parent or any of the Parent's Subsidiaries; or

   (e) having made any payment in respect of any of the items for which the Parent is permitted to make payments to any Parent Holding Company pursuant to "*—Certain Covenants—Limitation on Restricted Payments*"; or

(2) if and for so long as the Parent is a member of a group filing a consolidated or combined tax return with any Parent Holding Company or party to a Tax Sharing Agreement, any Taxes measured by income for which such Parent Holding Company is liable up to an amount not to exceed with respect to such Taxes the amount of any such Taxes that the Parent and its Subsidiaries would have been required to pay on a separate company basis or on a consolidated basis if the Parent and its Subsidiaries had paid tax on a consolidated, combined, group, affiliated or unitary basis on behalf of an affiliated group consisting only of the Parent and its Subsidiaries.

"**Restricted Investment**" means any Investment other than a Permitted Investment.

"**Restricted Subsidiary**" means any Subsidiary of the Parent other than an Unrestricted Subsidiary.

"**Reversion Date**" means, after the Notes have achieved Investment Grade Status, the date, if any, that such Notes shall cease to have such Investment Grade Status.

"**S&P**" means Standard & Poor's Investors Ratings Services or any of its successors or assigns that is a Nationally Recognized Statistical Rating Organization.

"**SEC**" means the U.S. Securities and Exchange Commission or any successor thereto.

"**Securities Act**" means the U.S. Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder, as amended.

"**Security Agent**" means Wilmington Trust (London) Limited, acting as security agent under the Intercreditor Agreement or such successor Security Agent or any delegate thereof as may be appointed thereunder or any such security agent, delegate or successor thereof pursuant to an Additional Intercreditor Agreement

"**Security Documents**" means the Intercreditor Agreement and each collateral pledge agreement, security assignment agreement or other document under which Collateral is pledged to secure the Notes.

"**Senior Credit Facilities**" means the revolving credit facility made available pursuant to the Senior Credit Facilities Agreement.

"**Senior Credit Facilities Agreement**" means the senior facilities agreement entered into on or around the Issue Date between, *inter alios*, the Parent, the financial institutions named therein as lenders and Wilmington Trust (London) Limited, as facility agent and security agent, and the arrangers and lenders named therein, as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time.

"**Senior Management**" means the officers, directors, and other current or former members of senior management of the Parent or any of its Subsidiaries.

*"**Senior Secured Indebtedness**"* means any Indebtedness Incurred pursuant to the first paragraph or clauses (1), (4), (5), (6), (11), (14) or (15) of the second paragraph of the covenant described under *"—Certain Covenants—Limitation on Indebtedness,"* in each case, secured by a Lien on a basis pari passu with or senior to the security in favor of the Notes.

"**Service Agreement**" means each recharge, advisory services, transaction services or other similar agreement entered into or to be entered into between any Permitted Holder and one or more of the Parent and its Restricted Subsidiaries.

"**Significant Subsidiary**" means any Restricted Subsidiary that meets any of the following conditions:

(1) the Parent's and its Restricted Subsidiaries' investments in and advances to the Restricted Subsidiary exceed 10% of the total assets of the Parent and its Restricted Subsidiaries on a consolidated basis as of the end of the most recently completed fiscal year;

(2) the Parent's and its Restricted Subsidiaries' proportionate share of the total assets (after intercompany eliminations) of the Restricted Subsidiary exceeds 10% of the total assets of the Parent and its Restricted Subsidiaries on a consolidated basis as of the end of the most recently completed fiscal year; or

(3) the Consolidated EBITDA of the Restricted Subsidiary exceeds 10% of the Consolidated EBITDA of the Parent and its Restricted Subsidiaries on a consolidated basis for the most recently completed fiscal year.

“**Similar Business**” means (a) any businesses, services or activities engaged in or contemplated by the Parent or any of its Subsidiaries or any Associates on the Issue Date, and (b) any businesses, services and activities engaged in by the Parent or any of its Subsidiaries or any Associates that are related, complementary, incidental, ancillary or similar to any of the business, services or activities referred to in clause (a) or are extensions or developments of any thereof.

“**Specified Change of Control Event**” means the occurrence of any event that would constitute a Change of Control pursuant to the definition thereof; *provided* that the Consolidated Net Leverage Ratio would have been less than 7.0 to 1.0 giving pro forma effect to such event; *provided,* that when calculating the Consolidated Net Leverage Ratio of the Parent for the purposes of this definition, the Parent shall be entitled at its option to make such calculations as it would if making calculations of baskets or ratios in connection with a Limited Condition Transaction, and the date of determination of the Consolidated Net Leverage Ratio of the Parent shall, upon such election by the Parent, be the date of the Definitive Agreement in respect of such event with such pro forma adjustments as are appropriate and consistent with the pro forma provisions set forth in the definition of Consolidated Net Leverage Ratio after giving effect to such event and the other transactions to be entered into in connection therewith (including any incurrence of Indebtedness and the use of proceeds thereof) as if they occurred at the beginning of the applicable period for purposes of determining the ability for such event to qualify as a Specified Change of Control Event. Notwithstanding the foregoing, only one Specified Change of Control Event shall be permitted under the Indenture after the Issue Date.

“**Specified Transaction**” means, with respect to any period (including any period prior to the Issue Date), any Investment, disposal, Incurrence of Indebtedness, refinancing, prepayment or repayment of Indebtedness, Restricted Payment, Subsidiary designation, restructuring, other strategic initiative or other action (including, for the avoidance of doubt, the entering into of any new contractual arrangement) of the Parent or any Restricted Subsidiary (including for this purpose any person that became a Restricted Subsidiary or was merged or otherwise combined with or into the Parent or any Restricted Subsidiary since the beginning of the relevant period) after the Issue Date.

“**Standard Securitization Undertakings**” means representations, warranties, covenants, indemnities and guarantees of performance entered into by the Parent or any Subsidiary of the Parent which the Parent has determined in good faith to be customary in a Receivables Financing, including those relating to the servicing of the assets of a Receivables Subsidiary, it being understood that any Receivables Repurchase Obligation shall be deemed to be a Standard Securitization Undertaking.

“**Stated Maturity**” means, with respect to any security, loan or other financial instrument, the date specified in such security, loan or other financial instrument as the fixed date on which the payment of principal of such security, loan or other financial instrument is due and payable, including pursuant to any mandatory redemption provision, but shall not include any contingent obligations to repay, redeem or repurchase any such principal prior to the date originally scheduled for the payment thereof.

“**Subordinated Indebtedness**” means, with respect to any person, any Indebtedness (whether outstanding on the Issue Date or thereafter Incurred) which is expressly subordinated in right of payment to the Notes or the Notes Guarantees pursuant to a written agreement (and for the avoidance of doubt, for the purposes of the Indenture Indebtedness shall not be considered subordinated in right of payment solely because it is unsecured, or secured on a junior basis to or entitled to proceeds from security enforcement after, other Indebtedness).

“**Subordinated Shareholder Funding**” means, collectively, (i) any funds provided to the Parent or any Restricted Subsidiary by a Parent Holding Company, any Affiliate of any Parent or any Permitted Holder or any Affiliate thereof in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, in each case issued to and held by a Parent Holding Company or a Permitted Holder, or (ii) any investment by a Management Investor pursuant to a management equity plan, in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Subordinated Shareholder Funding; *provided*, *however*, that such Subordinated Shareholder Funding in each case:

(1) does not mature or require any amortization, redemption or other repayment of principal or any sinking fund payment prior to the first anniversary of the latest Stated Maturity of any of the Notes (other than through conversion or exchange of such funding into Capital Stock (other than Disqualified Stock) of the Parent or any funding meeting the requirements of this definition);

(2) does not require, prior to the first anniversary of the latest Stated Maturity of any of the Notes, payment of cash interest, cash withholding amounts or other cash gross-ups, or any similar cash amounts;

(3) contains no change of control or similar provisions and does not accelerate and has no right to declare a default or event of default or take any enforcement action or otherwise require any cash payment, in each case, prior to the first anniversary of the latest Stated Maturity of any of the Notes;

(4) does not provide for or require any security interest or encumbrance over any asset of the Parent or any of its Subsidiaries; and

(5) pursuant to its terms is fully subordinated and junior in right of payment to the Notes pursuant to subordination, payment blockage and enforcement limitation terms which are customary in all material respects for similar funding.

"**Subsidiary**" means, with respect to any Person:

(1) any corporation, association, or other business entity (other than a partnership, joint venture, limited liability company or similar entity) of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time of determination owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof; or

(2) any partnership, joint venture, limited liability company or similar entity of which:

   (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof whether in the form of membership, general, special or limited partnership interests or otherwise; and

   (b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"**Successor Parent Holding Company**" with respect to any Person means any other Person with more than 50% of the total voting power of the Voting Stock of which is, at the time the first Person becomes a Subsidiary of such other Person, "beneficially owned" (defined below) by one or more Persons that "beneficially owned" (defined below) more than 50% of the total voting power of the Voting Stock of the first Person immediately prior to the first Person becoming a Subsidiary of such other Person. For purposes hereof, "beneficially own" has the meaning correlative to the term "beneficial owner," as such term is defined in Rules 13d-3 and 13d-5 under the Exchange Act (as in effect on the Issue Date).

"**Super Priority Indebtedness**" means Indebtedness that is secured on a basis prior to the Notes and/or the Notes Guarantees pursuant to the Intercreditor Agreement with respect to recoveries from the realization or enforcement of security (or a transaction in lieu thereof), for the avoidance of doubt, not including fees, costs, expenses and other similar amounts that may be paid before distributions are made in respect of the Notes and/or the Notes Guarantees, including as contemplated by the terms of the Intercreditor Deed.

"**TARGET2**" means the second generation trans-European automated real time gross settlement express transfer payment system.

"**Tax Sharing Agreement**" means any fiscal unity arising under relevant tax laws, and any tax sharing or profit and loss pooling, tax loss transfer or other similar or equivalent agreement with customary or arm's-length terms entered into with any Parent Holding Company or Unrestricted Subsidiary, as the same may be amended, supplemented, waived or otherwise modified from time to time in accordance with the terms thereof and of the Indenture.

"**Taxes**" means all present and future taxes, levies, imposts, deductions, charges, duties, assessments and withholdings and any charges of a similar nature (including interest, penalties and other liabilities with respect thereto) that are imposed or levied by any government or other taxing authority.

"**Temporary Cash Investments**" means any of the following:

(1) any investment in

(a) direct obligations of, or obligations Guaranteed by, (i) the United States of America or Canada, (ii) any Permissible Jurisdiction, (iii) France, England, Switzerland or Norway, (iv) any country in whose currency funds are being held specifically pending application in the making of an investment or capital expenditure by the Parent or a Restricted Subsidiary in that country with such funds or (v) any agency or instrumentality of any such country or member state; or

(b) direct obligations of any country recognized by the United States of America, France or England, rated at least "A" by S&P or "A-1" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization);

(2) overnight bank deposits, and investments in time deposit accounts, certificates of deposit, bankers' acceptances and money market deposits (or, with respect to foreign banks, similar instruments) maturing not more than one year after the date of acquisition thereof (or, if later, after the date of calculation under the Indenture) issued by:

(a) any lender under the Senior Credit Facilities Agreement;

(b) any institution authorized to operate as a bank in any of the countries or member states referred to in sub-clause (1)(a) above; or

(c) any bank or trust company organized under the laws of any such country or member state or any political subdivision thereof,

in each case, having capital and surplus aggregating in excess of €250 million (or the foreign currency equivalent thereof) and whose long-term debt is rated at least "A" by S&P or "A-2" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization) at the time such Investment is made;

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (1) or (2) above entered into with a Person meeting the qualifications described in clause (2) above;

(4) Investments in commercial paper, maturing not more than 270 days after the date of acquisition, issued by a Person (other than the Parent or any of its Subsidiaries), with a

rating at the time as of which any Investment therein is made of "P-2" (or higher) according to Moody's or "A-2" (or higher) according to S&P (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization);

(5) Investments in securities maturing not more than one year after the date of acquisition issued or fully Guaranteed by any state, commonwealth or territory of the United States of America, Canada, France, England, any Permissible Jurisdiction or Switzerland, Norway or by any political subdivision or taxing authority of any such state, commonwealth, territory, country or member state, and rated at least "BBB" by S&P or "Baa3" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization);

(6) bills of exchange issued in the United States, Canada, a Permissible Jurisdiction, France, England, Switzerland, Norway or Japan eligible for rediscount at the relevant central bank and accepted by a bank (or any dematerialized equivalent);

(7) any money market deposit accounts issued or offered by a commercial bank organized under the laws of a country that is a member of the Organization for Economic Co-operation and Development, in each case, having capital and surplus in excess of €250 million (or the foreign currency equivalent thereof) or whose long term debt is rated at least "A" by S&P or "A2" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization) at the time such Investment is made;

(8) investment funds investing 95% of their assets in securities of the type described in clauses (1) through (7) above (which funds may also hold reasonable amounts of cash pending investment and/or distribution); and

(9) investments in money market funds complying with the risk limiting conditions of Rule 2a-7 (or any successor rule) of the SEC under the U.S. Investment Company Act of 1940, as amended.

"**Transactions**" means the issuance of the Notes, the entry into the Indenture, the Senior Credit Facilities Agreement and certain Operating Facilities, any repayment or discharge of existing indebtedness of the Parent or its subsidiaries, distributions to any Parent Holding Company or the repayment of existing shareholder loans, all other associated transactions taken in relation to any of the foregoing, and the payment or incurrence of any fees, expense or charges associated with any of the foregoing.

"**Trust Indenture Act**" means the U.S. Trust Indenture Act of 1939, as amended.

"**Uniform Commercial Code**" means the New York Uniform Commercial Code.

"**Unrestricted Subsidiary**" means:

(1) any Subsidiary of the Parent that at the time of determination is an Unrestricted Subsidiary (as designated by the Parent in the manner provided below); and

(2) any Subsidiary of an Unrestricted Subsidiary.

The Parent may designate any Subsidiary of the Parent (including any newly acquired or newly formed Subsidiary or a Person becoming a Subsidiary through merger, consolidation or other business combination transaction, or Investment therein, but not including the Issuer) to be an Unrestricted Subsidiary only if:

(1) neither that Subsidiary nor any of its Subsidiaries owns any Capital Stock or Indebtedness of, or own or hold any Lien on any property of, the Parent or any other Subsidiary of the

Parent which is not a Subsidiary of the Subsidiary to be so designated or otherwise an Unrestricted Subsidiary; and

(2) such designation and the Investment of the Parent in such Subsidiary complies with "*—Certain Covenants—Limitation on Restricted Payments*."

In the event of any designation by the Board of Directors of the Parent of a Subsidiary as an Unrestricted Subsidiary, the Parent shall deliver to the Trustee an Officer's Certificate certifying that such designation complies with the applicable foregoing conditions.

The Board of Directors of the Parent may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided*, that immediately after giving effect to such designation (1) no Default or Event of Default would result therefrom and (2)(x) the Parent could Incur at least €1.00 of additional Indebtedness pursuant to the first paragraph of the "*Limitation on Indebtedness*" covenant or (y) the Fixed Charge Coverage Ratio would not be lower than it was immediately prior to giving effect to such designation, in each case, on a pro forma basis taking into account such designation. Any such designation by the Board of Directors of the Parent shall be evidenced to the Trustee by promptly filing with the Trustee a copy of the resolution of such Board of Directors giving effect to such designation or an Officer's Certificate certifying that such designation complied with or satisfied the foregoing provisions.

"**Voting Stock**" of a Person means all classes of Capital Stock of such Person then outstanding and normally entitled to vote in the election of directors.

BOOK-ENTRY; DELIVERY AND FORM

General

The Notes sold to non-U.S. persons outside the United States in reliance on Regulation S under the U.S. Securities Act will initially be represented by a global note in registered form without interest coupons attached (the "**Regulation S Global Notes**"). The Regulation S Global Notes will be deposited upon issuance with a common depositary and registered in the name of the nominee of the common depositary for the accounts of Euroclear and Clearstream.

The Notes sold to qualified institutional buyers ("**QIBs**") in reliance on Rule 144A under the U.S. Securities Act will initially be represented by a global note in registered form without interest coupons attached (the "**Rule 144A Global Notes**" and, together with the Regulation S Global Notes, the "**Global Notes**"). The Rule 144A Global Notes will be deposited upon issuance with a common depositary and registered in the name of the nominee of the common depositary for the accounts of Euroclear and Clearstream.

The Notes may only be offered or sold within the United States pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Ownership of interests in the Global Notes will be limited to persons that have accounts with Euroclear and/or Clearstream, or persons that hold interests through such participants. Book-entry interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and Clearstream and their participants. The Book-entry interests in the Global Notes will be issued only in denominations of €100,000 and integral multiples of €1,000 in excess thereof. Except under the limited circumstances described below, book-entry interests will not be issued in definitive certificated form.

Book-entry interests will be shown on, and transfers thereof will be done only through, records maintained in book-entry form by Euroclear and/or Clearstream, as applicable, and their participants. The laws of some jurisdictions, including certain states of the United States, may require that certain purchasers of securities take physical delivery of such securities in definitive certificated form. The foregoing limitations may impair the ability to own, transfer or pledge book-entry interests. In addition, while the Notes are in global form, holders of book-entry interests will not receive physical delivery of the Notes in certificated form and will not be considered the owners or "holders" of Notes for any purpose.

So long as the Notes are held in global form, Euroclear and/or Clearstream, as applicable (or their respective nominees), will be considered the sole holders of the Global Notes for all purposes under the Indenture governing the Notes. In addition, participants must rely on the procedures of Euroclear or Clearstream, as applicable, and indirect participants must rely on the procedures of Euroclear or Clearstream, as applicable, and the participants through which they own book-entry interests, to transfer their interests or to exercise any rights of holders of Notes under the Indenture.

None of the Issuer, the Trustee, any of the Agents, nor any of their respective agents will have any responsibility, or be liable, for any aspect of the records relating to the book-entry interests.

Redemption of the Global Notes

In the event that any Global Note (or any portion thereof) is redeemed, Euroclear and/or Clearstream, as applicable, will distribute the amount received by it in respect of the Global Note so redeemed to the holders of the book-entry interests in such Global Note from the amount received by it in respect of the redemption of such Global Note. The redemption price payable in connection with the redemption of such book-entry interests will be equal to the amount received by Euroclear and/or Clearstream, as applicable, in connection with the redemption of such Global Note (or any portion thereof). We understand that, under the existing practices of Euroclear and Clearstream, if fewer than all of the Notes are to be redeemed at any time, Euroclear and/or Clearstream will credit their respective participants' accounts on a proportionate basis (with adjustments to prevent fractions) or by lot or on such other basis as they deem fair and appropriate unless otherwise required by law or applicable stock exchange or depositary requirements; *provided*, *however*, that no book-entry interest of less than €100,000 principal amount may be redeemed in part.

Payments on Global Notes

We will make payments of any amounts owing in respect of the Global Notes (including principal, premium, if any, and interest) to the Paying Agent. The Paying Agent will, in turn, make such payments to the common depositary for Euroclear and/or Clearstream, which will distribute such payments to participants in accordance with their respective procedures. We will make payments of all such amounts without deduction or withholding for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, except as may be required by law and as described under "*Description of the Notes*." If any such deduction or withholding is required to be made, then, to the extent described under "*Description of the Notes*" above, we will pay additional amounts as may be necessary in order for the net amounts received by any holder of the Global Notes or owner of book-entry interests after such deduction or withholding to equal the net amounts that such holder or owner would have otherwise received in respect of such Global Note or book-entry interest, as the case may be, absent such withholding or deduction. We expect that standing customer instructions and customary practices will govern payments by participants to owners of book-entry interests held through such participants.

Under the terms of the Indenture, the Issuer, the Trustee, the Agents or any of their respective agents will treat the registered holders of the Global Notes (i.e. the common depositary or its nominee) as the owner thereof for the purpose of receiving payments and for all other purposes. Consequently, none of the Issuer, the Trustee, the Agents or any of their respective agents has or will have any responsibility or liability for:

- any aspect of the records of Euroclear, Clearstream or any participant or indirect participant relating to, or payments made on account of, a book-entry interest or for maintaining, supervising or reviewing the records of Euroclear, Clearstream or any participant or indirect participant relating to, or payments made on account of, a book-entry interest, or Euroclear, Clearstream or any participant or indirect participant;
- payments made by Euroclear, Clearstream or any participant or indirect participant, or for maintaining, supervising or reviewing the records of Euroclear, Clearstream or any participant or indirect participant relating to payments made on account of a book-entry interest; or
- Euroclear, Clearstream or any participant or indirect participant.

Payments by participants to owners of book-entry interests held through participants are the responsibility of such participants as is now the case with securities held for the accounts of subscribers registered in "stock name."

Currency of Payment for the Global Notes

The principal of, premium, if any, and interest on, and all other amounts payable in respect of the Global Notes will be paid to holders of interests in such Notes through Euroclear and/or Clearstream in euro.

Action by Owners of Book-Entry Interests

Euroclear and Clearstream have advised us that they will take any action permitted to be taken by a holder of Notes only at the direction of one or more participants to whose account the book-entry interests are credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction.

Euroclear and Clearstream will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the Global Notes.

Transfers

Transfers between participants in Euroclear and Clearstream will be effected in accordance with Euroclear and Clearstream rules and will be settled in immediately available funds. If a holder of Notes requires physical delivery of Definitive Registered Notes for any reason, including to sell Notes to persons in jurisdictions that require physical delivery of securities or to pledge such Notes, such holder of Notes must transfer its interests in the Global Notes in accordance with the normal procedures of Euroclear and Clearstream and in accordance with the procedures set out in the Indenture.

The Global Notes will have a legend to the effect set out under "*Transfer Restrictions*." Book-entry interests in the Global Notes will be subject to the restrictions on transfers and certification requirements discussed under "*Transfer Restrictions*."

Rule 144A book-entry interests may be transferred to a person who takes delivery in the form of a Regulation S book-entry interest only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made in accordance with Regulation S or Rule 144 under the U.S. Securities Act or any other exemption (if available under the U.S. Securities Act).

Regulation S book-entry interests may be transferred to a person who takes delivery in the form of Rule 144A book-entry interests denominated in the same currency only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made to a person who the transferor reasonably believes is a QIB within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with the transfer restrictions described under "*Transfer Restrictions*" and in accordance with any applicable securities laws of any other jurisdiction.

In connection with transfers involving an exchange of a Regulation S book-entry interest for a Rule 144A book-entry interest, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S Global Note and a corresponding increase in the principal amount of the Rule 144A Global Note.

Definitive Registered Notes may be transferred and exchanged for book-entry interests in a Global Note only as described under the Indenture and, if required, only if the transferor first delivers to the Registrar a written certificate (in the form provided in the Indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such Notes. See "*Transfer Restrictions*."

Any book-entry interest in one of the Global Notes that is transferred to a person who takes delivery in the form of a book-entry interest in any other Global Note will, upon transfer, cease to be a book-entry interest in the first mentioned Global Note and become a book-entry interest in such other Global Note, and accordingly will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to book-entry interests in such other Global Note for as long as it remains such a book-entry interest.

Definitive Registered Notes

Under the terms of the Indenture, owners of the book-entry interests will receive Definitive Registered Notes:

- if Euroclear or Clearstream, as applicable, notifies the Issuer that it is unwilling or unable to continue to act as depositary and a successor depositary is not appointed by us within 120 days; or
- if the owner of a book-entry interest requests such an exchange in writing delivered through Euroclear or Clearstream, as applicable, following an Event of Default under the Indenture and enforcement action is being taken in respect thereof.

In the case of the issuance of Definitive Registered Notes, the holder of a Definitive Registered Note may transfer such Note by surrendering it to the registrar or transfer agent. In the event of a partial transfer or a partial redemption of a holding of Definitive Registered Notes represented by one Definitive Registered Note, a Definitive Registered Note will be issued to the transferee in respect of the part transferred and a new Definitive Registered Note in respect of the balance of the holding not transferred or redeemed will be issued to the transferor or the holder, as applicable; *provided* that no Definitive Registered Note in a denomination less than €100,000 will be issued. We will bear the cost of preparing, printing, packaging and delivering the Definitive Registered Notes.

We will not be required to register the transfer or exchange of Definitive Registered Notes for a period of 15 calendar days preceding (i) the record date for any payment of interest on the Notes, (ii) any date fixed for redemption of the Notes or (iii) the date fixed for selection of the Notes to be redeemed in part. Also, we are not required to register the transfer or exchange of any Notes selected for redemption or which the holder has tendered (and not withdrawn) for repurchase in connection with a change of control offer. In the event of the transfer of any Definitive Registered Note, the Trustee, the transfer agents and the registrars may require a holder, among other things, to furnish appropriate endorsements and transfer documents as described in the Indenture. We may require a holder to pay any taxes and fees required by law and permitted by the Indenture and the Notes.

If Definitive Registered Notes are issued and a holder thereof claims that such Definitive Registered Note has been lost, destroyed or wrongfully taken, or if such Definitive Registered Note is mutilated and is surrendered to the registrar or at the office of the transfer agent, we will issue and the Trustee (or an authentication agent appointed by it) will authenticate a replacement Definitive Registered Note if the Trustee's and our requirements are met. The Issuer or the Trustee may require a holder requesting replacement of a Definitive Registered Note to furnish an indemnity bond sufficient in the judgment of both to protect themselves, the Trustee or the Paying Agent appointed pursuant to the Indenture from any loss which any of them may suffer if a Definitive Registered Note is replaced. The Issuer may charge for any expenses incurred by us in replacing a Definitive Registered Note.

In case any such mutilated, destroyed, lost or stolen Definitive Registered Note has become or is about to become due and payable, or is about to be redeemed or purchased by the Issuer, pursuant to the provisions of the Indenture, the Issuer in its discretion, may, instead of issuing a new Definitive Registered Note, pay, redeem or purchase such Definitive Registered Note, as the case may be.

Definitive Registered Notes may be transferred and exchanged for book-entry interests in the Global Notes only after the transferor first delivers to the Trustee a written certification (in the form provided in the Indenture) to the effect that such transfer will comply with the transfer restrictions applicable to such notes. Please see "*Transfer Restrictions*."

Payment of principal, any repurchase price, premium and interest on Definitive Registered Notes will be payable at the office of the Issuer's Paying Agent in London.

To the extent permitted by law, the Issuer, the Trustee, the Agents and their respective agents shall be entitled to treat the registered holder of any Global Note as the absolute owner thereof and no person will be liable for treating the registered holder as such. Ownership of the Global Notes will be evidenced through registration from time to time at the registered office of the registrar, and such registration is a means of evidencing title to the Notes.

The Issuer will not impose any fees or other charges in respect of the Notes; however, owners of the book-entry interests may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and Clearstream as applicable.

Information concerning Euroclear and Clearstream

All book-entry interests will be subject to the operations and procedures of Euroclear and/or Clearstream, as applicable. We provide the following summaries of those operations and procedures solely for the convenience of investors. The operations and procedures of each settlement system are controlled by that settlement system and may be changed at any time. Neither we, the Trustee, the Agents nor the Initial Purchasers are responsible for those operations or procedures.

We understand as follows with respect to Euroclear and Clearstream. Euroclear and Clearstream hold securities for participating organizations. They also facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide various services to their participants, including the safekeeping, administration, clearance, settlement, lending and borrowing of internationally traded securities. Euroclear and Clearstream interface with domestic securities markets. Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear and Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Because Euroclear and Clearstream can only act on behalf of participants, who in turn act on behalf of indirect participants and certain banks, the ability of an owner of a beneficial interest to pledge such interest to persons or entities that do not participate in the Euroclear or Clearstream systems, or otherwise take actions in respect of such interest, may be limited by the lack of a definitive certificate for that interest. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests to such persons may be limited. In addition, owners of beneficial interests through the Euroclear or Clearstream systems will receive distributions attributable to the 144A Global Notes only through Euroclear or Clearstream participants.

Global Clearance and Settlement under the Book-Entry System

The Notes represented by the Global Notes are expected to be listed on the Official List of the Exchange. Transfers of interests in the Global Notes between participants in Euroclear and Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Although Euroclear and Clearstream currently follow the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants in Euroclear or Clearstream, as the case may be, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or modified at any time. None of us, the Trustee or the Paying Agent will have any responsibility for the performance by Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Initial Settlement

Initial settlement for the Notes will be made in euros. Book-entry interests owned through Euroclear or Clearstream accounts will follow the settlement procedures applicable to conventional Eurobonds in registered form. Book-entry interests will be credited to the securities custody accounts of Euroclear and Clearstream on the business day following the settlement date against payment for value on the settlement date.

Secondary Market Trading

The book-entry interests will trade through participants of Euroclear or Clearstream and will settle in same-day funds. Since the purchase determines the place of delivery, it is important to establish at the time of trading of any book-entry interests where both the purchaser's and the seller's accounts are located to ensure that settlement can be made on the desired value date.

Trustee's Powers

In considering the interests of the holders of the Notes, while title of the Notes is registered in the name of a nominee of Euroclear or Clearstream, the Trustee may have regard to, and rely on, any information provided to it by that clearing system as to the identity (either individually or by category) of its accountholders with entitlements to the Notes and may consider such interests as if such accountholders were the holders of the Notes.

LIMITATIONS ON VALIDITY AND ENFORCEABILITY OF THE GUARANTEES AND THE COLLATERAL AND CERTAIN INSOLVENCY LAW CONSIDERATIONS

Set out below is a summary of certain limitations on the enforceability of the Guarantees and the security interests in each of the jurisdictions in which the Issuer and the Guarantors are organized (other than the United States). It is a summary only, and bankruptcy or insolvency proceedings or a similar event could be initiated in any of these jurisdictions and in the jurisdiction of organization of a future guarantor of the Notes. The application of these various laws in multiple jurisdictions could trigger disputes over which jurisdiction's law should apply and could adversely affect your ability to enforce your rights and to collect payment in full under the Notes, the Guarantees and the security interests on the Collateral. Also set forth below is a brief description of certain aspects of insolvency law in the European Union, The Netherlands, France, Germany, England and Wales.

European Union

The Issuer and several of the Guarantors are organized under the laws of member states of the European Union (the "**Member States**," and each a "**Member State**"). As such, they are subject to Regulation (EU) 2015/848 of the European Parliament and of the Council dated May 20, 2015 on insolvency proceedings (recast) (the "**EU Insolvency Regulation**"), which entered into force on June 26, 2015, and applies to insolvency proceedings opened on or after June 26, 2017. It has replaced Council Regulation (EC) no. 1346/2000 on insolvency proceedings, as amended by Council Regulation (EC) No 663/2014 of June 5, 2014 (the "**Old EU Insolvency Regulation**").

Pursuant to the EU Insolvency Regulation, the court, which has jurisdiction to open "main insolvency proceedings" in relation to a company, is the court of the Member State (other than Denmark) where the company concerned has its "centre of main interests" (as that term is used in Article 3(1) of the EU Insolvency Regulation). The determination of where any such company has its "centre of main interests" is a question of fact on which the courts of the different Member States may have differing and even conflicting views.

The term "centre of main interests" is not a static concept and may change from time to time. Article 3(1) of the EU Insolvency Regulation provides that the "centre of main interests" of a debtor shall be the place where the debtor conducts the administration of its interests on a regular basis and "which is ascertainable by third parties." There is a rebuttable presumption under Article 3(1) of the EU Insolvency Regulation that any company or legal person has its "centre of main interests" in the Member State in which it has its registered office.

The rebuttable presumption that a company has its "centre of main interests" in the Member State in which it has its registered office shall only apply if the registered office has not been moved to another Member State within the three-month period prior to the request for the opening of insolvency proceedings. Specifically, it should be possible to rebut this presumption if the company's central administration is located in a Member State other than that of its registered office, and if a comprehensive assessment of all the relevant factors establishes, in a manner that is ascertainable by third parties, that the company's actual center of management and supervision and of the management of its interests is located in that other Member State. In that respect, factors such as where board meetings are held, the location where the company conducts the majority of its business or has its head office and the location where the large majority of the company's creditors are established may all be relevant.

Where the "centre of main interests" of a company is located in a Member State (other than Denmark), the main insolvency proceedings in respect of the company under the EU Insolvency Regulation would be commenced in such jurisdiction and accordingly a court in such jurisdiction would be entitled to commence the types of insolvency proceedings referred to in Annex A to the EU Insolvency Regulation. Main insolvency proceedings opened in one Member State under the EU Insolvency Regulation are to be recognized and given effect to (subject to some exceptions) in all the other Member States (other than Denmark), although "secondary proceedings" may be opened in another Member State (other than Denmark), in the circumstances described below. If the company does not have an establishment in any other Member State, no court of any other Member State has jurisdiction to open secondary proceedings in respect of such company under the EU Insolvency Regulation.

The courts of a Member State (other than Denmark) have jurisdiction to open "territorial proceedings" (before the opening of main insolvency proceedings) or "secondary proceedings" (after the opening of main insolvency proceedings) only in the event that a debtor has an "establishment" in the territory of such other Member State (not being the Member State in which such debtor has its "centre of main interest"). For territorial proceedings only, there is the additional requirement that they can only be opened where either (a) insolvency proceedings cannot be opened in the Member State in which the debtor's centre of main interests is situated under that Member State's law; or (b) the territorial insolvency proceedings are opened at the request of (i) a creditor whose claim arises from or is in connection with the operation of the establishment situated within the territory of the Member State where the opening of territorial proceedings is requested or (ii) a public authority which, under the law of the Member State within the territory of which the establishment is situated, has the right to request the opening of insolvency proceedings. The effects of "territorial proceedings" or "secondary proceedings" shall be restricted to the assets of the debtor situated in the territory of the Member State where such proceedings are opened. The determination of whether a company has an "establishment" and where it is situated is also a question of fact and is not a static concept. As such, an establishment could be created and may change from time to time. According to Article 2(10) of the EU Insolvency Regulation, an "establishment" means any place of operations where a debtor carries out or has carried out in the three-month period prior to the request to open main insolvency proceedings a non-transitory economic activity with human means and assets. In its judgment dated October 20, 2011 ("**Interedil**"), rendered under the Old EU Insolvency Regulation, the European Court of Justice confirmed that the creation of an "establishment" within the meaning of the Old EU Insolvency Regulation requires the existence of a structure which is designated for the performance of business activities with a minimum level of organization and a certain degree of stability.

In the event that any one or more of the Issuer, any of its subsidiaries or a Guarantor experience financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings. Applicable insolvency laws may affect the enforceability of the obligations of, and the security granted by, the Issuer, any of its subsidiaries and/or any Guarantor. The insolvency and other laws of the jurisdictions in which the respective companies are organized or operate may be materially different from, or (subject to the framework provided for under the EU Insolvency Regulation) conflict with, each other and there is no assurance as to how the insolvency laws of the potentially involved jurisdictions will be applied in relation to one another.

On June 23, 2016, the United Kingdom held a referendum to decide on the United Kingdom's membership of the European Union. The United Kingdom vote was to leave the European Union. The United Kingdom will be leaving the European Union on the terms of the withdrawal agreement that has been reached between the United Kingdom and the European Union, but it is not possible to know what impact the exit by the United Kingdom of the European Union will have on the application of the EU Insolvency Regulation to any insolvency proceedings (including, without limitation, the commencement of such insolvency proceedings and the jurisdiction of the United Kingdom courts to open such insolvency proceedings) to which the Issuer or any Guarantor may be subject.

The Netherlands

Insolvency

Subject to the limitations described under "—*European Union*," where a company (incorporated in The Netherlands or elsewhere) has its "centre of main interests" or an "establishment" in The

Netherlands, it may be subjected to Dutch insolvency proceedings. This is particularly relevant for the Issuer and certain of the Guarantors, which have their corporate seats (*statutaire zetel*) in The Netherlands, and are therefore each presumed (subject to proof to the contrary) to have their "centre of main interests" in The Netherlands. Dutch insolvency law differs significantly from insolvency proceedings in the U.S. and other jurisdictions, and may make it more difficult for holders of Notes to recover the amount they would normally expect to recover in a liquidation or bankruptcy proceeding in the U.S. or another jurisdiction. The Dutch legislator has submitted a legislative proposal (*Wet homologatie onderhands akkoord*) introducing formal reorganization proceedings containing elements which are comparable to the U.S. chapter 11 and U.K. scheme of arrangements. The proposal contains mechanisms that allow for changing the rights of creditors including cross class cram down. Although the exact timing is unclear, currently it is expected that this legislation will come into effect in the summer of 2020.

There are two primary insolvency regimes under Dutch law applicable to legal entities: the first, suspension of payments (*surseance van betaling*), is intended to facilitate the reorganization of a debtor's indebtedness and enable the debtor to continue as a going concern. The second, bankruptcy (*faillissement*), is primarily designed to liquidate and distribute the proceeds of the assets of a debtor to its creditors. Both insolvency regimes are set forth in the Dutch Bankruptcy Act (*Faillissementswet*). In practice, a suspension of payments often results in bankruptcy. A general description of the principles of both insolvency regimes is set forth below.

Suspension of Payments

An application for a suspension of payments can only be made by the debtor itself, if it foresees that it will be unable to continue to pay its payable debts. Once the request for a suspension of payments is filed, a court will immediately (*dadelijk*) grant a provisional suspension of payments and appoint an administrator (*bewindvoerder*). A meeting of creditors is required to decide on the definitive suspension of payments. If a draft composition (*ontwerpakkoord*) is filed simultaneously with the application for a suspension of payments, the court can order that the composition will be processed before a decision about a definitive suspension of payments.

If the composition is accepted and subsequently ratified by the court (*gehomologeerd*), the provisional suspension of payments ends. The definitive suspension of payments will generally be granted unless a qualified minority (more than one quarter of the amount of claims held by creditors represented at the creditors' meeting or more than one-third of the number of creditors represented at such creditors' meeting) of the unsecured non-preferential creditors withholds its consent. The granting of a definitive suspension of payments can also be withheld if there is a valid fear that the debtor will try to prejudice the creditors during a suspension of payments or if there is no prospect that the debtor will be able to satisfy its creditors in the (near) future. A suspension of payments takes effect retroactively from 0.00 hours on the day on which the court has granted the provisional suspension of payments.

The suspension of payments is only effective with regard to unsecured non-preferential creditors. Under Dutch law secured and preferential creditors (including tax and social security authorities) may enforce their rights against assets of the company in suspension of payments to satisfy their claims as if there were no suspension of payments. A recovery under Dutch law could, therefore, involve a sale of assets that does not reflect the going concern value of the debtor. However, at the request of an interested party the court can order a "cooling down period" (*afkoelingsperiode*) for a maximum period of two months (which can be extended by the court once for another period of two months) during which enforcement actions by secured or preferential creditors are barred.

Also in a definitive suspension of payments, a composition (*akkoord*) may be offered to creditors. A composition will be binding for all unsecured and non-preferential creditors if it is approved by (i) a simple majority of the number of creditors represented at the creditors' meeting, representing at least 50% in amount of the claims that are acknowledged and admitted in the suspension of payments, and (ii) subsequently ratified (*gehomologeerd*) by the court.

Consequently, Dutch insolvency law could preclude or inhibit the ability of the Noteholders to effect a restructuring and could reduce the recovery of a holder of Notes in a Dutch suspension of payments proceeding. Interest accruing after the date on which a suspension of payments is granted, cannot be claimed in a composition.

Under Dutch law, as soon as a definitive suspension of payments is granted or the composition is ratified by a court, in principle, all pending executions of judgments against the relevant debtor, as well as all attachments on the debtor's assets (other than with respect of secured creditors and certain other creditors, as described above), will be suspended or cancelled by operation of law.

Bankruptcy

Under Dutch law, a debtor can be declared bankrupt when it has ceased to pay its debts. The bankruptcy can be requested by a creditor of a claim when there is at least one other creditor. At least one of the aforementioned claims (of the bankruptcy requesting creditor or the other creditor) needs to be due and payable. Bankruptcy can also be declared in certain circumstances when a debtor is subject to a suspension of payments. Furthermore, the debtor can request the application of bankruptcy proceedings itself. There is no legal duty for a debtor to file for its own bankruptcy. However, if the managing board of a company realizes that the company is or will be unable to pay its debts when they come due, it is required to take appropriate measures, which could include the cessation of trading, notification of creditors and the filing for either bankruptcy or a suspension of payments (see above).

As a result of a bankruptcy, the debtor loses all rights to administer and dispose of its assets. A bankruptcy order takes effect retroactively from 0.00 hours on the day the order is rendered.

During a Dutch bankruptcy proceeding, the assets of a debtor are generally liquidated and the proceeds distributed to the debtor's creditors in accordance with the respective rank and priority of their claims. The general principle of Dutch insolvency law is the *paritas creditorum* (principle of equal treatment), which means that all creditors have an equal right to payment and that the proceeds of bankruptcy proceedings shall be distributed in proportion to the size of their respective claims. However, certain creditors (such as secured creditors and tax and social security authorities) will have special rights that take priority over the rights of other creditors. Consequently, Dutch insolvency laws could reduce your potential recovery in a Dutch bankruptcy proceeding.

All unsecured, pre-bankruptcy claims, need to be submitted to the receiver in bankruptcy for verification, and the receiver in bankruptcy makes a determination as to the existence, ranking and value of the claim and whether and to what extent it should be admitted in the bankruptcy proceedings. The valuation of claims that otherwise would not have been payable at the time of the bankruptcy proceeding may be based on a net present value analysis. Interest accruing after the date of the bankruptcy cannot be verified unless secured by a pledge or mortgage, in which case interest will be admitted *pro memoria*. The existence, value and ranking of any claims submitted by the Noteholders may be challenged in a Dutch bankruptcy proceeding. Generally, in a creditors' meeting (*verificatievergadering*), the bankruptcy receiver (*curator*), the insolvent debtor and all verified creditors may dispute the verification of claims of other creditors. Creditors whose claims or value thereof are disputed in the creditors' meeting may be referred to separate court proceedings (*renvooiprocedure*). These procedures could cause Noteholders to recover less than the principal amount of their Notes or less than they could recover in other liquidation proceedings. Such *renvoi* proceedings could also cause payments to the Noteholders to be delayed compared with holders of undisputed claims.

As in suspension of payments proceedings, in the bankruptcy of a company a composition may be offered to creditors, which shall be binding on unsecured non-preferential creditors if it is (i) approved by a simple majority in number of the creditors represented at the creditors' meeting, representing at least 50% in amount of the claims that are acknowledged and conditionally admitted, and (ii) subsequently confirmed by the court. The Dutch Bankruptcy Act does not in itself acknowledge the concept of classes of creditors. Remaining proceeds, if any, after satisfaction of the secured and the preferential creditors are distributed among the unsecured non-preferential creditors, who will be satisfied on a pro rata basis. Contractual subordination may to a certain extent be given effect in Dutch insolvency proceedings. The actual effect depends largely on the way such subordination is construed.

Secured creditors may enforce their rights against assets of the debtor to satisfy their claims under a Dutch bankruptcy as if there is no bankruptcy. As in suspension of payments proceedings the supervisory judge (*rechtercommissaris*) can order a "cooling down period" for a maximum of two months (which can be extended once for another period of two months) during which enforcement actions by secured creditors are barred unless such creditors have obtained leave for enforcement from the supervisory judge. Furthermore, a bankruptcy receiver can force a secured creditor to foreclose its security interest within a reasonable period of time, failing which the receiver will be entitled to sell the secured assets, if any, and the secured creditor will have to share in the general costs of the bankruptcy, which can be significant. Excess proceeds of enforcement must be returned to the bankruptcy estate; they may not be set-off against an unsecured claim of the secured creditor in the bankruptcy. To the extent that Dutch law applies, a legal act performed by a debtor (including, without limitation, an agreement pursuant to which it guarantees the performance of the obligations of a third party or agrees to provide or provides security for any of its or a third party's obligations, enters into additional agreements benefiting from existing security and any other legal act having a similar effect) can be challenged in an insolvency proceeding or otherwise and may be nullified by any of its creditors or its trustee in bankruptcy. See below "*—Fraudulent Transfer.*"

Under Dutch law, as soon as a debtor is declared bankrupt, in principle, all pending executions of judgments against such debtor, as well as all attachments on the debtor's assets (other than with respect to secured creditors and certain other creditors, as described above), will be terminated by operation of law. Simultaneously with the opening of the bankruptcy, a bankruptcy receiver will be appointed. The proceeds resulting from the liquidation of the bankruptcy estate may not be sufficient to satisfy unsecured creditors under the guarantees granted by an insolvent guarantor after the secured and the preferential creditors have been satisfied. In principle, litigation pending on the date of the bankruptcy order is automatically stayed.

Parallel Debt

Under Dutch law, it is uncertain whether security interests can be granted to a party other than the creditor of the claim which is purported to be secured by such security interests. For that reason, the Intercreditor Agreement provides for the creation of "parallel debt" obligations in favor of the Security Agent (the "**Parallel Debt**") mirroring the obligations of the Issuer and the Guarantors (as principal obligors) towards the Holders under or in connection with the Indenture, and a pledge under any Dutch security document will be granted to the Security Agent to secure only the Parallel Debt. The parallel debt concept has not been tested in Dutch courts, and there is no certainty that it will eliminate or mitigate the risk of unenforceability of a Dutch security document posed by Dutch law. However, the mechanism of Parallel Debt is commonly accepted and applied in Dutch market practice.

To the extent that the validity or enforceability of a Dutch security document is successfully challenged, Holders will not be entitled to receive on this basis any proceeds from an enforcement of a Dutch security document. In addition, the Holders bear the risks associated with the possible insolvency or bankruptcy of the Security Agent as the beneficiary of the Parallel Debt.

Limitation on Enforcement

Under Dutch law, the validity and enforceability of the Notes, the Guarantees and the security interests over the Collateral may, in whole or in part, also be affected or limited to the extent that the obligations of the Issuer or the Guarantors which are incorporated under Dutch law (the

"**Dutch Guarantors**") are not within the scope of their respective objects and the relevant counterparty was aware or ought to have been aware (without inquiry) of this fact. The articles of association of each Dutch Guarantor permit the provision of guarantee and security. The articles of association of the Issuer permit the issuing of notes and the granting of security interest. However, the determination of whether a legal act (such as the issuing of a note or the granting of a guarantee or security interest) is within the objects of a company may not be based solely on the description of the articles of association of such company, but must take into account all relevant circumstances, including, in particular, the question of whether the interests of such company are served by the relevant legal act. If the entering into a legal act by a company, in light of the benefits, if any, derived by such company from entering into such legal act, would have an adverse effect on the interest of the company, the legal act may be found to be voidable or the obligation resulting from such legal act unenforceable upon the request of the relevant company or its administrator in bankruptcy. As a result, no assurance can be given that a court would conclude that the issuing of the Notes, the granting of the Guarantees or the granting of the security interests over the Collateral is indeed within the corporate object and in the interest of such companies. To the extent that the Issuer, a Dutch Guarantor or the administrator of the Issuer or a Dutch Guarantor successfully invokes the voidability or unenforceability of a Note, a Guarantee or a security interest, such Note, Guarantee or security interest would be limited to the extent any portion of it is not nullified and remains enforceable.

If Dutch law applies, a guarantee or security governed by Dutch law may be voided by a court, if the document was executed through undue influence (*misbruik van omstandigheden*), fraud (*bedrog*), duress (*bedreiging*) or mistake (*dwaling*) of a party to the agreement contained in that document.

Whether or not a guarantor is insolvent in The Netherlands, pursuant to Dutch law, payment under a guarantee or following enforcement of foreclosure of security granted may, regardless of an insolvency situation occurring or not, be withheld under the doctrines of reasonableness and fairness (*redelijkheid en billijkheid*), force majeure and unforeseen circumstances (*onvoorziene omstandigheden*). Other impeding factors include dissolution (*ontbinding*) of contract and set-off (*verrekening*).

In addition, a guarantee issued by a Dutch Guarantor and security interest provided by the Issuer or Dutch Guarantor may be suspended (*schorsen*) by the Enterprise Chamber of the Court of Appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*) on the mention of a holder or holders of 10% or more of the shares in such company or shares or depositary receipts issued therefor with a nominal value of €225,000 or more or such lesser amount as provided in the company's articles of association. If the company has an issued share capital of at least €22.5 million, such motion may be made by a holder or holders of 1% or more of the shares in such company or, provided those are listed on a qualifying trading venue shares or depositary receipts issued therefor with a value of €20 million or more or such lesser amount as provided in the company's articles of association. A trade union, and other entities or persons entitled thereto in the articles of association of, or an agreement with, the relevant Dutch company as well as the company itself may also submit a motion to the Enterprise Chamber for this purpose. Likewise, the guarantee or security itself may be upheld by the Enterprise Chamber, yet actual payment under it may be suspended or avoided.

According to Dutch case law, a director (*bestuurder*) of a company acts wrongfully against a creditor of the company if he has entered into commitments on behalf of that company, while he knew or reasonably ought to understand that the company would not, or not within a reasonable period of time, be able to meet its obligations and would not provide sufficient opportunity for recourse for the detriment that the creditor would suffer on the basis thereof. The foregoing is subject to any circumstances raised by the director on the basis of which the conclusive is justified that he personally cannot be blamed sufficiently (*voldoende ernstig verwijt*) for the detriment suffered.

Enforcement of security interests

In the event of the occurrence of certain events, the Security Agent may enforce the security interests created pursuant to the relevant security documents.

In general, mortgages and pledges rank above other rights of priority, including the general priority right of the Dutch tax authorities on the tax debtor's assets. However, Netherlands law provides for exceptions. For example, under certain circumstances, the Dutch tax authorities' priority right ranks above a non-possessory pledge on inventory (not including stock) found on the premises of the tax debtor (*bodemzaken*). Schemes often used to interfere with these tax authorities' priority, most notably the lease of the debtor's premises (*bodemverhuurconstructie*), have been restrained by recent legislation. Creditors intending to make use of this scheme, now must inform the tax authority of their intention and may not carry out the scheme during a period of four weeks after the moment the tax authorities have been informed.

Enforcement of security rights in a Dutch court is subject to Netherlands rules of civil procedure. In addition, foreclosure on security rights created under Netherlands law (including allocation of the proceeds) is subject to Netherlands law. Under Netherlands law, security rights are in principle enforced through a public auction of the relevant assets. This auction has to be effected in accordance with the applicable provisions of The Netherlands Civil Code (*Burgerlijk Wetboek*) and The Netherlands Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). Under Netherlands law, shares in a Dutch B.V. (private company with limited liability; *besloten vennootschap met beperkte aansprakelijkheid*) may only be transferred upon foreclosure in accordance with Dutch law and the relevant pledged company's articles of association as they read at the time of foreclosure. Undisclosed rights of pledge on claims can, in principle, only be enforced (through collection of the claims) after the pledge has been disclosed to the debtor.

The Security Agent or (unless it has waived such right) the relevant security provider may request the competent court to approve a private sale of the encumbered assets. In the event of pledged assets, the Security Agent and the relevant security provider may agree to an alternative enforcement procedure once the pledge has become enforceable. The Security Agent may also request the competent court to determine that the pledged assets shall accrue to it for a price determined by the court.

Hardening Periods and Fraudulent Transfer

Dutch law contains specific provisions, known as "*actio pauliana*," dealing with fraudulent conveyance both in and outside of bankruptcy. The *actio pauliana* provisions offers creditors protection against a decrease in their means of recovery. A legal act performed by a person (including, without limitation, an agreement pursuant to which it guarantees the performance of the obligations of a third party or agrees to provide or provides security for any of its or a third party's obligations, enters into additional agreements benefiting from existing security and any other legal act having similar effect) can be challenged in or outside bankruptcy of the relevant person and may be nullified by the bankruptcy trustee in a bankruptcy of the relevant person or by any of the creditors of the relevant person outside bankruptcy, if: (i) the person performed such acts without a prior existing legal obligation to do so (*onverplicht*); (ii) the creditor(s) concerned or, in the case of the person's bankruptcy, any creditor, was prejudiced in its means of recovery as a consequence of the act; and (iii) at the time the act was performed the person and, unless the act was conducted for no consideration (*om niet*), the counterparty to the transaction knew or should have known that one or more of its creditors (existing or future) would be prejudiced in their means of recovery. Also to the extent that Dutch insolvency law applies, a guarantee or security interest may be nullified by the bankruptcy receiver on behalf of and for the benefit of all creditors of the insolvent debtor, and in such case the beneficiary of the guarantee or security interest is presumed (subject to evidence to the contrary) to have known that creditors of the debtor would be prejudiced if the bankruptcy follows within a year of the granting and for no consideration.

In addition, the bankruptcy receiver may challenge the guarantee or security interest if it was granted on the basis of a prior existing legal obligation to do so (*verplichte rechtshandeling*), if (i) the guarantee or security interest was granted at a time that the beneficiary of such guarantee or security interest knew that a request for bankruptcy had been filed or (ii) if such guarantee or security interest was granted as a result of deliberation between the debtor and the beneficiary of such guarantee or security interest with a view to give preference to the beneficiary over the debtor's other creditors. If a Dutch court found that the issuance of the Notes or the granting of the Guarantees or security interest involved a fraudulent conveyance that did not qualify for any defense under Dutch law, then the issuance of the Notes or the granting of the Guarantees or security rights could be nullified. Consequently, the validity of the Notes, any guarantees or security interests granted by a Dutch legal entity may be challenged and it is possible that such challenge would be successful In addition, under such circumstances, holders of the Notes might be held liable for any damages incurred by prejudiced creditors of the Issuer or the Dutch Guarantors as a result of the fraudulent conveyance.

France

Limitations on Guarantees

Corporate Benefit, Financial Assistance and Other Limitations

For a French company to give a guarantee, certain procedural and substantive requirements must be satisfied. The liabilities and obligations of the French Guarantor are subject to (i) certain exceptions, including any obligations which, if incurred, would constitute prohibited financial assistance within the meaning of Article L. 225-216 of the French Code de Commerce or infringement of the provisions of Articles L. 241-3, L. 242-6 or L. 244-1 of the French Code de Commerce and French corporate benefit rules; and (ii) a financial limitation corresponding to an amount equal to the proceeds from the offering of the Notes which the Issuer has applied for the benefit of the French Guarantor through intercompany loans. The granting of a guarantee by a French company must be for its corporate benefit (*intérêt social*). There is no statutory definition of corporate benefit under French law. The existence or the absence of a corporate benefit is assessed on a case-by-case basis and on a company-by-company basis. Based on current case law:

- the company giving the guarantee must itself receive an actual benefit or advantage (direct or indirect) from the transaction involving the giving of the guarantee taken as a whole which is commensurate with the liability which it takes under the guarantee;
- the financial commitment assumed by the guarantor must not exceed its financial capability; and
- (as regards group benefit, if applicable) the guarantor and the person whose obligations are being guaranteed must belong to the same group and real common economic purposes and policy, and the guarantee, and the transaction to which it related, must be entered into in furtherance of the common economic interest of the group as a whole (not just its shareholders) and the liability under the guarantee should be commensurate with such group benefit.

In certain circumstances, where a French company acts in breach of its requirement to act for its corporate benefit, its officers may incur civil and/or criminal liability. In addition, under French law, a French court may, under certain circumstances, set aside a guarantee granted by a French company if such company derives no corporate benefit. While the granting of guarantees by a parent company with respect to the obligations of its subsidiary are deemed to be, in principle, for the corporate benefit of the parent company, the granting of cross or upstream guarantees by a subsidiary may be more problematic from that perspective.

Furthermore, under French financial assistance rules, certain limited liability companies (in the form of a *société anonyme or a société par actions simplifiée*) may not advance funds, grant loans or grant security for the purposes of the subscription or the acquisition of its own shares by a third party. Breach of French financial assistance rules may result in criminal liability for the officers of the company acting in breach of these rules and their accomplices. This prohibition is applicable in all circumstances as the French Commercial Code does not contain any "whitewash" (or similar) procedures. However, in any event, the provision of loans or the granting of security for the aforementioned purposes may trigger corporate benefit issues regardless of the form of company involved.

Accordingly, the Guarantees granted by Guarantors incorporated under the laws of France (each, a "**French Guarantor**") are subject to the following limitations in respect of the payment obligations of the Issuer and the French Guarantors under the Notes and the Guarantees:

- the obligations and liabilities of a French Guarantor under its Guarantee will not include any obligation or liability which, if incurred, would constitute the provision of financial assistance within the meaning of article L.225-216 of the French Commercial Code or any other laws having the same effect and/or would constitute a misuse of corporate assets or corporate credit within the meaning of articles L.241-3 or L.242-6 of the French Commercial Code or more generally any other laws or regulations having the same effect as interpreted by French courts, from time to time;

- only in respect of any French Guarantor that is not a direct or indirect holding company of the Issuer, the obligations and liabilities of that French Guarantor under its Guarantee for the obligations of the Issuer under the Notes shall be limited, at any time, to an amount equal to the lower of (i) the payment and repayment obligations of such French Guarantor under the finance documents; and (ii) the aggregate of the proceeds of the Notes to the extent directly or indirectly on-lent by the Issuer to that French Guarantor or any of its Subsidiaries under intercompany loans or similar arrangements and be limited to the amount outstanding, if any, on the date a payment is requested to be made by that French Guarantor under its Guarantee, it being specified that any payment made by that French Guarantor in respect of the obligations of such obligor shall automatically reduce, on a "pro tanto basis," the outstanding amount of those intra-group loans due by such French Guarantor to the Issuer;

- it is acknowledged that, notwithstanding any provision to the contrary, no French Guarantor is acting jointly and severally with the other Guarantors and no French Guarantor shall therefore be considered as *"co-débiteur solidaire"* as to its obligations pursuant to the Guarantee; and

- for the purpose of paragraphs (b) above, "Subsidiary" means, in relation to any company, another company which is controlled by it within the meaning of article L. 233-3 of the French *Code de commerce*.

For the avoidance of doubt, any obligations or liabilities that may arise from a French company acting jointly and severally with other guarantors are subject always to the limitations set forth in the preceding paragraphs.

Notwithstanding any other provisions, no French Guarantor shall guarantee any liability of an obligor which, if incurred, would constitute:

- the provision of financial assistance within the meaning of article L.225-216 of the French Commercial Code (code de commerce); or

- a misuse of corporate assets or powers (within the meaning of paragraphs (3) and (4) of article L.242-6 of the French Commercial Code, paragraphs (4) and (5) of article L. 241-3 of the French Commercial Code or more generally any other law or regulations having the same effect, as interpreted by French courts from time to time).

A French insolvency court may also refuse to enforce a guarantee if it is determined that the grantor was insolvent at the time the guarantee was granted and that the relevant secured party had knowledge, at the time the guarantee was granted, of such insolvency.

Other French Security Law Considerations

Priority

In France, lien searches may only be conducted in respect of security interests that are subject to public registration, such as on-going business pledges (*nantissements de fonds de commerce*), inventory pledges (*gages de stock*), equipment pledges (*nantissements de matériel et d'outillage*), pledges without dispossession (*gages sans dépossession*), mortgages (*hypothèques*), certain types of share pledges (e.g. *nantissements de parts de sociétés civiles*) and certain legal privileges. No lien searches are available for other types of security interests which are not registered, such as, amongst others, certain types of share pledges (*nantissements de comptes titres*).

As a result, no assurance can be given on the priority of security interests which are not subject to public registration.

Rights in the Collateral may be adversely affected by the failure to perfect security interests in the Collateral

Under French law, a security interest in certain assets can only be properly perfected, and its priority retained, through certain actions undertaken by the secured party and/or the grantor of the security. The liens on the Collateral securing the Notes may not be perfected with respect to the claims of the Notes if we fail or are unable to take the actions required to perfect any of these liens. Furthermore, it should be noted that neither the Trustee nor the Security Agent shall have any obligation to take any steps or action to perfect any of these liens. In particular, pledges over the securities of French subsidiaries in the form a stock company (*société par actions)* that are governed by French law consist of pledges over a securities account (*nantissement de compte de titres financiers)* in which the relevant securities are registered. The securities account pledges will be validly established after execution of a statement of pledge (*déclaration de nantissement de compte titres financiers)* by each security provider in favor of the Security Agent. Each statement of pledge will have to be registered in the relevant shareholder's account (*compte d'actionnaire*) and shares registry (*registre de mouvement de titres)* of the French entity which issued the securities which are pledged.

Enforcement

The obligations of the French Guarantor under the finance documents to which it is a party shall constitute legal, valid and binding obligations under the laws governing the relevant finance documents.

The collateral granted under French law may only secure payment obligations, may only be enforced following a payment default or an acceleration resulting in a payment default and may only secure up to the secured amount that is due and remaining unpaid. Under French law, a pledge over securities (in the form of a pledge over securities account) may be enforced at the option of the secured creditors either (i) by way of a sale of the pledged securities in a public auction (the proceeds of the sale being paid to the secured creditors) or (ii) by way of judicial foreclosure (*attribution judiciaire*) or (iii) to the extent provided for in the relevant security document, contractual foreclosure (*attribution conventionnelle* (*pacte commissoire*)) of the pledged securities in favor of the secured creditors, following which the secured creditors become the legal owner of the pledged securities. If the secured creditors choose to enforce by way of foreclosure as described above, the secured liabilities would be deemed extinguished up to the value of the foreclosed securities. Such value is determined either by the court in the context of a judicial foreclosure (*attribution judiciaire*) or by a pre-contractually agreed or appointed by a judge expert in the context of a contractual foreclosure (*attribution conventionnelle* (*pacte commissoire*)). In proceedings regarding an *attribution judiciaire* or an *attribution conventionnelle* (pacte commissoire), an expert is appointed to value the Collateral (in this case, the pledged securities) (such valuation being made by reference to the date of enforcement) and, if the value of the Collateral exceeds the amount of secured debt, the secured creditors may be required to pay the pledgor a cash amount (*soulte*) equal to the difference between the value of the securities as so determined and the amount of the secured debt. This is true regardless of the actual amount of proceeds ultimately received by the secured creditors from a subsequent sale of the Collateral. If the value of the Collateral is less than the amount of the secured debt, the relevant amount owed to the relevant creditors will be reduced by an amount equal to the value of such Collateral, and the remaining amount owed to such creditors will be unsecured in that respect.

As a result, if the Security Agent enforces the Collateral pursuant to option (i) as described above, the proceeds of the sale of the Collateral may not be sufficient to satisfy the claims of all secured creditors. If enforcement is implemented through a public auction procedure, it is possible that the sale price received in any such auction might not reflect the value of the securities, since the latter will not be sold pursuant to a competitive bid process and/or a private sale organized by an investment bank and controlled by the vendor on the basis of a value determined pursuant to the methods usually used for the purpose of the acquisition of companies or groups of companies. If the Security Agent enforces the Collateral pursuant to option (ii) or (iii), there is a risk that the secured creditors may not be able to re-sell the Collateral for its full value as determined by the expert, yet may still be required to pay the pledgor, upon the Security Agent having become the owner of the Collateral, the difference between the value of the Collateral and the amount of the secured debt if the Collateral is determined by the expert to have a greater value than the amount of secured debt.

Recognition of intercreditor arrangements by French courts

There is no law or published decision of the French courts of appeal or of the French Supreme Court (*Cour de cassation*) on the validity or enforceability of the obligations of an agreement such as the Intercreditor Agreement, except for Articles L. 626-30-2, L.626-32 and L. 631-19 of the French Commercial Code pursuant to which, in the context of safeguard or judicial reorganization proceedings, the safeguard or reorganization plan which is put to the vote of the creditors' committees and the bondholders general meeting takes into consideration (*prend en compte*) the provisions of subordination agreements between creditors which were entered into prior to the commencement of the safeguard, or judicial reorganization, proceedings. As a consequence, except to the extent referred to above (which, as of the date of this Offering Memorandum, has received no judicial interpretation), we cannot rule out that a French court would not give effect to certain provisions of the Intercreditor Agreement.

Recognition of validity of second or lower ranking financial securities account pledges by French courts

The Intercreditor Agreement provides for a mechanism allowing the implementation of second or lower ranking pledges over the Collateral located in France. A pledge over the shares of a stock company (*société par actions)* governed by French law is a pledge over the relevant securities account (*nantissement de compte de titres financiers)* in which the shares of such company are registered. In France, no lien searches are available for security interests which are not registered, such as pledges over securities accounts (*nantissements de comptes de titres financiers).* As a result, no assurance can be given on the priority of a pledge over a securities account in which the shares of such a company are registered. The creation and enforcement of second ranking pledges over certain assets (such as receivables) has not been tested before French courts, and there can be no assurance that second ranking pledges over such assets would be upheld if tested. Accordingly, there is a risk that a second ranking pledge over such assets may be held void or unenforceable by a French court.

Parallel Debt

Under French law, prior to the recent reform of the security agent regime pursuant to Ordonnance n°2017-748 of May 4, 2017, which came into force on October 1, 2017, the pledgee of a French law security interest and the creditor of the claim secured by such security interest are required to be the same person. Such security interest cannot be held on behalf of third parties who do not hold the secured claim, unless they act as fiduciary (*fiduciaire)* under Article 2011 of the French Civil Code or as security agent (*agent des sûretés)* under Articles 2488-6 et seq. of the French Civil Code.

The beneficial holders of interests in the Notes from time to time will not be parties to the security documents. In order to permit the beneficial holders of the Notes to benefit from a secured claim, there will be provided for the creation of "parallel debt" obligations in favor of the Security Agent (the "**Parallel Debt**") mirroring the obligations of the Issuer and the Guarantors (as principal obligors) towards the holders of the Notes under or in connection with the Indenture (the "**Principal Obligations**").

The Parallel Debt will at all times be in the same amount and payable at the same time as the Principal Obligations. Any payment in respect of the Principal Obligations shall discharge the corresponding Parallel Debt and any payment in respect of the Parallel Debt shall discharge the corresponding Principal Obligations. Pursuant to the Parallel Debt, the Security Agent becomes the holder of a claim equal to each amount payable by an obligor under the Notes. The pledges governed by French law will directly secure the Parallel Debt, and may not directly secure the obligations under the Notes and the other indebtedness secured by the Collateral. The holders of the Notes will not be entitled to take enforcement actions in respect of such security interests except through the Security Agent (even if they are in some instances direct beneficiaries of the security interests in the Collateral).

None of the Parallel Debt mechanisms constructs as set forth in the Indenture and/or the Intercreditor Agreement have been generally recognized by French courts. There is one published decision of the French Supreme Court (*Cour de cassation)* on Parallel Debt mechanisms (Cass. com. September 13, 2011 n°10-25533 *Belvédère)* relating to a bond documentation governed by New York law. Such a decision recognized the enforceability in France of certain rights (especially the filing of claims in safeguard proceedings) of a security agent benefitting from a Parallel Debt. In particular, the French Supreme Court upheld the proof of claim of the legal holders of a Parallel Debt claim, considering that it did not contravene French international public policy *(ordre public international)* rules. The ruling was made on the basis that the French debtor was not exposed to double payment or artificial liability as a result of the Parallel Debt mechanism.

Although this court decision is generally viewed by legal practitioners and academics as a recognition by French courts of Parallel Debt structures in such circumstances, there can be no assurance that such a structure will be effective in all cases before French courts. Indeed, it should be noted that the legal issue addressed by it is limited to the proof of claims. The French court was not asked to generally uphold French security interests securing a Parallel Debt. It is also fair to say that case law on this matter is scarce and based on a case-by-case analysis. Such a decision should not be considered as a general recognition of the enforceability in France of the rights of a security agent benefitting from a Parallel Debt claim. There is no certainty that the Parallel Debt construction will eliminate the risk of unenforceability under French law.

To the extent that the security interests in the Collateral created to the benefit of the Security Agent as creditor of the Parallel Debt under the Parallel Debt construction are successfully challenged by other parties, holders of the Notes will not be entitled to rely on the Parallel Debt construction to receive on the basis of such construction any proceeds from an enforcement of the security interests in the Collateral. In addition, the holders of the Notes bear the risks associated with the possible insolvency or bankruptcy of the Security Agent as the beneficiary of the Parallel Debt.

The Trustee has certain assigned duties and rights under the Indenture that become particularly important following default or events of default, and acts as trustee in a fiduciary capacity in the best interests of the holders of the Notes.

The concept of "trust" has been recognized by the French Tax Code and the French Supreme Court (*Cour de cassation*), which has held, in the same published decision referred to above (Cass.

com. 13 September 2011 n°10-25.533 *Belvédère*), that a trustee validly appointed under a trust governed by the laws of the State of New York could validly be regarded as a creditor in safeguard proceedings commenced in France. However, while substantial comfort may be derived from the above, France has not ratified the Hague Convention of July 1, 1985 on the law applicable to trusts and on their recognition, so that the concept of "trust" has not been generally recognized under French law.

The security documents are granted to the benefit of *inter alios* the Trustee. To the extent that the security interests in the Collateral created for the benefit of the Trustee are successfully challenged by other parties, holders of the Notes will not be entitled to receive on this basis any proceeds from an enforcement of the security interests in the Collateral. In addition, the holders of the Notes will bear the risks associated with the possible insolvency or bankruptcy of the Trustee.

Grace Periods

A French court may, pursuant to article 1343-5 of the French Civil Code, grant a debtor a period of time (up to two years) to perform its payment obligations and this shall freeze any enforcement procedures that may have been initiated by the creditors. Pursuant to article 1343-5 of the French Civil Code, a French court may also decide that any amounts, the payment date of which is so deferred or rescheduled, will bear interest at a rate that is lower than the contractual rate (but not lower than the prevailing legal rate as published annually by decree) or that payments made shall first be allocated to repayment of principal.

French Toubon Law for the mandatory use of French language

To the extent that the French Guarantors are operating a public service in France, any contract to which they are a party must be translated into French, if such contract is entered into in connection with the performance of such public, pursuant to article 5 of Law no. 94-665 of 4 August 1994 (the "**Toubon Law**").

Failure to comply with this requirement may result in the provisions not translated into French which are detrimental to the French Guarantors being declared unenforceable against them. Although it is anticipated that the French Guarantors will sign a supplemental Indenture in French and a translation of the Indenture will be made, it cannot be excluded that the provisions of the finance documents in the English language to which the French Guarantors will be acceding could be unenforceable on the basis that they are not in French. In addition, the question arises of whether the requirement would extend not only to the actual contracts signed, but also to any other instrument to which the contract relates, so that in the case of security documents granted in such context, French language should be used not only for the security documents itself but also for any finance document to which the security document relate.

French Insolvency Laws

To the extent that their centre of main interests within the meaning of the EU Insolvency Regulation or, if not applicable, their main centre of the interests within the meaning of article R.600-1 of the French Commercial Code is deemed to be in France, the French Guarantors, i.e., the companies having granted a guarantee incorporated in France will be subject to French pre-insolvency or insolvency proceedings affecting creditors, including court-assisted informal pre-insolvency proceedings (*mandat ad hoc or conciliation proceedings)* (which do not fall within the scope of the EU Insolvency Regulation) and court-administered proceedings: safeguard *(sauvegarde),* accelerated safeguard *(sauvegarde accélérée),* accelerated financial safeguard *(sauvegarde financière accélérée),* judicial reorganization *(redressement judiciaire)* or liquidation proceedings *(liquidation judiciaire)*.

Annex A of the EU Insolvency Regulation lists safeguard, accelerated safeguard, accelerated financial safeguard, judicial reorganization and judicial liquidation proceedings as insolvency proceedings within the meaning of the EU Insolvency Regulation.

Any company of our group having its COMI in France would be subject to French main insolvency proceedings and any company of our group having an establishment in France and its COMI in another EU Member State (other than Denmark) could be subject to French secondary insolvency proceedings.

Further, under the EU Insolvency Regulation, French courts may have jurisdiction over (i) the main insolvency proceedings of a company incorporated in the jurisdiction of another EU Member State (other than Denmark) if the centre of main interests of such company is deemed to be in France and (ii) the secondary insolvency proceedings of a company having an establishment in France and its COMI in another EU Member State (other than Denmark). In the case where a debtor is a legal person, the place of its registered office shall be presumed to be its centre of main interests in the absence of proof to the contrary. In determining whether the centre of main interests of a company is in France, French courts will take into account an array of factual elements.

In general, French insolvency legislation favors the continuation of a business and protection of employment over the payment of creditors. Consequently, the commencement of pre-insolvency or insolvency proceedings at the level of a company which has provided security and/or a guarantee in respect of the Notes may limit the ability of holders of the Notes to enforce a guarantee and/or security granted by such company in relation to the Notes.

A directive (EU) 2019/1023 "on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132" has been adopted by the European Union on June 20, 2019. Once transposed into French law (which is scheduled to take place by July 2021), such directive should have a material impact on French insolvency law, particularly with regard to the process of adoption of restructuring plans under insolvency proceedings. According to this directive, "affected parties" (i.e., including notably creditors and therefore the Noteholders) shall be treated in separate classes which reflect certain class formation criteria for the purpose of adopting a restructuring plan. Classes shall be formed in such a way that each class comprises claims or interests with rights which reflects sufficient commonality of interest based on verifiable criteria. As a minimum, secured and unsecured claims shall be treated in separate classes for the purpose of adopting a restructuring plan. A restructuring plan shall be deemed to be adopted by affected parties, provided that a majority in the amount of their claims or interests is obtained in each and every class (the required majorities shall be laid down by Member States at not higher than 75% in the amount of claims or interests in each class, it being noted that Member States may require that in addition, a majority in number of affected parties be obtained in each class). If the restructuring plan is not approved by each and every class of affected parties, the plan may however be confirmed by a judicial or administrative authority by applying a cross-class cram-down, provided notably that:

- creditors that share enough commonality of interest within a class benefit from equality of treatment and are treated in proportion to their claim;
- the plan has been notified to all affected parties;
- the plan complies with the best interest of creditors test (i.e., no dissenting creditor would be worse off under the restructuring plan than they would be in the event of liquidation, whether piecemeal or sale as a going concern or in the event of the next-best-alternative scenario if the restructuring plan were not to be confirmed);
- as the case may be, any new financing is necessary to implement the restructuring plan and does not unfairly prejudice the interest of creditors;
- the plan has a reasonable prospect of preventing the insolvency of the debtor or ensuring the viability of the business;

- the plan has been approved:
  - by a majority of the voting classes of affected parties, provided that at least one of those classes is a secured creditors class or is senior to the ordinary unsecured creditors class; or, failing that,
  - by at least one of the voting classes of affected parties or, where so provided under national law, impaired parties, other than an equity-holders class or any other class which, upon a valuation of the debtor as a going-concern, would not receive any payment or keep any interest, or, where so provided under national law, which could be reasonably presumed not to receive any payment or keep any interest, if the normal ranking of liquidation priorities were applied under national law; it is specified that member states may increase the minimum number of voting classes of affected parties or, where so provided under national law, of impaired parties;
- the plan complies with the relative priority rule (*i.e.*, dissenting voting classes of affected creditors are treated at least as favorably as any other class of the same rank and more favorably than any junior class). By way of derogation, Member States may instead provide that the plan shall comply with the absolute priority rule (i.e., a dissenting voting class of creditors must be satisfied in full before a more junior class may receive any distribution or keep any interest under the restructuring plan); and
- no class of affected parties can, under the restructuring, plan receive or keep more than the full amount of its claims or interests.

Member States may maintain or introduce provisions derogating from the conditions above where they are necessary in order to achieve the aims of the restructuring plan and where the restructuring plan does not unfairly prejudice the rights or interests of any affected parties.

The following is a general discussion of pre-insolvency or insolvency proceedings governed by French law (as amended essentially by Ordinance No. 2014-326 dated March 12, 2014 and in force since July 1, 2014, Ordinance No. 2014-1088 dated September 26, 2014 and in force since September 28, 2014, Law No. 2015-990 dated August 6, 2015 and applicable to reorganization proceedings opened as from August 7, 2015, Ordinance No. 2016-131 dated February 10, 2016 and in force since October 1, 2016, and No. 2016-1547 of November 18, 2016 modernizing the justice system, in force since November 20, 2016, Law No. 2016-1691 dated December 9, 2016, in force since December 11, 2016 and Ordinance No. 2017-1519 dated November 2, 2017 and in force since November 4, 2017) for informational purposes only and does not address all the French legal considerations that may be relevant to holders of the Notes.

Insolvency (Cessation des Paiements) under French Law

Under French law, a company is deemed cash flow insolvent (*en cessation des paiements)* when it is not able to pay its debts which are due with its immediately available assets taking into account credit lines available to it, and debt rescheduling or moratorium which its creditors have granted to it.

The date of cash-flow insolvency (*état de cessation des paiements*) is generally deemed to be the date of the court ruling commencing the judicial reorganization or judicial liquidation proceedings, unless the court sets an earlier date, which may be carried back up to 18 months before the date of such court ruling. Except for fraud, the date of cash-flow insolvency may not be fixed at an earlier date than the date of the final court decision that sanctioned an agreement (*homologation*) in the context of conciliation proceedings. The date of insolvency marks the beginning of the suspect period (see below).

Grace Periods

The Noteholders could be subject to Article 1343-5 of the French Civil Code (*Code Civil).*Pursuant to these provisions, French courts may, in any civil proceedings involving the debtor, whether initiated by the debtor or the creditor, taking into account the debtor's financial position and the creditor's financial needs, defer or otherwise reschedule the payment dates of payment obligations over a maximum period of two years and/or decide that any amounts, the payment date of which is thus deferred or rescheduled, will bear interest at a rate which is lower than the contractual rate (but not lower than the legal rate as published twice a year by administrative decree of the French Ministry of Economy) or that payments made shall first be allocated to repayment of the principal. If a court order under Article 1343-5 of the French Civil Code is made, it will suspend any pending enforcement measures, and any contractual default interest or penalty for late payment will not accrue or be due during the grace period ordered by the relevant judge. A creditor cannot contract out of such grace periods.

When the debtor benefits from the commencement of *conciliation* proceedings, these provisions shall be read in combination with Article L 611-7 of the French Commercial Code. See "*—Conciliation Proceedings*" below. Additionally, pursuant to Article L. 611-10-1 of the French Commercial Code, the judge having commenced *conciliation* proceedings may, during the implementation of a conciliation agreement, impose grace periods on creditors that have been called to the *conciliation* proceedings (other than the tax and social security administrations) for their claims that were not dealt with in the conciliation agreement.

Warning Procedure (Procedure d'Alerte)

In order to anticipate a debtor's difficulties to the extent possible, French law provides for warning procedures. Indeed, as regards companies incorporated as *société anonyme,* when there are elements which they believe put the company's existence as a going concern in jeopardy, the statutory auditors of a company must request the management to provide an explanation. Failing satisfactory explanations or corrective measures, the auditors must request that a board of directors (or the equivalent body) be convened and may request to be heard by the President of the relevant Commercial court.

At a later stage, and failing satisfactory explanations or appropriate corrective measures, a shareholders' meeting shall be convened and the auditors present a special report on this occasion.

Further to the shareholders' meeting, if the auditor considers that the decisions made do not ensure the company's existence as a going concern, he/she must inform the President of the relevant Commercial Court of the warning procedure and may request to be heard by the President of the relevant Commercial court. As regards companies not incorporated as *société anonyme,* similar warning procedures exist even if the practical details slightly differ.

Shareholders representing at least 5% of the share capital and the workers' committee (or, in their absence, the employees' representatives) have similar rights.

The President of the Commercial Court can also himself summon the management to provide explanations on elements which the President of the court believes put the company's existence as a going concern in jeopardy (or when the company has not filed its financial statements within the statutory timeframe, despite his injunction).

Pursuant to the provisions of article L. 611-2-1 of the French Code de commerce, the competent Civil Court (*Tribunal de Grande Instance)* will also be able to exercise the emergency procedure for debtors subject to its jurisdiction.

Court-assisted Pre-insolvency Proceedings

A company that has its main center of interests within the meaning of article R.600-1 of the French Commercial Code in France and faces difficulties may request the commencement of court-assisted pre-insolvency proceedings (*mandat ad hoc* or *conciliation),* the aim of which is to reach an agreement with the debtor's main creditors and stakeholders under the aegis of a third-party trustee (*mandataire ad hoc* or conciliateur), whose name can be suggested by the debtor, appointed by the President of the relevant court (usually the Commercial Court). These proceedings are amicable, confidential (subject to the details below as regards *conciliation* proceedings) and do not involve any automatic stay.

Mandat Ad Hoc Proceedings

Mandat ad hoc proceedings may only be initiated by the debtor itself, in its sole discretion. In practice, *mandat ad hoc* proceedings are used by debtors that are facing difficulties of an economic, legal or financial nature but are not insolvent (*en état de cessation des paiements). Mandat ad hoc* proceedings are confidential (save for their disclosure to statutory auditors if any) and are not limited in time.

Although not expressly mentioned in the provisions governing *mandat ad hoc* in the French Commercial Code, *mandat ad hoc* proceedings may also be used at the request of the debtor and after the opinion of participating creditors has been sought to prepare the disposal of all or part of the business of the debtor with a view to implementing such sale (*plan de cession)* in subsequent insolvency proceedings (for a partial sale alongside a safeguard plan only). To ensure transparency, the public prosecutor must be consulted on any offer formalized in the context of such *mandat ad hoc* proceedings and the *mandataire ad hoc* must, after the opening of such subsequent insolvency proceedings, report to the Court on the measures taken to receive offers, notwithstanding the confidential nature of the *mandat ad hoc* proceedings.

The *mandataire ad hoc*'s duties are determined by the relevant court. This *mandataire ad hoc* is usually appointed in order to facilitate the negotiations with the debtor's main creditors or stakeholders but he cannot coerce the creditors to accept any proposal: the restructuring agreement between the company and its main creditors will be negotiated on a purely consensual and voluntary basis, those creditors not willing to take part cannot be bound by the arrangement. Creditors are not barred from taking legal action against the company to recover their claims, but, in practice, they generally abstain from doing so. The agreement reached by the parties (if any) with the help of the *mandataire ad hoc* can be reported by the latter to the President of the court but is not sanctioned by the court or the President of the court. In any event, the debtor retains the right to petition the relevant judge for a grace period as set forth in Article 1343-5 of the French Civil Code (see "*Grace periods*" above).

Contractual provisions modifying the terms of an outstanding contract, by diminishing the rights or increasing the obligations of the debtor solely by reason of the appointment of a *mandataire ad hoc* or any request made to this end are deemed null and void. Equally, contractual provisions that would, as the sole result of the opening of *mandat ad hoc* proceedings, make the debtor bear the fees of the creditor's counsel relating to such proceedings, are deemed null and void with respect to the portion of such fees above a proportion fixed by order of the Minister of Justice (currently such proportion is 75% of the fees).

Conciliation Proceedings

Conciliation proceedings are available to a debtor that faces actual or foreseeable difficulties of a legal, economic or financial nature but which is not insolvent or has not been insolvent for more than 45 days. The debtor, may in its sole discretion, petition the President of the Commercial Court for the appointment of a conciliator (whose name the debtor can suggest) in charge of assisting the debtor in negotiating an agreement with all or part of its creditors and stakeholders for reducing or rescheduling its indebtedness. Any agreement between the debtor and its creditors will be negotiated on a purely consensual and voluntary basis: those creditors not willing to take part cannot be bound by the agreement nor forced to accept it. *Conciliation* proceedings are confidential (subject to the below) and may last up to four months (with the *conciliateur* being able to request a month extension so that its total duration can be up to five months). In case the debtor intends to have the conciliation agreement approved (*homologué*) or acknowledged (*constaté*), its request must be filed by the end of this five-month period, even though the hearing can take place afterwards, in which case the conciliation period will be extended until the decision of the President of the Court or the Court itself. During the proceedings, creditors may continue to individually claim payment of their claims, but those that have agreed to take part in the proceedings usually agree not to do so for the time of the discussions. However, if, during the *conciliation* proceedings, a creditor initiates a legal action against the debtor or gives the debtor formal notice to pay, the debtor retains the right to petition the President of the Court for debt rescheduling for a maximum of two years in accordance with Article 1343-5 of the Civil Code (see "*Grace periods*" above) provided that a creditor has formally put the debtor on notice to pay or is suing for payment (including if such action was initiated prior to the opening of conciliation proceedings), pursuant to Article L.611-7 of the French Commercial Code. In that case, the President of the Court who commenced the *conciliation* proceedings has jurisdiction and will take his/her decision after having been informed by the conciliator (*conciliateur)* and may condition the duration of the measures it orders to reaching an agreement in the conciliation proceedings.

Upon its execution, the agreement reached by the parties becomes binding upon them only and the creditors party thereto may not take action against the company in respect of claims governed by the agreement as long as it is complied with. In addition, without such formalities being an obligation on the parties, the agreement can be either:

- upon all parties' request, acknowledged (*constaté)* by the President of the court, upon submission by the debtor of a declaration stating that it is not insolvent at the time or that the agreement has the effect of putting an end to its insolvency. The acknowledgment makes the agreement immediately enforceable without further recourse to a judge (*force exécutoire)* although it keeps the *conciliation* proceedings confidential; or
- upon the debtor's request, sanctioned (*homologué)* by a decision of the court, subject to the satisfaction of certain conditions (*i.e.:* (i) the debtor is not insolvent or the conciliation agreement puts an end to the debtor's insolvency; (ii) the conciliation agreement effectively ensures that the company will survive as a going concern; and (iii) the agreement does not infringe the rights of the non-signatory creditors). The judgment will make the *conciliation* proceedings public only in respect of the existence of the *conciliation* proceedings but not in respect of the content of the agreement (except for the guarantees, liens and security interests granted to secure the agreement as well as the amount benefitting from the New Money Lien detailed below, as provided for in the agreement) which shall have the following specific consequences (in addition to those relating to an acknowledged agreement):
  - creditors who provide new money, goods or services designed to ensure the continuation of the business of the distressed company (other than shareholders providing new equity) will enjoy a priority of payment over all pre-petition and post-petition claims (other than certain pre-petition employment claims and procedural costs), in the event of subsequent insolvency proceedings (the "**New Money Lien**"); and
  - in the event of subsequent judicial reorganization proceedings or judicial liquidation proceedings, the date of insolvency (*cessation de paiements)* and therefore the starting date of the suspect period (as defined below) cannot be set by the court at a date earlier than the date of the final decision sanctioning the agreement by the court, except in the case of fraud (see "Insolvency (Cessation des paiements) under French law" above;
  - in the event of subsequent safeguard proceedings (including accelerated safeguard and accelerated financial safeguard proceedings referred to below), judicial reorganization proceedings or judicial liquidation proceedings, the court may not reschedule the payment date of the claims benefiting from the New Money Lien nor write off those claims without their holders' consent even within the framework of creditors' committees, although a doubt may arise as to the application of such provision within the bondholders' general meeting;
  - the social and economic committee (previously known as works council) or employee representatives are informed of the content of the conciliation agreement and interested parties may have access to the full conciliation agreement at the clerk's office of the Court (*greffe);* and

- when the debtor is submitted to statutory auditing, the conciliation agreement is transmitted to its statutory auditors.

When acknowledging or sanctioning the agreement, the President of the Court or the Court may appoint, upon request of the debtor, the *conciliateur* as *mandataire à l'exécution de l'accord* to supervise the performance of the agreement for the period corresponding to the duration of this conciliation agreement.

Contractual provisions modifying the terms of an outstanding contract by diminishing the rights or increasing the obligations of the debtor solely upon the opening of *conciliation* proceedings or any request made to this end are deemed null and void. Equally, contractual provisions that would, as the sole result of the opening of *conciliation* proceedings, make the debtor bear the fees of the creditor's counsel relating to such proceedings, are deemed null and void with respect to the portion of such fees above a proportion fixed by order of the Minister of Justice (currently such proportion is 75% of the fees).

While the agreement (whether acknowledged or sanctioned) is in force, by law (i) any individual proceedings by creditors with respect to the claims governed by the agreement are suspended, (ii) accrued interests of the claims governed by the restructuring agreement cannot be compounded (notwithstanding Article 1343-2 of the French Civil Code) and (iii) the debtor retains the right to petition the President of the Court who opened *conciliation* proceedings for a grace period in accordance with Article L. 611-10-1 of the French Commercial Code in relation to creditors (other than public creditors), who were called to the conciliation with respect to their claims which are not governed by the conciliation agreement, in which case the decision would be taken after having heard the *mandataire à l'exécution de l'accord* appointed to supervise the performance of the restructuring agreement, if the conciliator has been appointed in such capacity and taking into account the conditions of the restructuring agreement's performance.

Joint debtors, personal guarantors, or any third party that granted a security interest may benefit from the provisions of the conciliation agreement (whether acknowledged, sanctioned or not) as well as from grace periods granted in the context of *conciliation* proceedings (Article L.611-10-2 of the French Commercial Code).

In case of breach of the agreement, any party thereto can petition the court for its termination. If such termination is granted, grace periods granted in relation to the *conciliation* proceedings may be revoked. The commencement of subsequent insolvency proceedings will automatically put an end to the conciliation agreement, in which case the creditors will recover their claims and security interests, exception for those amounts already paid to them.

Conciliation proceedings may also be used at the request of the debtor and after the opinion of participating creditors' has been sought to prepare the disposal of all or part of the business of the debtor with a view to implement such sale (*plan de cession)* in a subsequent insolvency proceeding (for a partial sale alongside a safeguard plan only). To ensure transparency, the public prosecutor must be consulted on any offer formalized in the context of such *conciliation* proceeding and the conciliator must, after the opening of such subsequent insolvency proceedings, report to the Court on the measures taken to receive offers, notwithstanding the confidential nature of the *conciliation* proceedings.

Finally, *conciliation* proceedings, in the context of which a draft plan has been negotiated and is supported by a large majority of creditors without reaching unanimity, will be a mandatory preliminary step of the accelerated safeguard proceedings or accelerated financial safeguard proceedings as described below.

Court-administered Proceedings—Safeguard

A debtor which experiences difficulties that it is not able to overcome may, in its sole discretion, initiate safeguard proceedings (*procédure de sauvegarde*) with respect to itself, provided that it is not insolvent (see "*Insolvency (Cessation des paiements) under French Law*" above). Creditors of the debtor are not notified of, nor invited to attend the hearing before the court at which the commencement of safeguard proceedings is requested. Following the commencement of safeguard proceedings, a court-appointed administrator (*administrateur judiciaire*) is appointed (except for small companies where the court considers that such appointment is not necessary) to investigate the business of the debtor during an "observation period" (being the period starting on the date of the court decision commencing the proceedings and ending on the date on which the court takes a decision on the outcome of the proceedings), which may last up to 18 months. The role of the court appointed administrator is also to assist the debtor in preparing a draft safeguard plan (*projet de plan de sauvegarde*) that it will circularize to its creditors. Creditors do not have effective control over the proceedings, which remain in the hands of the debtor assisted by the court appointed administrator. The court-appointed administrator will, in accordance with the terms of the judgment appointing him or her, exercise *ex post facto control* over decisions made by the debtor (*mission de surveillance*) or assist the debtor to make all or some of the management decisions (*mission d'assistance*), all under the supervision of the court.

If, after commencement of the proceedings, it appears that the debtor was insolvent (*en état de cessation des paiements*) before their commencement, at the request of the debtor, the administrator, the creditors' representative or the Public Prosecutor but, in any event, after having heard the debtor, the court may convert the safeguard proceedings into judicial reorganization proceedings.

In addition, the court may convert safeguard proceedings into (i) judicial reorganization proceedings (a) at any time during the observation period if the debtor becomes insolvent or (b) if the approval of a safeguard plan is manifestly impossible and if the company would shortly become insolvent should safeguard proceedings end or (ii) judicial liquidation proceedings at any time during the observation period if the debtor is insolvent and its recovery is manifestly impossible. In all such cases:

- the court may decide the conversion at the request of the debtor, the court-appointed administrator, the creditors' representative or the Public Prosecutor with the exception of (i) (b);
- the court may also act upon its own initiative, except in the case of (i) (b); and
- the court's decision is only taken after having heard the debtor, the court-appointed administrator, the creditors' representative, the Public Prosecutor and the employees' representatives (if any).

In case of (i)(b) only, the court would decide the conversion (i) at the request of the court-appointed administrator, the creditors' representative or the Public Prosecutor if the draft plan was not approved by the relevant creditors' committees and, if any, the bondholders' general meeting or (ii) at the sole request of the debtor in all other circumstances.

As soon as safeguard proceedings are commenced, any unpaid amount of share capital of the debtor becomes immediately due and payable.

During the safeguard proceedings, payment by the debtor of any debts incurred (i) prior to the commencement of the proceedings or (ii) after the commencement of the proceedings if not incurred for the purposes of the proceedings or the observation period or in consideration of services rendered/goods delivered to the debtor, is prohibited, subject to very limited exceptions. For example, the court can authorize payments for prior debts in order to discharge a lien on property needed for the continued operation of the debtor's business or to recover goods or rights transferred as collateral in a fiduciary estate (*patrimoine fiduciaire*).

Creditors must be consulted on the manner in which the debtor's liabilities will be settled under the safeguard plan (including debt write-offs, debt rescheduling or debt-for-equity swaps) prior to the plan being approved by the court. The rules governing consultation will vary depending on the size of the business.

Standard consultation: this applies in respect of debtors whose accounts are not certified by a statutory auditor or prepared by a chartered accountant or, if they are, who have 150 employees or less or a turnover of €20 million or less.

In such case, the administrator notifies the proposals for the settlement of debts to the court-appointed creditors' representative, who seeks the agreement of each creditor who filed a claim, regarding the debt write-offs, debt rescheduling or debt-for-equity swaps proposed, as the case may be. Creditors are consulted individually or collectively.

French law does not state whether the debt settlement proposals can vary according to the creditor and whether the principle of equal treatment of creditors is applicable at this consultation stage. According to legal commentaries and established practice, differing treatment as between creditors is possible, *provided* that it is justified by the difference in situation of the creditors and approved by the court-appointed creditors' representative. In practice, it is also possible at the consultation stage to make a proposal for a partial payment of claims over a shorter time period instead of a full payment of such claims over the length of the plan (ten years maximum except for agricultural businesses where the maximum is fifteen years).

Creditors whose payment terms are not affected by the plan or who are paid in cash in full as soon as the plan is approved are not required to be consulted.

Creditors that do not respond within 30 days of their receipt of the debt settlement proposal (other than debt-for-equity swap which requires the agreement of each individual creditor in writing) made to them are deemed to have accepted it. The creditors' representative keeps a list of the responses from creditors, which is notified to the debtor, the court-appointed administrator and the controllers.

Within the framework of a standard consultation, the court that approves the safeguard plan (*plan de sauvegarde*) can impose a uniform rescheduling of the claims of creditors having refused the proposals that were submitted to them (subject to specific regimes such as the one applicable to claims benefitting from the New Money Lien) over a maximum period of ten years (except for agricultural businesses where the maximum is fifteen years and claims with maturity dates of more than the deferral period set by the court, in which case the maturity date shall remain the same), but no cancellation of any claim or debt-for-equity swap may be imposed without the relevant creditor's individual acceptance.

Following a court imposed rescheduling, the first payment must be made within a year of the judgment adopting the plan (in the third and subsequent years, the amount of each annual instalment must be of at least 5% of the amount of each debt claim (except for agricultural businesses)) or on the first payment date following the initial maturity of the claim if it is later than the first payment date provided for by the plan, in which case the amount of such first payment is equal to what the creditor would have received had he been paid in accordance with the uniform payment rescheduling applying to the other creditors.

Committee-based consultation: This applies to large companies, whose accounts are certified by a statutory auditor (*commissaire aux comptes*) or established by a chartered accountant (*expert-comptable*) and with more than 150 employees or a turnover greater than €20 million, or upon the debtor's or the administrator's request and with the consent of the supervising judge in the case of debtors that do not meet the aforementioned thresholds.

The consultation involves the submission of a draft safeguard plan for consideration by two creditors' committees which are established by the court-appointed administrator on the basis of the claims that arose prior to the judgment commencing the proceedings:

- one for credit institutions or assimilated institutions having a claim against the debtor and entities having granted credit or advances in favor of the debtor (or the assignees of such claim or of a claim acquired from a supplier) (the "credit institutions committee"); and

- the other one for suppliers having a claim that represents more than 3% of the total amount of the claims of all the debtor's suppliers and other suppliers invited to participate in such committee by the court-appointed administrator (the "major suppliers committee").

If there are any outstanding debt securities in the form of *obligations* (such as bonds or notes and including capital market debt instruments such as the Notes), a single general meeting of all holders of such debt securities will be established, in which all such holders are to take part irrespective of whether or not there are different issuances or of the governing law(s) of those *obligations* (the "bondholders general meeting").

As a general matter, only the legal owner of the debt claim will be invited onto the committee or the bondholders general meeting. Accordingly, a person holding only an economic interest therein will not itself be a member of the committee or the bondholders general meeting.

The proposed plan:

- must "take into account" subordination agreements entered into by the creditors before the commencement of the proceedings;

- may treat creditors differently if it is justified by their differences in situation; and

- may, *inter alia*, include a rescheduling or cancellation of debts (subject to the specific regime of claims benefitting from the New Money Lien), and/or debt-for-equity swaps (debt-for-equity swaps requiring the relevant shareholder consent).

If the plan provides for a share capital increase, the shareholders may subscribe to such share capital increase by way of a set-off against their claims against the debtor (as reduced according to the provisions of the plan, where applicable).

Creditors that are members of the credit institutions committee or of the major suppliers committee may also prepare alternative safeguard plans in accordance with the above principles that will also be put to the vote of the committees and of the bondholders general meeting, it being specified that approval of any such alternative plan is subject to the same two-thirds majority vote in each committee and in the bondholders general meeting and gives rise to a report by the court-appointed administrator (*administrateur judiciaire*). Bondholders are not permitted to present their own alternative plan.

The committees must approve or reject the safeguard plan within 20 to 30 days of its submission. The period may be extended or shortened by the supervising judge, at the request of the debtor or the judicial administrator, but may never be shorter than 15 days. The plan must be approved by a majority vote of each committee (two-thirds of the outstanding claims of the creditors casting a vote).

Each member of a creditors committee or of the bondholders general meeting must, if applicable, inform the court appointed administrator of the existence of any agreement relating to (i) the exercise of its vote or (ii) the full or partial payment of its claim by a third party as well as of any subordination agreement. The court-appointed administrator shall then submit to such person a proposal for the computation of its voting rights in the creditors committee/ bondholders general meeting. In the event of disagreement, the matter may be ruled upon by the president of the Commercial Court in summary proceedings at the request of the creditor or of the court-appointed administrator.

The amounts of claims secured by a trust (*fiducie*) granted by the debtor do not give rise to voting rights. In addition, creditors whose repayment schedule is not modified by the plan, or for which the plan provides for a payment of their claims in cash in full as soon as the plan is adopted or as soon as their claims are admitted, do not need to be consulted on the plan nor take part in the vote.

Following the approval of the plan by the two creditors' committees, the plan will be submitted for approval to the bondholders general meeting at the same two-thirds majority vote. Following approval by the creditors' committees and the bondholders general meeting, and determination of the rescheduling of the claims of creditors that are not members of the creditors' committees or bondholders general meeting in accordance with the standard consultation process referred to above, the plan has to be approved (*arrêté*) by the court. The court must verify that the interests of all creditors are "sufficiently protected" and that required shareholder consent (if applicable) has been obtained. Once so approved by the relevant court, the safeguard plan will be binding on all the members of the committees and all bondholders (including those who did not vote or voted against the adoption of the plan).

If the debtor's proposed plan is not approved by either the creditors' committees and/or the bondholders general meeting within the first six months of the observation period (either because they do not vote on the plan or because they reject it), this six month period may be extended by the court at the request of the court-appointed administrator for a period not exceeding the duration of the observation period, in order for the plan to be approved through the committee-based consultation process. Absent such extension, the court can still adopt a safeguard plan within the time remaining until the end of the observation period. In such a case, the rules are the same as the ones applicable for the standard consultation process described above.

If the draft plan provides for a modification of the share capital or an amendment of the by-laws, the court may decide that the shareholders general meeting and, as the case may be, the general meetings of the holders of securities giving access to the share capital of the company shall vote, the first time the relevant meeting is convened, at a simple majority of the votes of the shareholders attending, or represented at, the meeting, provided that they hold at least half of the shares with voting rights. The second time the meeting is convened, the usual provisions relating to quorum and majority shall apply.

If no proposed safeguard plan whatsoever is adopted by the committees and, if applicable, the general bondholders meeting, at the request of the debtor, the court-appointed administrator, the creditor's representative or the Public Prosecutor, the court may convert the safeguard proceedings into judicial reorganization proceedings if it appears that the adoption of a safeguard plan is impossible and if the end of the safeguard proceedings would certainly lead to the debtor shortly becoming insolvent.

Specific case- Creditors that are public institutions: public creditors (financial administrations, social security and unemployment insurance organizations) may agree to grant debt remissions under conditions that are similar to those that would be granted under normal market conditions by a private economic operator placed in a similar position. Public creditors may also decide to enter into subordination agreements for liens or mortgages, or relinquish these security interests. Public creditors examine possible remissions within the framework of a local administrative committee (*Commission des Chefs de Services Financiers*). The tax administrations may grant relief from all direct taxes. As regards indirect taxes, relief may only be granted from default interest, adjustments, penalties or fines.

Court-administered Proceedings—Accelerated Safeguard and Accelerated Financial Safeguard

A debtor that is engaged in conciliation proceedings may request the commencement of accelerated safeguard proceedings (*procédure de sauvegarde accélérée*) or accelerated financial safeguard proceedings (*procédure de sauvegarde financière accélérée*).

The accelerated safeguard proceedings and accelerated financial safeguard proceedings have been designed to "fast-track" difficulties faced by large companies, i.e. those:

- that publish consolidated accounts in accordance with Article L. 233-16 of the French Commercial Code; or
- that publish accounts certified by a statutory auditor or established by a certified public accountant and have (i) more than 20 employees or (ii) a turnover greater than €3 million (excluding VAT) or (iii) whose total balance sheet exceeds €1.5 million.

If the debtor does not exceed the thresholds provided for to constitute creditors' committee (see above), the court shall authorize such constitution in the opening decision.

To be eligible to accelerated safeguard proceedings or accelerated financial safeguard proceedings, the debtor must fulfil the following conditions:

- the debtor must not have been insolvent for more than 45 days when it initially applies for commencement of conciliation proceedings;
- the debtor must be subject to ongoing conciliation proceedings when it applies for the commencement of the proceedings;
- as is the case for regular safeguard proceedings, the debtor must face difficulties which it is not in a position to overcome; and
- the debtor must have prepared a draft safeguard plan ensuring the continuation of its business as a going concern which is supported by enough of its creditors involved in the proceedings to render likely its adoption by the relevant committees (credit institutions committee only for financial accelerated safeguard proceedings) and the bondholders general meeting, if any, within a maximum of three months following the commencement of accelerated safeguard proceedings, or within a maximum of two months following the commencement of accelerated financial safeguard proceedings.

While accelerated safeguard proceedings apply to all creditors (except employees), accelerated financial safeguard proceedings apply only to "financial creditors" (*i.e.*, creditors that belong to the credit institutions committee and the bondholders general meeting), whose debt payment is suspended until adoption of a plan through accelerated financial safeguard proceedings and debts owed to other creditors, such as suppliers, continue to be payable in the ordinary course of business. The debtor will be prohibited from paying, to any creditor to whom the accelerated safeguard or accelerated financial safeguard proceedings (as the case may be) apply, any amounts (including interest) in respect of debts incurred (i) prior to the commencement of the proceedings or (ii) after the commencement of the proceedings if not incurred for the purposes of the proceedings or the observation period or in consideration of services rendered/goods delivered to the debtor (post-commencement non-privileged debts). Such amounts may be paid only after the judgment of the court approving the safeguard plan and in accordance with its terms. Creditors other than financial creditors (such as public creditors, the tax or social security administration and suppliers) are not directly impacted by accelerated financial safeguard proceedings. Their debts will continue to be due and payable in the ordinary course of business according to their contractual or legal terms.

The regime applicable to standard safeguard proceedings is broadly applicable to accelerated safeguard or accelerated financial safeguard proceedings (for example, creditors will be consulted by way of a committee-based consultation on, as the case may be, a draft accelerated safeguard plan (*projet de plan de sauvegarde accélérée*) or a draft accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) and any creditor that is a member of the credit institutions committee or the major suppliers committee, but not bondholders, may also prepare alternative draft plans as described above (see *"—Court-administered Proceedings—Safeguard—Committee-based consultation"*)), to the extent compatible with the accelerated timing, since the maximum duration of accelerated safeguard proceedings is three months and the maximum duration of accelerated financial safeguard proceedings is two months (provided the court has decided to extend the initial one month period). However, certain provisions relating to ongoing contracts and to the recovery of assets by their owners do not apply in accelerated safeguard or accelerated financial safeguard proceedings.

In particular, the creditors' committees and the bondholders general meeting are required to vote on the proposed safeguard plan within a minimum period of 15 days of it being notified to them in the case of accelerated safeguard proceedings, or within eight days in the case of accelerated financial safeguard proceedings.

The plan in the context of accelerated safeguard proceedings or accelerated financial safeguard proceedings is adopted following the same majority rules as in the committee-based consultation of standard safeguard proceedings and may notably provide for rescheduling, debt write-offs and conversion of debt into equity capital of the debtor (debt-for-equity swaps requiring relevant shareholder consent). No debt rescheduling or cancellation may be imposed, without their consent, on creditors that do not belong to one of the committees or are not bondholders.

If a plan is not adopted by the creditors and approved by the court within the applicable deadline, the court shall terminate the proceedings. The court cannot reschedule amounts owed to the creditors outside of the committee process.

The list of claims of creditors party to the conciliation proceedings certified by the statutory auditor (or, in its absence, attested by its chartered accountant) shall be deemed to constitute the filing of such claims for the purpose of accelerated safeguard proceedings or, as applicable, accelerated financial safeguard proceedings (see below) unless the creditors otherwise elect to make such a filing (see below).

Court-administered Proceedings—Judicial Reorganization or Liquidation Proceedings

Judicial reorganization (*redressement judiciaire*) or liquidation (*liquidation judiciaire*) proceedings may be initiated against or by a debtor only if it is insolvent and, in the case of liquidation proceedings only, if the debtor's recovery is manifestly impossible. Within 45 days of becoming insolvent, the debtor, if it does not file for conciliation proceedings (as discussed above), is required to petition for judicial reorganization or liquidation proceedings; *de jure* managers (including directors) and, as the case may be, *de facto* managers that would have deliberately failed to file such a petition within the deadline are exposed to civil liability.

Where the debtor requested the commencement of judicial reorganization proceedings and the court, after having heard the debtor, considers that judicial liquidation proceedings would be more appropriate, it may order the commencement of the proceedings which it determines to be most appropriate. The same would apply if the debtor requested the commencement of judicial liquidation proceedings and the court considered that judicial reorganization proceedings would be more appropriate. In addition, at any time during the observation period, upon request of the debtor, the court-appointed administrator, the creditors' representative (*mandataire judiciaire*), a controller, the Public Prosecutor or upon its own initiative, the court may convert the judicial reorganization proceedings into judicial liquidation proceedings if it appears that the debtor's recovery is manifestly impossible. The court's decision is only taken after having heard the debtor, the court-appointed administrator, the creditors' representative, the controllers, the Public Prosecutor and the employees' representatives (if any).

The objectives of judicial reorganization proceedings are the sustainability of the business, the preservation of employment and the payment of creditors, in that order.

As soon as judicial reorganization or judicial liquidation proceedings are commenced, any unpaid amount of share capital of the debtor becomes immediately due and payable.

In the event of judicial reorganization proceedings, an administrator (*administrateur judiciaire*) is usually appointed by the court to investigate the business of the debtor during an observation period, which may last up to 18 months, and make proposals either for the reorganization of the debtor (by elaborating a draft judicial reorganization plan with the contribution of the debtor, which is similar to a draft safeguard plan), or the sale of the business or the liquidation of the debtor. The court-appointed administrator will assist the debtor in making management decisions (*mission d'assistance*) or may be empowered by the court to take over the management and control of the debtor (*mission d'administration*). Judicial reorganization proceedings broadly take place in a manner that is similar to safeguard proceedings (see above), subject to certain specificities.

In particular, the rules relating to creditor consultation, especially the powers of the court adopting the judicial reorganization plan (*plan de redressement*) in the event of rejection by the creditors of proposals made to them, are the same (see above). At any time during the observation period, the court can, at the request of the debtor, the court-appointed administrator, the creditors' representative (*mandataire judiciaire*), the Public Prosecutor or at its own initiative, order the partial stop of the activity (*cessation partielle de l'activité*) or order the liquidation of the debtor if its recovery is manifestly impossible. At the end of the observation period, the outcome of the proceedings is decided by the court.

In judicial reorganization proceedings, in case a shareholders' meeting needs to vote to bring the shareholders' equity to a level equal to at least one half of the share capital as required by Article L. 626-3 of the French Commercial Code, the administrator may appoint a trustee (*mandataire de justice*) to convene a shareholders' meeting and to vote on behalf of the shareholders that refuse to vote in favor of such a resolution if the draft restructuring plan provides for a modification of the equity to the benefit of a third party(ies) undertaking to comply with the reorganization plan.

If the proposed reorganization plans are manifestly not likely to ensure that the debtor will recover or if no reorganization plan is proposed, the court, upon the request of the court-appointed administrator, can order the total or partial transfer of the business as described below. Any third party (as construed under French insolvency law) can present a bid on all or part of the debtor's business.

In judicial reorganization proceedings if (i) the company has at least 150 employees, or if it controls (within the meaning of the French Labor Code) one or more companies having together at least 150 employees, (ii) the disappearance of the company is likely to cause serious harm to the national or regional economy and to local employment, (iii) the modification of the company's share capital appears to be the only credible way to avoid harm to the national or regional economy and to allow the continued operation of the business as a going concern, then, at the request of the court-appointed administrator or of the Public Prosecutor (x) after the review of the options for a total or partial sale of the business and (y) if at least 3 months have elapsed as from the court decision commencing the proceedings, provided that the shareholders meetings required to approve the modification of the company's share capital required for adoption of the reorganization plan have refused such modification, the insolvency court may either:

- appoint a court officer (*mandataire*) in order to convene the shareholders meeting and vote the share capital increase in lieu of the shareholders having refused to do so, up to the amount provided for in the reorganization plan; or
- order, in favor of the persons who have undertaken to perform the reorganization plan, the sale of all or part of the share capital held by the shareholders having refused the share capital modification and holding, directly or indirectly a portion of the share capital providing them with a majority of the voting rights (including as a result of an agreement with other shareholders) or a blocking minority in the company's shareholder meetings, any consent clause being deemed unwritten; the other shareholders have the right to withdraw from the company and request that their shares be purchased simultaneously by the transferees.

In the event of a sale ordered by the court, the price of the shares shall, failing agreement between the parties, be set by an expert designated by the court in summary proceedings.

In either of the above cases, the reorganization plan shall be subject to the undertaking of the new shareholders to hold their shares for a certain time period set by the court which may not exceed the duration of the reorganization plan.

If the court decides to order the judicial liquidation of the debtor, the court will appoint a liquidator, which is generally the former creditors' representative (*mandataire judiciaire*). There is no observation period in judicial liquidation proceedings nor does the law limit their duration. The liquidator is vested with the power to represent the debtor and perform the liquidation operations (mainly liquidate the assets and settle the liabilities to the extent the proceeds from the liquidated assets are sufficient, in accordance with the creditors' priority order of payment). The liquidator will take over the management and control of the debtor and the managers of the debtor are no longer in charge of its management (although they remain in place).

Concerning the liquidation of the assets of the debtor, there are two possible outcomes:

- a sale of the business (*cession d'entreprise*) (in which case a court-appointed administrator (*administrateur judiciaire*) will usually be appointed, or remain in office if already appointed, to manage the debtor during a temporary period of continuation of the business operations ordered by the court (three months, renewable once) (during which the rules of the observation period will generally apply) and organize such sale of the business as a going-concern via an asset sale, a.k.a. a "sale of the business plan" (*plan de cession*)), any third party (as construed under French insolvency law) being entitled to present a bid on all or part of the debtor's business; or
- a sale of the individual assets of the debtor, in which case the liquidator may decide to:
  - launch auction sales (*vente aux enchères* (or *adjudication amiable* for real estate assets only));
  - sell on an amicable basis (*vente de gré à gré*) each asset for which spontaneous purchase offers have been received, (the formal authorization of the supervising judge being necessary to conclude the sale agreement with the bidder); or
  - request, under the supervision of the supervising judge, all potential interested purchasers to bid on each asset, as the case may be, by way of a private competitive process whereby the bidders submit their offers only at the hearing without the proposed prices being disclosed before such hearing (*procédure des plis cachetés*). However the possibility to implement such process is questioned by certain legal authors and case-law in this respect has varied.

If the court adopts a sale of the business plan, it can set a time-period during which the assets that it deems to be essential to the continuation of the business of the debtor may not be sold without its consent.

The court will end the proceedings when either no due liabilities remain, the liquidator has sufficient funds to pay off the creditors (*extinction du passif*), or continuation of the liquidation process becomes impossible due to insufficiency of assets (*insuffisance d'actif*).

The court may also terminate the proceedings:

- when the interest of the continuation of the liquidation process is disproportionate compared to the difficulty of selling the assets;
- in the event where there are insufficient funds to pay off the creditors, by appointing a mandataire in charge of continuing ongoing lawsuits and allocating the amounts received from these lawsuits between the remaining creditors.

Status of Creditors during Safeguard, Accelerated Safeguard Proceeding, Accelerated Financial Safeguard Proceeding, Judicial Reorganization or Judicial Liquidation Proceedings

Contractual provisions pursuant to which the opening of the proceedings triggers the acceleration of the debt (except with respect to judicial liquidation proceedings in which the court does not order the continued operation of the business) or the termination or cancellation of an ongoing contract are deemed null and void (and consequently not enforceable against the debtor), as well as, according to a decision of the French Supreme Court dated January 14, 2014, No. 12-22.909, "contractual provisions modifying the conditions of continuation of an ongoing contract, diminishing the rights or increasing the obligations of the debtor solely upon the opening of reorganization proceedings" (which should also apply in case of safeguard, accelerated safeguard or accelerated financial safeguard). The court-appointed administrator can unilaterally decide to terminate ongoing contracts (*contrats en cours)* which it believes the debtor will not be able to continue to perform. The court-appointed administrator can, on the contrary, require that other parties to a contract continue to perform their obligations even though the debtor may have been in default, but on the condition that it fully performs its post-petition contractual obligations (in case of reorganization proceedings, any payment by the debtor during the observation period with respect to continued contracts shall be made immediately (*paiement au comptant)* absent agreement with the other party). The commencement of liquidation proceedings, however, automatically accelerates the maturity of all of a debtor's obligations unless the court orders the continued operation of the business with a view to the adoption of a sale of the business plan (as described above); in such case, the acceleration of the obligations will only occur on the date of the court decision adopting the sale of the business plan or on the date on which the continued operation of the business ends. In any event, upon opening of the proceedings immediate payment of the unpaid amount of the share capital will be demanded from the shareholders. In addition, during the observation period:

- accrual of interest is suspended (except in respect of loans providing for a term of at least one year, or contracts providing for a payment that is differed by at least one year); and accrued interests of pre-insolvency claims cannot be compounded (notwithstanding article 1343-2 of the French Civil Code);
- the debtor is prohibited from paying debts incurred prior to the date of the court decision commencing the proceedings, subject to specified exceptions which essentially cover the set-off of related debts (*créances connexes)* and payments authorized by the supervising judge appointed by the Court to recover assets for which recovery is justified by the continued operation of the business;
- the debtor is prohibited from paying debts having arisen after the commencement of the proceedings unless they were incurred for the purposes of the proceedings or of the observation period, or in consideration of services rendered/goods provided to the debtor;
- debts duly arising after the commencement of the proceedings and which were incurred for the purposes of the proceedings or of the observation period, or in consideration of services rendered/goods provided to the debtor during this period, must be paid as and when they fall due and, if not, will be given priority over debts incurred prior to the commencement of the proceedings (with certain limited exceptions, such as claims secured by a New Money Lien), provided that they are duly brought to the attention of the court-appointed trustees within one year of the expiry of the observation period; and
- creditors may not pursue any individual legal action against the debtor (or a guarantor of the debtor provided such guarantor is an individual) with respect to any claim arising prior to the court decision commencing the proceedings if the objective of such legal action is:
  - to obtain an order for payment of a sum of money by the debtor to the creditor (however, the creditor may require that a court determine the amount due in order to file a proof of claim, as described below);
  - to terminate a contract for non-payment of pre-petition amounts owed to the creditor; or
  - to enforce the creditor's rights against any assets of the debtor except (i) in judicial liquidation proceedings, by way of judicial foreclosure (*attribution judiciaire)* of the pledged assets or (ii) where such asset—whether tangible or intangible, movable or immovable—is located in another Member State within the European Union at the time of the opening of the insolvency proceedings, in which case the rights in rem of creditors thereon would not be affected by the insolvency proceedings, in accordance with the terms of Article 5 of the EU Insolvency Regulation (provided no secondary proceedings are open in such member state). Similarly, the rights of a creditor on the debtor's assets located outside France (and the EU) would only be affected by the French insolvency proceedings if they were to be recognized by the local courts where the assets at stake are located (unless provided otherwise in a treaty to which France is a party).

Under accelerated safeguard and accelerated financial safeguard proceedings, the above rules only apply to the creditors that are subject to the accelerated safeguard proceedings and the accelerated financial safeguard proceedings respectively. See "*—Court-administered Proceedings—Accelerated Safeguard and Accelerated Financial Safeguard.*"

As a general rule, creditors domiciled in France whose debts arose prior to the commencement of proceedings must file a proof of claim with the court-appointed creditors' representative within two months of the publication of the court decision in the *Bulletin Officiel des annonces civiles et commerciales* (by exception, the deadline starts upon receipt of an individual notification for those creditors whose claim arose out of a published contract or who benefit from a published security interest); this period is extended to four months for creditors domiciled outside France. Creditors must also file a claim for the post- commencement non-privileged debts, with respect to which the two- or four-month period referred to above starts to run as from their maturity date. In the case where the debtor has informed the creditors' representative of the existence of a claim and no proof of claim has been filed yet, such claim is deemed filed with the creditors' representative. When a proof of claim is made on behalf of a creditor, such creditor is allowed to ratify it or, if he wishes so, to replace it by filing its own proof of claim. Creditors who have not submitted their proofs of claims during the relevant period are, except with respect to limited exceptions, barred from receiving distributions made in connection with the proceedings and their unasserted claims are unenforceable against the debtor if the debtor complies with the plan's provisions. Employees do not need to file a proof of claim in respect of their wage-related claims and are preferred creditors under French law.

In accelerated safeguard and accelerated financial safeguard proceedings, the debts held by creditors who took part in the conciliation negotiation are listed by the debtor and certified by its statutory auditor (or, in its absence, its chartered accountant). Although such creditors can file proofs of claim pursuant to the regular process, they may also avail themselves of this simplified alternative and merely adjust the amounts of their claims as set forth on the list prepared by the debtor (within the two or four months' time limit). Those creditors who did not take part in the *conciliation* proceeding (but who would be party to the creditors' committee or the bondholders' general meeting) would have to file their proofs of claim within the aforementioned legal time limit.

If the court adopts a safeguard plan, accelerated safeguard plan, accelerated financial safeguard or reorganization plan, claims of creditors included in the plan will be paid according to the terms of the plan. The court can also set a time period during which the assets that it deems to be essential to the continued business of the debtor may not be sold without its consent. If the court adopts a plan for the sale of the business plan in judicial reorganization or judicial liquidation proceedings, the proceeds of the sale will be allocated for the repayment of the creditors according to the ranking of their claims. If the court decides to order the judicial liquidation of the debtor, the liquidator appointed by the court will be in charge of settling the debtor's debts in accordance with their ranking.

French insolvency law assigns priority to the payment of certain preferred creditors, including employees (for the super-privileged part of their claims), post-petition legal costs (essentially, fees of the officials appointed by the insolvency court), creditors who benefit from a New Money Lien, certain pre-petition secured creditors secured by real estate in judicial liquidation proceedings only, post-petition privileged creditors, the French State (taxes and social charges), other pre-petition secured creditors and pre-petition unsecured creditors. Some creditors may nevertheless bypass this order of priority, e.g. it does not apply to creditors benefitting from a retention right over assets with respect to their claim related to such asset.

The "Suspect Period" in Judicial Reorganization and Liquidation Proceedings

The cash flow insolvency date (*date de "cessation des paiements")* is generally deemed to be the date on which the judicial reorganization or liquidation proceedings are commenced, but the court may declare that a debtor's insolvency date occurred up to 18 months prior to the commencement date of such proceedings (but no prior to the final court order sanctioning a conciliation agreement (homologation), except in cases of fraud). This marks the beginning of the “suspect period” (*période suspecte),* being the period from the insolvency date of the debtor to the court decision commencing the judicial reorganization or liquidation proceedings affecting it. Certain transactions entered into by the debtor during the suspect period are automatically void or voidable by the court.

Automatically void transactions include transactions or payments entered into during the suspect period that may constitute voluntary preferences for the benefit of some creditors to the detriment of other creditors. These include essentially transfers of assets for no consideration, contracts under which the reciprocal obligations of the debtor significantly exceed those of the other party, payments of debts not due at the time of payment, payments made in a manner which is not commonly used in the ordinary course of business and security granted for debts (including a security granted to secure a guarantee obligation) previously incurred and provisional attachment or seizure measures, unless the right of attachment or seizure predates the date of insolvency (*cessation de paiements),* operations relating to stock options, the transfer of any assets or rights to a trust arrangement (*fiducie)* (unless such transfer is made as a security for debt incurred at the same time), and any amendment to a trust arrangement (*fiducie)* that affects assets or rights already transferred in the trust as a guaranty of pre-existing debts, and notarized declarations of exemption of assets from seizure (*déclaration d'insaisissabilité*).

Transactions voidable by the court include payments made on accrued debts, transactions for consideration and notices of attachments made to third parties (*avis à tiers détenteur),* seizures (*saisie attribution)* and oppositions made during the suspect period, if the court determines that the party dealing with the debtor knew (or could not ignore) the insolvency (*cessation de paiements)* of the debtor. Transactions relating to the transfer of assets for no consideration are also voidable when entered into during the six-month period prior to the beginning of the suspect period. Unlike automatically void transactions, which must be set aside by the court if so requested, the court has discretion to decide whether or not it is appropriate to set aside transactions that are only “voidable.”

There is, in theory, no suspect period prior to the commencement of safeguard (as the debtor must not be insolvent) and of accelerated safeguard or accelerated financial safeguard proceedings (assuming the two latter proceedings are successful).

Extension of Insolvency Proceedings

French law provides that, upon the petition of the debtor, the Public Prosecutor, the judicial administrator, the liquidator or the creditors' representative, the insolvency proceedings of a company may be extended to another one, so that their respective assets and liabilities will be treated as belonging to one single insolvency estate, if (i) the debtor company is deemed “fictitious,” i.e. a sham, or (ii) the debtor company “commingled its assets and liabilities” with another entity, i.e. either it proves impossible to determine which assets and liabilities belong to each of them or “abnormal financial relationships” existed between the two entities (such as transfers of assets or funds without consideration).

Protective Measures under Safeguard, Judicial Reorganization and Judicial Liquidation Proceedings

Protective measures may be taken by the President of the Court on the assets of de facto or de jure managers against whom a liability action for shortfall of assets has been launched in judicial liquidation proceedings.

In addition, protective measures may be requested:

- in the context of a legal action to extend the insolvency to a third party (on the grounds mentioned above), against the defendant; and

- over the assets of the de facto or de jure manager of a company subject to judicial reorganization proceedings and against whom an action for liability is brought on the grounds of a wrongdoing having contributed to the debtor's insolvency (*cessation des paiements).* Such protective measure can be maintained in judicial liquidation proceedings.

These protective measures aim at precluding third parties from seizing the assets of the company against which an action for extension of the insolvency proceedings is brought or the assets of the manager against which an action for liability is brought.

Creditors' Liability

Pursuant to article L. 650-1 of the French Commercial Code, where insolvency proceedings have been commenced, creditors may only be held liable for the losses suffered as a result of facilities granted to the debtor if the granting of such facilities was wrongful and if the relevant creditor (i) committed a fraud; (ii) interfered with the management of the debtor or (iii) obtained security or guarantees which are disproportionate to such facilities. In addition, any security or guarantees taken to secure facilities in respect of which a creditor is found liable on any of these grounds can be cancelled or reduced by the court.

If a creditor has repeatedly interfered in the company's management, it can be deemed a de facto manager of such company (*dirigeant de fait).* In such a case, article L 651-2 of the French Commercial Code provides that, if liquidation proceedings (*liquidation judiciaire)* have been commenced against the debtor, the creditor may be liable for the debts of the company, along with the other managers (whether *de jure* or *de facto),* as the case may be, if it is established that their mismanagement has contributed to the company's shortfall of assets. If such conditions are met, French courts will decide whether the managers should bear all or part of the shortfall amount. However, a manager (whether *de jure* or *de facto)* cannot be held liable on the basis of article L. 651-2 of the French Commercial Code in cases of "simple negligence" (*simple négligence)* in the management of the company.

Fraudulent Conveyance

French law contains specific provisions dealing with fraudulent conveyance both in and outside of insolvency proceedings, the so-called action *paulienne* provisions. The action *paulienne* offers creditors protection against a decrease in their means of recovery. A legal act performed by a person (including, without limitation, an agreement pursuant to which it guarantees the performance of the obligations of a third party or agrees to provide or provides security for any of its or a third party's obligations, enters into additional agreements benefiting from existing security and any other legal act having similar effect) can be challenged in or outside insolvency proceedings of the relevant person by the creditors' representative (*mandataire judiciaire) or* the commissioner of the safeguard or recovery plan (*commissaire à l'exécution du plan)* in insolvency proceedings of the relevant person or by any creditor who was prejudiced in its means of recovery as a consequence of the act in or outside insolvency proceedings, and may be declared unenforceable against all the creditors of the relevant person (if the claim was lodged by the creditors' representative (*mandataire judiciaire*) or the commissioner of the safeguard or recovery plan (*commissaire à l'exécution du plan*)) or the concerned creditor (if the claim was lodged by such creditor) if: (i) the person performed such acts without an obligation to do so; (ii) the concerned creditor or, in the case of a claim lodged by the creditors' representative (*mandataire judiciaire*) or the commissioner of the safeguard or recovery plan (*commissaire à l'exécution du plan*), any creditor, was prejudiced in its means of recovery as a consequence of the act; and (iii) at the time the act was performed both the person and the counterparty to the transaction knew or should have known that one or more of its creditors (existing or future) would be prejudiced in their means of recovery, unless the act was entered into for no consideration (*à titre gratuit),* in which case such knowledge of the counterparty is not necessary for a successful challenge on grounds of fraudulent conveyance. If a court found that the issuance of the Notes, the granting of the security interests in the Collateral or the granting of a Guarantee or

Collateral involved a fraudulent conveyance that did not qualify for any defense under applicable law, then the issuance of the Notes or the granting of the security interests in the Collateral or the granting of such Guarantee or Collateral could be (i) declared unenforceable against all the creditors if the claim was lodged by the creditors' representative (*mandataire judiciaire*) or the commissioner of the safeguard or recovery plan (*commissaire à l'exécution du plan*) or (ii) declared unenforceable against the creditor that lodged the claim in relation to the relevant act in accordance with article 1341-2 of the French Civil Code. As a result of such successful challenges, holders of the Notes may not enjoy the benefit of the granting of the security interests in the Collateral or the Collateral and the value of any consideration that holders of the Notes received with respect to the granting of the security interests in the Collateral Guarantees or the Collateral could also be subject to recovery from the holders of the Notes and, possibly, from subsequent transferees.

Germany

Insolvency

Certain of the Guarantors are organized under the laws of Germany and have their registered office in Germany. There is a rebuttable presumption that the "centre of main interest" as defined in the Council of the European Union Regulation No 2015/848 on Insolvency Proceedings is the jurisdiction where the registered office is situated. Consequently, any insolvency proceedings with regard to such Guarantors (together, the "**German Guarantors**"), is likely to be initiated in Germany, and, if the German Guarantors were held to have its "centre of main interest" within the territory of Germany at the time the application for the opening of insolvency proceedings (*Insolvenzeröffnungsantrag*) is filed, German insolvency law would most likely govern such proceedings. The insolvency laws of Germany and, in particular, the provisions of the German Insolvency Code (*Insolvenzordnung*) may not be as favorable to creditors as the insolvency laws of other jurisdictions, including, *inter alia*, in respect of priority of creditors' claims, the ability to obtain post-petition interest and the duration of the insolvency proceedings, and hence may limit the ability of the recovery of payments due on the Notes to an extent exceeding the limitations arising under other insolvency laws. However, pursuant to the EU Insolvency Regulation, the jurisdiction of the German courts may be limited if the company's "centre of main interests" is found to be in a Member State other than Germany. This issue is to be determined at the time when the competent court decides on the commencement of the relevant insolvency proceedings.

The following is a brief description of certain aspects of the insolvency laws of Germany.

Under German insolvency law, there is no group insolvency concept, which generally means that, despite the economic ties between various entities within one group of companies, there will be one separate insolvency proceeding for each of the entities if and to the extent there exists an insolvency reason on the part of the relevant entity. Each of these insolvency proceedings will be legally independent from all other insolvency proceedings (if any) within the Group. In particular, there is no consolidation of assets and liabilities of a group of companies in the event of insolvency and no pooling of claims among the respective entities of a group. On April 12, 2018, the act to facilitate the mastering of group insolvencies (*Gesetz zur Erleichterung der Bewältigung von Konzerninsolvenzen*) entered into force. However, this act mainly provides for coordination of and cooperation between insolvency proceedings of group companies. The act does not provide for a consolidation of the insolvency proceedings of the insolvent group companies, or a consolidation of the assets and liabilities of a group of companies or pooling of claims amongst the respective entities of a group, but rather stipulates four key amendments of the German Insolvency Code in order to facilitate an efficient administration of group insolvencies: (i) a single court may be competent for each group entity insolvency proceedings; (ii) the appointment of a single person as insolvency administrator for all group companies is facilitated; (iii) certain coordination obligations are imposed on insolvency courts, insolvency administrators and creditors' committees; and (iv) certain parties may apply for "*coordination proceedings*" (*Koordinationsverfahren*) and the appointment of a "*coordination insolvency* *administrator*" (*Koordinationsverwalter*) with the ability to propose a "coordination plan" (*Koordinationsplan*).

Under German insolvency law, insolvency proceedings are not initiated by the competent insolvency court ex officio, but require that the debtor or a creditor files a petition for the opening of insolvency proceedings. Insolvency proceedings can be initiated either by the debtor or by a creditor in the event of over-indebtedness (*Überschuldung*) of the debtor or if the debtor is unable to pay its debts as and when they fall due(*Zahlungsunfähigkeit*). According to the relevant provision of the German Insolvency Code (*Insolvenzordnung*), a debtor is over-indebted when its liabilities exceed the value of its assets (based on their liquidation values), unless a continuation of the debtor's business as a going concern is predominantly likely (positive Fortführungsprognose). As a guideline, the debtor is deemed illiquid if it is unable to pay its debts when they fall due. If a stock corporation (*Aktiengesellschaft—AG*), a European law stock corporation based in Germany (*Societas Europaea—SE*) or a limited liability company (*Gesellschaft mit beschränkter Haftung—GmbH*) or any company not having an individual as personally liable shareholder becomes illiquid and/or over-indebted, the management of such company and, under certain circumstances, its shareholders are obliged to file for the opening of insolvency proceedings without undue delay, however, at the latest within three weeks after the mandatory insolvency reason (i.e., illiquidity and/or over-indebtedness) occurred. Non-compliance with these obligations exposes management to both severe damage claims as well as sanctions under criminal law. In addition, imminent illiquidity (*drohende Zahlungsunfähigkeit*) is a valid insolvency reason under German law which exists if the company currently is able to service its payments obligations, but will presumably not be able to continue to do so at some point in time within a certain prognosis period. However, only the debtor, but not the creditors, is entitled (but not obliged) to file for the opening of insolvency proceedings in the event of an imminent illiquidity of the debtor.

The insolvency proceedings are controlled by the competent insolvency court which monitors the due performance of the proceedings. Upon receipt of the insolvency petition, the insolvency court may take preliminary measures (*vorläufige Maßnahmen*) to secure the property of the debtor during the preliminary proceedings (*Insolvenzeröffnungsantrag*). The insolvency court may prohibit or suspend any measures taken to enforce individual claims against the debtor's moveable assets during these preliminary proceedings. In addition, the court will generally also appoint a preliminary insolvency administrator (*vorläufiger Insolvenzverwalter*), unless the debtor has petitioned for debtor-in-possession status (*Eigenverwaltung*)—an insolvency proceeding in which the debtor's management generally remains in charge of administering the debtor's business affairs under the supervision of a custodian (*Sachwalter*). The order for opening an insolvency proceeding as debtor-in-possession proceeding requires that (i) it has been requested by the debtor and (ii) no circumstances are known which lead to the expectation that the order will place the creditors at a disadvantage. If the debtor's request for debtor-in-possession proceeding does not manifestly lack the prospect of success, the court shall in the opening proceedings refrain from (i) imposing on the debtor a general prohibition on making dispositions or (ii) ordering that all of the debtor's dispositions are effective only with the consent of a preliminary insolvency administrator. In this case, instead of a preliminary insolvency administrator, a preliminary custodian (*vorläufiger Sachwalter*) shall be appointed who shall supervise the management of the debtor in the preliminary insolvency proceeding (*vorläufige Eigenverwaltung*).

If the debtor has filed a petition for the opening of insolvency proceedings based on an insolvency reason other than illiquidity (i.e., imminent illiquidity or over-indebtedness), combined with a petition to initiate such process based on a debtor-in-possession status and can prove (by way of a certification provided by a tax advisor, accountant or lawyer with experience in insolvency matters) that a restructuring of its business is not obviously futile (*offensichtlich aussichtslos*), the court shall, upon the request of the debtor, set a deadline of up to three months for submission of an insolvency plan (*Schutzschirm*). During this period, the creditors' rights to enforce security may—upon application of the filing debtor—be suspended. Under these circumstances, the insolvency court has to appoint a preliminary custodian (*vorläufiger*

Sachwalter) to supervise the process. The debtor is entitled to suggest an individual to be appointed as custodian (*Sachwalter*) with such suggestion being binding on the insolvency court unless the suggested person is obviously not eligible to become a custodian (i.e., is obviously not competent or impartial).

Depending on the size of the debtor's business operations and several other circumstances, the insolvency court must or may appoint a preliminary creditors' committee (*vorläufiger Gläubigerausschuss*). The preliminary creditors' committee will be asked for their view on a petition for debtor-in-possession status, or on the profile of the (preliminary) insolvency administrator to be appointed or to suggest a particular individual to be appointed by the court. In case the members of the preliminary creditors' committee unanimously agree on an individual, such suggestion is binding on the court (unless the suggested individual is not eligible; i.e., not competent and/or not impartial). To ensure that the preliminary creditors' committee reflects the interests of all creditor constituencies, it shall comprise a representative of the secured creditors, one for the large creditors and one for the small creditors as well as one for the employees.

The duties of the preliminary insolvency administrator are, in particular, to safeguard and to preserve the debtor's assets (which, depending on the circumstances, includes the continuation of the business carried out by the debtor), to verify the existence of an insolvency reason and to assess whether the debtor's net assets will be sufficient to cover the costs of the insolvency proceedings. The court orders the opening of formal insolvency proceedings (*Eröffnung des Insolvenzverfahrens*) if certain requirements are met, in particular if there are sufficient assets (*Insolvenzmasse*) to cover at least the costs of the insolvency proceedings. If the assets of the debtor are not expected to be sufficient, the insolvency court will only open formal insolvency proceedings if third parties (e.g., creditors) advance the costs themselves. In the absence of such advancement, the petition for the opening of insolvency proceedings will be dismissed for insufficiency of assets (*Abweisung mangels Masse*).

Upon the opening of formal insolvency proceedings, an insolvency administrator (*Insolvenzverwalter*) (usually, but not necessarily, the same person who acted as preliminary insolvency administrator) is appointed by the insolvency court unless a debtor-in-possession status (*Eigenverwaltung*) is ordered. In case the court orders for a debtor-in-possession status, the debtor's management generally remains in charge of administering the debtor's business affairs under the supervision of a custodian (*Sachwalter*). In the absence of a debtor-in-possession status, the right to administer the debtor's business affairs and to dispose of the assets of the debtor passes to the insolvency administrator with the insolvency creditors (*Insolvenzgläubiger*) only being entitled to request the change of the individual appointed as insolvency administrator at the occasion of the first creditors' assembly (*erste Gläubigerversammlung*) with such change requiring that (i) a simple majority of votes cast (by head count and amount of insolvency claims) has voted in favor of the proposed individual becoming the new insolvency administrator and (ii) the proposed individual be eligible as officeholder (i.e., sufficiently qualified, business-experienced and impartial). The insolvency administrator may raise new financial indebtedness and incur other liabilities to continue the debtor's business. These new liabilities incurred by the insolvency administrator qualify as preferential claims against the estate (*Masseverbindlichkeiten*) which are preferred to any insolvency claim of an unsecured creditor (with the residual claim of a secured insolvency creditor remaining after realization of the available collateral (if any) also qualifying as unsecured insolvency claim).

From the perspective of the holders of the Notes, among others, some important consequences of such opening of formal insolvency proceedings against any German Guarantor or any of their relevant subsidiaries that are subject to the German insolvency regime would be the following:

- if, during the final month preceding the date of filing for insolvency proceedings or thereafter, a creditor in the insolvency proceedings has acquired through execution (e.g., attachment) a security interest in part of such insolvent entity's property that would normally form part of the insolvency estate, such security becomes null and void by operation of law upon the opening of formal insolvency proceedings;

- claims against such insolvent entity may only be pursued in accordance with the rules set forth in the German Insolvency Code (*Insolvenzordnung*); and
- any person that has a right for separation (*Aussonderungsrecht*) (i.e., the relevant asset of this person does not constitute part of the insolvency estate) does not participate in the insolvency proceedings; the claim for separation must be enforced in the course of ordinary court proceedings against the insolvency administrator.

All creditors, whether secured or unsecured (unless they have a right to separate an asset from the insolvency estate (*Aussonderungsrecht*) as opposed to a preferential right (*Absonderungsrecht*)), wishing to assert claims against the insolvent debtor need to participate in the insolvency proceedings. German insolvency proceedings are collective proceedings and creditors may generally no longer pursue their individual claims separately, but can instead only enforce them in compliance with the restrictions of the German Insolvency Code (*Insolvenzordnung*). Therefore, secured creditors are generally not entitled to enforce any security interest outside the insolvency proceedings. In the insolvency proceedings, however, secured creditors have certain preferential rights (*Absonderungsrechte*). Depending on the legal nature of the security interest entitlement to enforce such security is either vested with the secured creditor or the insolvency administrator. In this context, it should be noted that the insolvency administrator generally has the sole right to realize any moveable assets in his/the debtor's possession which are subject to preferential rights (e.g., liens over movable assets (*Mobiliarsicherungsrechte*) or security transfer of title (*Sicherungsübereignung*)) as well as to collect any claims that are subject to security assignment agreements (*Sicherungsabtretungen*). In the case of creditors secured by pledges over shares or company interests forming part of the insolvency estate it is, in the absence of authoritative case law, uncertain whether the creditors are entitled to initiate the enforcement process in respect of the pledged shares on their own or whether the insolvency administrator has the right to realize the pledges on behalf of and for the benefit of the secured creditors.

In case the enforcement right is vested with the insolvency administrator, the enforcement proceeds, less certain contributory charges for (i) assessing the value of the secured assets (*Feststellungskosten*) and (ii) realizing the secured assets (*Verwertungskosten*) which, in the aggregate, usually add up to 9% of the gross enforcement proceeds plus VAT (if any), are disbursed to the creditor holding a security interest in the relevant collateral up to an amount equal to its secured claims. With the remaining unencumbered assets of the debtor the insolvency administrator has to satisfy the creditors of the insolvency estate (*Massegläubiger*) first (including the costs of the insolvency proceedings as well as any preferred liabilities incurred by the insolvency estate after the opening of formal insolvency proceedings). Thereafter, all other claims (insolvency claims—*Insolvenzforderungen*), in particular claims of unsecured creditors, will be satisfied on a pro rata basis if and to the extent there is value remaining in the insolvency estate (*Insolvenzmasse*) after the security interest and the preferential claims against the estate have been settled and paid in full.

The preferential right (*Absonderungsrecht*) of a creditor may not necessarily prevent the insolvency administrator from using a movable asset that is subject to this right. The insolvency administrator must, however, compensate the creditor for any loss of value resulting from such use.

Other than secured and unsecured creditors, German insolvency law provides for certain creditors to be subordinated by law, while claims of a person who becomes a creditor of the insolvency estate only after the opening of insolvency proceedings (*Massegläubiger*) generally rank senior to the claims of regular, unsecured creditors. Claims of subordinated creditors in the insolvency proceedings (*nachrangige Insolvenzgläubiger*) are satisfied only after the claims of other non-subordinated creditors (including the unsecured insolvency claims) have been fully satisfied.

The unencumbered assets of the debtor serve to satisfy the costs of the insolvency proceeding (*Kosten des Insolvenzverfahrens*) first and afterwards the preferred creditors of the insolvency estate (*Massegläubiger*). Typically, liabilities resulting from acts of the insolvency administrator after commencement of formal insolvency proceedings constitute liabilities of the insolvency estate. Thereafter, all other claims (insolvency claims (*Insolvenzforderungen*)), in particular claims of unsecured creditors, will be satisfied on a pro rata basis if and to the extent there is value remaining in the insolvency estate (*Insolvenzmasse*). It may take several years before an insolvency dividend (if any) is distributed to unsecured creditors. In insolvency proceedings over the assets of a German Guarantor, the claims of the holders of the Notes against such German Guarantor under the Guarantees would only rank as unsecured insolvency claim. German insolvency law also provides for certain creditors to be subordinated by law.

The following subordinated claims shall be satisfied ranking below the other unsubordinated claims of insolvency creditors in the order given herein, and in proportion to their amounts if ranking with equal status: (i) interest and penalty payments accrued on the claims of the insolvency creditors from the opening of the insolvency proceedings; (ii) costs incurred by individual insolvency creditors due to their participation in the proceedings; (iii) fines, regulatory fines, coercive fines and administrative fines, as well as such incidental legal consequences of a criminal or administrative offense binding the debtor to pay money; (iv) claims on the debtor's gratuitous performance of a consideration; (v) claims for the restitution of shareholder loans (*Gesellschafterdarlehen*) or claims resulting from legal transactions corresponding in economic terms to such a loan; and (vi) claims which the creditor and the debtor agreed to be subordinated in insolvency proceedings.

Under certain circumstances, restrictive covenants and undertakings in finance documents may result in the relevant creditor being considered to hold a "shareholder-like position" (*gesellschafterähnliche Stellung*) in the insolvent entity. In that event, in an insolvency proceeding over the assets of such insolvent entity, the claims against that entity would be treated as a subordinated insolvency claim (*nachrangige Insolvenzforderungen*) in accordance with the rules applying to shareholder loans. A third party acquiring the claims that are subject to the rules of the treatment of shareholder loans will itself be exposed inter alia to a claw back risk with respect to repayments that have been made within the period of one year prior to the request to open insolvency proceedings or subsequent to such request (Section 135 of the German Insolvency Code (*Insolvenzordnung*)). Subordinated insolvency claims are not eligible to participate in the insolvency proceedings over the assets of the debtor (or in any transaction security) unless the insolvency court handling the case has granted special permission allowing these subordinated insolvency claims to be filed which is not granted in the majority of insolvency cases governed by German law. To the extent any creditor that benefited from the transaction security was a subordinated creditor, potential sharing and equalization provisions in the finance documents could result in holders who are not subordinated suffering a shortfall on the amount they recover.

While in ordinary insolvency proceedings aiming at the liquidation of the relevant insolvent debtor, the value of the insolvent entity's assets may be realized by a piecemeal sale or, as the case may be, by a bulk sale of the entity's business as a going concern, a different approach aiming at the rehabilitation of such entities can be taken based on an insolvency plan (*Insolvenzplan*). Such plan can be submitted by the debtor or the insolvency administrator and requires, among other things and subject to certain exceptions, the consent of each class of creditors in accordance with specific majority rules and the approval of the insolvency court (while a group of dissenting creditors or the debtor can, under certain circumstances, be crammed down). The insolvent entity itself may only oppose the proposed plan if the plan is detrimental to the insolvent company (in comparison to an ordinary insolvency proceeding) or if any creditor will receive a higher economic value than the amount of its claim. If the debtor is a corporate entity, also the shares or, as the case may be, the membership rights in the debtor can be included in the insolvency plan (e.g., they can be transferred to third parties, including a transfer to creditors based on a debt-to-equity swap). In this case, the adoption of the insolvency plan generally also requires the consent of the group of the shareholders. However, the group of dissenting shareholders can, under certain circumstances, also be crammed down.

Hardening Periods and Fraudulent Transfer

Under the German Insolvency Code (*Insolvenzordnung*), the insolvency administrator (or in case of debtor-in-possession proceedings, the custodian (*Sachwalter*)) may void (*anfechten*) transactions, performances or other acts that are deemed detrimental to insolvency creditors and which were effected prior to the commencement of formal insolvency proceedings during applicable voidable periods. Generally, if transactions, performances or other acts are successfully voided by the insolvency administrator, any amounts or other benefits derived from such challenged transaction, performance or act will have to be returned to the insolvency estate plus accrued interest. The administrator's right to void transactions can, depending on the circumstances, extend to transactions having occurred up to ten years prior to the filing for the commencement of insolvency proceedings.

In the event of insolvency proceedings with respect to the German Guarantors or any other entity based on and governed by the insolvency laws of Germany, the payment of any amounts to the holders of the Notes as well as the granting of Collateral for or providing credit support for the benefit of the Notes could be subject to potential challenges (i.e., clawback rights) by an insolvency administrator under the rules of avoidance as set out in the German Insolvency Code (*Insolvenzordnung*). In the event such a transaction is successfully voided (*angefochten*), the holders of the Notes may not be able to recover or retain any amounts under the Notes or the Collateral and may participate in the insolvency proceedings as unsecured creditor only. If payments have already been made under the Notes or Collateral, any amounts received from a transaction that had been voided would have to be repaid (plus accrued interest) to the insolvency estate (*Insolvenzmasse*). In this case, the holders of the Notes may only have a general unsecured claim under the Notes without preference in insolvency proceedings.

In particular, an act (*Rechtshandlung*) or a legal transaction (*Rechtsgeschäft*) (which term includes the granting of a guarantee, the provision of security and the payment of debt) detrimental to the creditors of the debtor may be voided according to the German Insolvency Code (*Insolvenzordnung*) in the following cases:

- any act granting an insolvency creditor, or enabling an insolvency creditor to obtain, security or satisfaction (*Befriedigung*) if such act was taken (i) during the last three months prior to the filing of the petition for the opening of insolvency proceedings, provided that the debtor was illiquid (*zahlungsunfähig*) at the time such act was taken and the creditor knew of such illiquidity (or of circumstances that clearly suggest that the debtor was illiquid) at such time, or (ii) after the filing of the petition for the opening of insolvency proceedings, if the creditor knew of the debtor's illiquidity or the filing of such petition (or of circumstances that clearly suggest such illiquidity or filing);

- any act granting an insolvency creditor, or enabling an insolvency creditor to obtain, security or satisfaction (*Befriedigung*) to which such creditor was not entitled, or which was granted or obtained in a form or at a time to which or at which such creditor was not entitled to such security or satisfaction, if (i) such act was taken during the last month prior to the filing of the petition for the opening of insolvency proceedings or after such filing, (ii) such act was taken during the second or third month prior to the filing of the petition and the debtor was illiquid at such time or (iii) such act was taken during the second or third month prior to the filing of the petition for the opening of insolvency proceedings and the creditor knew at the time such act was taken that such act was detrimental to the other insolvency creditors (or had knowledge of circumstances that clearly suggest such detrimental effect);

- a legal transaction by the debtor that is directly detrimental to the insolvency creditors or by which the debtor loses a right or the ability to enforce a right or by which a proprietary claim against a debtor is obtained or becomes enforceable, if it was entered into (i) during the three months prior to the filing of the petition for the opening of insolvency proceedings and the debtor was illiquid at the time of such transaction and the counterparty to such transaction knew of the illiquidity at such time or (ii) after the filing of the petition for the opening of insolvency proceedings and the counterparty to such transaction knew either of the debtor's illiquidity or of such filing at the time of the transaction;

- any act by the debtor without (adequate) consideration (e.g., whereby a debtor grants security or as paid for a third-party debt, which might be regarded as having been granted gratuitously (*unentgeltlich*)), if it was effected in the four years prior to the filing of the petition for the opening of insolvency proceedings;
- any act performed by the debtor during the ten years prior to the filing of the petition for the opening of insolvency proceedings or at any time after the filing, if the debtor acted with the intention of prejudicing its insolvency creditors (*vorsätzliche Gläubigerbenachteiligung*) and the beneficiary of the act knew of such intention at the time of such act. Such intention of the debtor and the respective knowledge of the beneficiary shall be presumed if the debtor and the beneficiary knew of the debtor's imminent insolvency, and that the transaction constituted a disadvantage for the creditors; in the case that the relevant act granted a creditor, or enabled a creditor to obtain, security or satisfaction for a debt, the avoidability of acts is limited to four years. In the case that the relevant act granted a creditor, or enabled a creditor to obtain, security or satisfaction for a debt to which such creditor was entitled in that form and that time, knowledge of such creditor of the intention of the debtor to prejudice its insolvency creditors shall (only) be presumed if the beneficiary knew that the debtor was actually illiquid (*eingetretene Zahlungsunfähigkeit*) and that the relevant act disadvantaged the other creditors. The fact that the creditor agreed on a payment plan with the debtor, or agreed to deferred payments, shall establish the presumption that he had no knowledge of the debtor being illiquid at this time;
- any non-gratuitous contract concluded between the debtor and an affiliated party that directly operates to the detriment of the creditors can be voided unless such contract was concluded earlier than two years prior to the filing of the petition for the opening of insolvency proceedings or the other party had no knowledge of the debtor's intention to disadvantage its creditors as of the time the contract was concluded; in relation to corporate entities, the term "affiliated party" includes, subject to certain limitations, members of the management board or supervisory board, general partners and shareholders owning more than 25% of the debtor's share capital, persons or companies holding comparable positions that give them access to information about the economic situation of the debtor, and other persons who are spouses, relatives or members of the household of any of the foregoing persons;
- any act that provides security or satisfaction (*Befriedigung*) for a claim of a shareholder for repayment of a shareholder loan or a similar claim if (i) in the case of the provision of security, the act took place during the last ten years prior to the filing of the petition for the opening of insolvency proceedings or after the filing of such petition or (ii) in the case of satisfaction, the act took place during the last year prior to the filing of the petition for the opening of the insolvency proceedings or after the filing of such petition; or
- any act whereby the debtor grants satisfaction for a loan claim or an economically equivalent claim to a third party if (i) the satisfaction was effected in the last year prior to the filing of a petition for the opening of insolvency proceedings or thereafter, and (ii) a shareholder of the debtor had granted security or was liable as a guarantor (*Garant*) or provider of surety (*Bürge*) (in which case not the third party but the shareholder must compensate the debtor for the amounts paid (subject to further conditions)).

In this context, "knowledge" is generally deemed to exist if the other party is aware of the facts from which the conclusion must be drawn that the debtor was unable to pay its debts generally as they fell due, that a petition for the opening of insolvency proceedings had been filed, or that the act was detrimental to, or intended to prejudice, the insolvency creditors, as the case may be. A person is deemed to have knowledge of the debtor's intention to prejudice the insolvency creditors if he or she knew of the debtor's imminent illiquidity, as the case may be, and that the transaction prejudiced the debtor's creditors. With respect to an "affiliated party," there is a general statutory presumption that such party had "knowledge."

The granting of security concurrently with the incurrence of debt may be qualified as a "cash transaction" (*Bargeschäft*). In case of such "cash transaction," the avoidance risk can, under certain circumstances, substantially be reduced.

The German legislature is currently discussing a draft amendment concerning the statutory avoidance provisions in the German Insolvency Code (*Insolvenzordnung*). Amendments are envisaged with regards to, among others, the provisions for avoidance claims in connection with willful disadvantage of the creditors, for cash transactions (*Bargeschäfte*) and the interest rates on avoidance claims. It is currently unclear if and when, and whether in its current or modified form, this bill might be adopted by the German parliament.

Apart from the examples of an insolvency administrator voiding transactions according to the German Insolvency Code (*Insolvenzordnung*) described above, a creditor who has obtained an enforcement order (*Vollstreckungstitel*) could possibly also void any security right or payment performed under the relevant security right according to the German Law of Avoidance (*Anfechtungsgesetz*) in the absence of formal insolvency proceedings. The prerequisites vary to a certain extent from the rules described above and the avoidance periods are calculated from the date a creditor exercises its rights of avoidance in the courts.

The German restructuring laws may be subject to further amendments in the near future due to the current EU Commission's proposal as of November 22, 2016 for a directive of the European Parliament and of the Council on preventive restructuring frameworks, second chance and measures to increase the efficiency of restructuring, insolvency and discharge procedures and amending Directive 2012/30/EU which has been adopted by the European Parliament on March 28, 2019 and which may, inter alia, stipulate that the member states have to implement laws allowing that claims of the relevant creditors may be modified by majority vote and against the voting of a single creditor even outside formal insolvency proceedings.

Accessory Security Interests and Parallel Debt

Under German law, certain "accessory" security interests such as pledges (*Pfandrechte*) are of strict accessory nature and are therefore dependent on the secured claims and require that the security holder and the creditor of the secured claim be identical. Therefore, pledges may only be granted to the creditor of a claim to be secured by the accessory security interest and other accessory interests. Such accessory security interests (*akzessorische Sicherungsrechte*) cannot be held for the benefit of a third party by a pledgee who does not itself hold the secured claim and (i) will automatically lapse to the extent a secured claim is settled, discharged or novated and (ii) may not be assigned independently, but would automatically follow the claims they secure in case the relevant secured claim is assigned.

The accessory security interests will be granted to the Security Agent. The Security Agent is however not a creditor under the Notes. The holders of the Notes on the other hand are creditors under the Notes and the Guarantees, but the holders of interests in the Notes from time to time will not be parties to the Security Documents. In order to permit the holders of the Notes from time to time to benefit from pledges granted to the Security Agent under German law, the Security Documents will secure, in particular, a so called "parallel debt" obligation created under the Intercreditor Agreement in favor of the Security Agent rather than securing the claims of the holders of the Notes directly. The pledges governed by German law will therefore directly secure, in particular, the parallel debt.

Pursuant to the parallel debt, the Security Agent becomes the holder of a claim equal to each amount payable by a debtor under, in particular, the Notes, the Guarantees and the Indenture, and any payment in respect of the principal obligations will discharge the corresponding parallel debt and any payment in respect of the parallel debt will discharge the corresponding principal obligations. Although the Security Agent will have, pursuant to the parallel debt, a claim against the Issuer and the Guarantors for the full principal amount due under the Notes, there are no published court decisions confirming the validity of the parallel debt structure and of the pledges granted under German law to secure such parallel debt. Therefore, it cannot be ruled out that such concept will not be recognized by German courts and hence there is no certainty that German courts will uphold such pledges. Therefore, the ability of the Security Agent to enforce the collateral may be restricted, or the parallel debt structure might not be capable of creating a valid security interest on the part of the Security Agent.

Moreover, the Security Agent does not hold the pledges or the parallel debt in trust. This means that in the case of an insolvency of the Security Agent the insolvency administrator over the insolvency estate of the Security Agent may successfully claim that there is no right for separation (*Aussonderungsrecht*) of the holders of the Notes with respect to the secured claims. As a consequence, the secured claims (including the parallel debt) and the accessory security rights would remain with the (then insolvent) Security Agent.

Excessive Collateral

According to the case law of the German Federal Court of Justice (*Bundesgerichtshof*), collateral, and the agreements granting such collateral, can be void if an initial over-collateralization (*anfängliche Übersicherung*) is constituted which is so excessive that it must be considered as being "against good ethics" (*gegen die guten Sitten*). If, at the time of entering into a security agreement, it is already certain that the realizable value of the collateral is significantly out of proportion to the claim secured, the entire German collateral could be regarded as an initially excessive collateralization. Although no specific case law exists, a decision by the German Federal Court of Justice (*Bundesgerichtshof*) indicates that the loan-to-collateral ratio would be beyond the threshold applied to subsequent excessive collateralization if the value of the collateral is more than 150% of the amount of the secured obligations. Any valuation, however, will be based on the realizable value taking into account any possible discount on the current market value, arising, e.g. from a sale in the then current situation. In addition, the over-collateralization, in order to be regarded as initially excessive, must be based on a creditor's reprobate attitude (*verwerfliche Gesinnung*), which is assumed if a creditor, out of self-interest, displays an ethically unbearable recklessness against a debtor. In exceptional circumstances, an excessive loan-to-collateral ratio can, itself, justify the assumption of a reprobate attitude.

If the realizable value of the collateral at any date after having been granted not only temporarily exceeds the amount of the secured claims by more than 10%, the subsequently excessively secured (*nachträglich übersichert*) creditor is, according to the case law of the German Federal Court of Justice (*Bundesgerichtshof*), regularly obliged to release collateral back to the debtor insofar as the estimated realizable value of collateral, which depends on the risks of realization of the collateral and on the market situation, exceeds the secured amount by more than such 10%. In order to determine the realizable value of the collateral granted, the German Federal Court of Justice (*Bundesgerichtshof*) allows for a reduction of the face value of the collateral, thus, permitting that the face value of the collateral is up to 150% of the amounts secured from time to time. In case and to the extent that the realizable value of the aggregate collateral exceeds 110% of the secured obligations, the secured creditor would, on demand by the collateral provider, have to release excess collateral.

Creditor Liability

The beneficiary of a transaction effecting a repayment of the registered share capital *(Stammkapital)* of the grantor of a guarantee or collateral could moreover become personally liable under exceptional circumstances. The German Federal Court of Justice (*Bundesgerichtshof*) ruled that this could be the case if for example the creditor were to act with the intention of detrimentally influencing the position of the other creditors of the debtor in violation of the legal principle of contra bonos mores (*Sittenwidrigkeit*). Such intention could be present if the beneficiary of the transaction was aware of any circumstances indicating that the grantor of the guarantee or security has been close to collapse (*Zusammenbruch*), or had reason to enquire further with respect thereto. Under such circumstances, the Guarantees or the Collateral may also be invalid.

Limitations on Validity and Enforceability of the Guarantees and the Collateral

The German Guarantors guaranteeing the Notes and providing Collateral are established in the legal form of a German limited liability company (“**GmbH**”) and a limited partnership with a limited liability company as general partner (“**GmbH & Co. KG**”), respectively (each a “**German Subsidiary Guarantor**”). Consequently, the granting of a Guarantee or Collateral by such German Subsidiary Guarantor is subject to certain provisions relating to the preservation of the statutory capital under the German Limited Liability Company Act (*Gesetz betreffend die Gesellschaften mit beschränkter Haftung*, “**GmbHG**”). These provisions would also apply to any future guarantor incorporated in the legal form of a GmbH or GmbH & Co. KG.

The enforcement of a Guarantee and Collateral granted by a German Subsidiary Guarantor to secure the Issuer’s debt and any other liability under or in connection with the Notes will be limited if, and to the extent, payments under the Guarantee or the enforcement of the Collateral would cause the amount of such German Subsidiary Guarantor’s or, in the case of a GmbH & Co. KG, its general partner’s, net assets (i.e., total assets less liabilities and liability reserves) in accordance with the German Commercial Code (*Handelsgesetzbuch*) to fall below the amount of its registered share capital *(Stammkapital)*.

As a general rule, the provisions of the GmbHG prohibit a GmbH from disbursing its assets to its shareholders to the extent that the amount of the GmbH’s, or in the case of a GmbH & Co. KG, its general partner’s, net assets would fall below the amount of its registered share capital (*Stammkapital*) or an already negative amount of its net assets would further be reduced, and prohibit payments to shareholders which render the German Subsidiary Guarantor unable to pay its debts as they fall due. Guarantees or security interests granted by a German Subsidiary Guarantor in respect of liabilities or payments of a direct or indirect parent or sister company as well as payments under any arrangements that are not at arm’s length terms are considered disbursements under the provisions of the GmbHG.

In order to enable a German subsidiary incorporated in the legal form of a GmbH or GmbH & Co. KG to grant guarantees and to provide collateral to secure liabilities of a direct or indirect parent or sister company without the risk of violating the provisions of the GmbHG and to limit any potential personal liability of management, it is standard market practice for credit agreements, indentures and/or guarantees to contain so called “limitation language” in relation to subsidiaries incorporated in Germany in the legal form of a GmbH or a GmbH & Co. KG.

Pursuant to such “limitation language,” the secured parties contractually agree, subject to certain exemptions, to enforce the security interests and the beneficiaries of the guarantees agree to enforce the guarantees against a German subsidiary which is a GmbH or GmbH & Co. KG (or to release the proceeds of an enforcement, as applicable) only if and to the extent that such enforcement does not result in the subsidiary’s or, in case of a GmbH & Co. KG, in the general partner’s, net asset falling below the amount of its registered share capital *(Stammkapital)* or increasing such shortfall in order to avoid a violation of the applicable provisions of the GmbHG.

Accordingly, as a matter of German corporate law, the documentation with respect to the Collateral and the Guarantee, to the extent provided by a German Subsidiary Guarantor, contains or will contain such contractual limitation language. This could lead to a situation in which the respective Guarantee or Collateral granted by such German Subsidiary Guarantor cannot be enforced at all and the holders of the Notes will lose the benefit of the Guarantee or Collateral, respectively.

The German capital maintenance rules and the other provisions referred to above are subject to evolving case law. We cannot assure you that future court rulings may not further limit the access of shareholders to assets of German Subsidiary Guarantors, which can negatively affect the ability of the Issuer to make payment on the Notes or of a German Subsidiary Guarantors to make payments on the Guarantee or negatively affect the ability to enforce the Collateral.

In addition, it cannot be ruled out that the case law of the German Federal Court of Justice (*Bundesgerichtshof*) regarding so called “destructive interference” (*existenzvernichtender*

Eingriff) (*i.e.*, a situation where a shareholder deprives a German Subsidiary Guarantor of the liquidity necessary for it to meet its own payment obligations) may be applied by courts with respect to the enforcement of the Guarantee or any Collateral granted by a German Subsidiary Guarantor. In such case, the amount of proceeds to be realized in an enforcement process may be reduced, even to zero. According to a decision of the German Federal Court of Justice (*Bundesgerichtshof*), a security agreement may be void due to tortious inducement of breach of contract if a creditor knows about the distressed financial situation of the debtor and anticipates that the debtor will only be able to grant collateral by disregarding the vital interests of its other business partners. It cannot be ruled out that German courts may apply this case law with respect to the granting of the Guarantee and/or Collateral by a German Subsidiary Guarantor. Furthermore, the beneficiary of a transaction effecting a repayment of the registered share capital *(Stammkapital)* of the respective German Subsidiary Guarantor of the Guarantee or Collateral could become personally liable under exceptional circumstances. The German Federal Court of Justice (*Bundesgerichtshof*) ruled that this could be the case if, for example, the creditor were to act with the intention of detrimentally influencing the position of the other creditors of the debtor in violation of the legal principle of bonos mores (*Sittenwidrigkeit*). Such intention could be present if the beneficiary of the transaction was aware of any circumstances indicating that a German Subsidiary Guarantor when granting the Guarantee and/or the Collateral was close to collapse (*Zusammenbruch*), or had reason to enquire further with respect thereto.

German law does not generally permit the appropriation of pledged assets by the pledgee upon enforcement of the pledge. The enforcement of a share/interest pledge under German law usually requires the sale of the asset constituting the collateral through a formal process involving a public auction to which certain waiting periods and notice requirements apply.

Under German law, it is unclear whether the security interest in the collateral gives the security agent the right to prevent other creditors of the entities having granted such security from foreclosing on and realizing the asset constituting the collateral. Some courts have held that certain types of security interests only give their holders priority (according to their ranking) in the distribution of any proceeds from the realization of the asset constituting the collateral and no intervention right (*Drittwiderspruchsrecht*) (i.e., the right to request the court to impose a stay on proceedings initiated by other creditors). Accordingly, the Security Agent and the holders of the Notes may not be able to avoid foreclosure by other creditors into the Collateral, even if they consider such foreclosure untimely. Moreover, enforcement of the Collateral through the German courts may become time-barred or subject to defenses of setoff or counterclaim.

England and Wales

Fixed and Floating Charges

Fixed-charge security has a number of advantages over floating charge security: (a) an administrator appointed to the company that granted the floating charge can dispose of floating charge assets for cash or collect receivables charged by way of floating charge and use the proceeds and/or cash subject to a floating charge, to meet administrative expenses (which can include the costs of continuing to operate the charging company's business while in administration) in priority to the claims of the floating charge holder; (b) a fixed charge, even if created after the date of a floating charge, may have priority as against the floating charge over the charged assets; (c) general costs and expenses (including the liquidator's remuneration) properly incurred in a winding-up are payable out of floating charge assets to the extent the assets of the company available for unsecured creditors generally are otherwise insufficient to meet them in priority to floating charge claims; (d) until the floating charge security crystallizes, a company is entitled to deal with assets that are subject to floating charge security in the ordinary course of its business, meaning that such assets can be effectively disposed of by the charging company so as to give a third party good title to the assets free of the floating charge and so as to give rise to the risk of security being granted over such assets in priority to the floating charge security; (e) floating charge security is subject to certain challenges under English insolvency law (see "*—Challenges to Guarantees and Security—Grant of Floating Charge*"); and

(f) floating charge security is subject to the claims of preferential creditors (such as occupational pension scheme contributions and salaries owed to employees (subject to a cap per employee) and holiday pay owed to employees) and, where the floating charge is not a security financial collateral arrangement, to the claims of unsecured creditors in respect of a ring-fenced amount of the proceeds (see "*—Administration and Floating Charges*").

Under English law there is a possibility that a court could recharacterize as floating charges any security interests expressed to be created by a security document as fixed charges where the chargee does not have the requisite degree of control over the relevant chargor's ability to deal with the relevant assets and the proceeds thereof or does not exercise such control in practice, as the description given to the charges in the relevant security document as fixed charges is not determinative. Where the chargor is free to deal with the secured assets without the consent of the chargee, the court is likely to hold that the security interest in question constitutes a floating charge, notwithstanding that it may be described as a fixed charge.

Administration and Floating Charges

Under English insolvency law, English courts are empowered to order the appointment of an administrator in respect of a company registered in England and Wales, or a company with its COMI in England and Wales in certain circumstances. An administrator can also be appointed out of court by an English company, its directors or the holder of a qualifying floating charge and different procedures apply according to the identity of the appointor. During the administration, in general no proceedings or other legal process may be commenced or continued against such company, or security enforced over such company's property, except with leave of the court or the consent of the administrator. In addition, a secured creditor cannot appoint an administrative receiver. The statutory moratorium imposed under the United Kingdom Insolvency Act 1986, as amended, does not, however, apply to a "security financial collateral arrangement" (such as a charge over cash or financial instruments, such as shares, bonds or tradable capital market debt instruments) under the Financial Collateral Arrangements (No. 2) Regulations 2003.

The Security Agent can appoint its choice of administrator by the out- of-court route or appoint an administrative receiver if it is the holder of a qualifying floating charge (as defined in paragraph 14 of Schedule B1 of the United Kingdom Insolvency Act 1986, as amended). The essential characteristics of a qualifying floating charge are that (a) the charge states that the relevant statutory provision applies to it, (b) the charge must by its terms give the holder power to appoint an administrator (or an administrative receiver) of the company and (c) the charge (or that and other charges taken together) must relate to the whole or substantially the whole of the relevant company's property. Even if the Security Agent holds a qualifying floating charge, it can only appoint an administrative receiver if one of the exceptions to the general prohibition of appointing an administrative receiver applies. The most relevant exception to the prohibition on the appointment of an administrative receiver by the Security Agent is that the Security Agent can appoint an administrative receiver under security forming part of a "capital market arrangement" (as defined in the United Kingdom Insolvency Act 1986, as amended), which is the case if a party incurs debt of at least £50,000,000 during the life of the arrangement and the arrangement involves the issue of a "capital markets investment" (which is defined in the United Kingdom Insolvency Act 1986, as amended, and includes rated, listed or traded debt instruments, and debt instruments designed to be rated, listed or traded). Once an administrative receiver is appointed by the Security Agent the company or its directors will not be permitted to appoint an administrator by the out-of-court route and a court will only appoint an administrator if the charge under which the administrative receiver appointed is successfully challenged or the Security Agent agrees. If an administrator is appointed to a company, any administrative receiver then in office must vacate office and any receiver of part of the company's property must resign if requested to do so by the administrator.

An administrator, receiver (including administrative receiver) or liquidator of the company will be required to ring-fence a certain percentage of the proceeds of enforcement of floating charge security for the benefit of unsecured creditors. Under current law, this applies to 50% of the first

£10,000 of floating charge realizations and 20% of the remainder over £10,000, with a maximum aggregate cap of £600,000. Whether the assets are subject to the floating charges and other security will constitute substantially the whole relevant Obligor's assets at the time that the floating charges are enforced will be a question of fact at that time.

Challenges to Guarantees and Security

There are circumstances under English insolvency law in which the granting by an English company of security and guarantees can be challenged.

The following paragraphs discuss potential grounds for challenge that may apply to guarantees and security interest.

Transaction at an Undervalue

Under English insolvency law, a liquidator or an administrator of an English company could apply to the court for an order to set aside a security interest (in certain cases) or a guarantee granted by the company (or give other relief) on the grounds that the creation of such security interest or guarantee constituted a transaction at an undervalue. The grant of a security interest or guarantee will only be a transaction at an undervalue if the transaction constitutes a gift or is made on terms that provide that the company receives no consideration or if the company receives consideration of significantly less value, in money or in money's worth, than the consideration given by such company. For a challenge to be made, the guarantee or security must be granted within a period of two years ending with the onset of insolvency (as defined in section 240 of the United Kingdom Insolvency Act 1986, as amended). In addition the company must have been "unable to pay its debts" at the time that it granted the guarantee or security or became "unable to pay its debts" as a result. A company will be presumed "unable to pay its debts" if a statutory demand for over £750 is served on the company and remains unsatisfied for three weeks or an execution on or other process issued on a judgment, decree or order of a court in favor of a creditor is returned unsatisfied in whole or in part or if it is proved to the court's satisfaction that the company is not able to pay its debts as they fall due or that the value of the company's assets is less than the amount of its liabilities (taking into account contingent and prospective liabilities). A court will not generally make an order in respect of a transaction at an undervalue if it is satisfied that the company entered into the transaction in good faith and for the purpose of carrying on its business and that, at the time it did so, there were reasonable grounds for believing the transaction would benefit the company. Subject to this, if the court determines that the transaction was a transaction at an undervalue, the court can make such order as it thinks fit to restore the company to the position it would have been in had the transaction not been entered into (which could include reducing payments under the guarantees or setting aside any security interests granted or guarantees although there is protection for a third party that benefits from the transaction and has acted in good faith and for value). In any challenge proceedings, it is for the administrator or liquidator to demonstrate that the English company was unable to pay its debts unless a beneficiary of the transaction was a "connected person" (as defined in the United Kingdom Insolvency Act 1986, as amended), in which case there is a presumption that the company was unable to pay its debts and the connected person must demonstrate that the company was not unable to pay its debts at the time of the transaction.

Preference

Under English insolvency law, a liquidator or administrator of an English company could apply to the court for an order to set aside a security interest or a guarantee granted by such company (or give other relief) on the grounds such security interest or such guarantee constituted a preference. The grant of a security interest or guarantee is a preference if it has the effect of placing a creditor (or a surety or guarantor of the company) in a better position in the event of the company's insolvent liquidation than if the security interest or guarantee had not been granted. For a challenge to be made, the decision to prefer must be made within the period of six months ending with the onset of insolvency (as defined in section 240 of the United Kingdom Insolvency Act 1986, as amended) if the beneficiary of the security interest or the guarantee is not a connected person or two years if the beneficiary is a connected person. A court may not make an order in respect of a preference of a person unless it is satisfied that the company in deciding to give the preference was influenced by a desire to put that person in a better position. If the court determines that the transaction was a preference, the court can make such order as it thinks fit to restore the position to what it would have been if that preference had not been given (which could include reducing payments under the guarantees or setting aside the security interests or guarantees). There is protection for a third party that benefits from the transaction and acted in good faith and for value. In any proceedings, it is for the administrator or liquidator to demonstrate that the company was unable to pay its debts and that the company was influenced by a desire to produce the preferential effect, unless the beneficiary of the transaction was a connected person, in which case there is a presumption that the company was influenced by a desire to produce the preferential effect and the connected person must demonstrate in such proceedings that there was no such influence.

Transaction Defrauding Creditors

Under English insolvency law, a liquidator or an administrator of a company, or a person who is a victim of the relevant transaction can apply to the court for an order to set aside a security interest or guarantee granted by that company on the grounds the security interest or guarantee was a transaction defrauding creditors.

A transaction will constitute a transaction defrauding creditors if it is a transaction at an undervalue and the court is satisfied the substantial purpose of a party to the transaction was to put assets beyond the reach of actual or potential claimants against it or to prejudice the interest of such persons.

If the court determines that the transaction was a transaction defrauding creditors, then it may make such order as it may deem fit to restore the position to what it was prior to the transaction or protect the victims of the transaction (including reducing payments under the guarantee or setting aside the security interest or guarantees) but there is protection for a third party acting in good faith and for value without notice of the relevant circumstances. Any “victim” of the transaction (with the leave of the court if the company is in liquidation or administration) may apply to court under this provision and not just liquidators or administrators. There is no time limit in the English insolvency legislation within which the company must enter insolvency proceedings and the relevant company does not need to have been unable to pay its debts at the time of the transaction or as a result of it.

Grant of Floating Charge

Under English insolvency law, if an English company is unable to pay its debts at the time of (or as a result of) granting a floating charge then such floating charge can be avoided on the action of a liquidator or administrator if it was granted in the period of one year ending with the onset of insolvency (as defined in section 245 of the United Kingdom Insolvency Act 1986, as amended). The floating charge, however, will be validated to the extent of the value of the consideration provided for the creation of the charge in the form of money paid to, or goods or services supplied to, or any discharge or reduction of any debt of, the relevant English company at the same time as or after the creation of the floating charge plus interest payable on such amounts. Where the floating charge is granted to a “connected person,” the charge can be challenged if given within two years of the onset of insolvency and the prerequisite to challenge that the company is unable to pay its debts does not apply. However, if the floating charge qualifies as a “security financial collateral arrangement” under the Financial Collateral Arrangements (No. 2) Regulations 2003, the floating charge will not be subject to challenge as described in this paragraph.

TAX CONSIDERATIONS

Tax legislation, including in the country where the investor is domiciled or tax resident and in the Issuer's country of incorporation, may have an impact on the income that an investor receives from the Notes.

Material Dutch Tax Considerations

General

The information set out below is a general summary of certain material Dutch tax consequences in connection with the acquisition, ownership or transfer of the Notes. This summary is not a comprehensive or complete description of all of the Dutch tax considerations that may be relevant for a particular holder of Notes and it does not address the tax consequences that may arise in any jurisdiction other than The Netherlands in connection with the acquisition, ownership and transfer of the Notes. For Dutch tax purposes, a holder of Notes may include an individual who or an entity that does not have the legal title to the Notes, but to whom nevertheless the Notes, or the income thereof, are attributed based either on such individual or entity holding a beneficial interest in the Notes or based on specific statutory provisions.

This summary is based on the tax laws of The Netherlands as in effect on the date of this Offering Memorandum, and as applied and interpreted in case law of the courts of The Netherlands and in administrative guidance of the relevant authorities of The Netherlands, in each case available in printed form on or before such date, without prejudice to any developments or amendments introduced at a later date and implemented with or without retroactive effect.

Any reference in this summary to The Netherlands or Dutch tax law are to the European part of the Kingdom of The Netherlands and its law, respectively, only.

As this summary is intended as general information only, (prospective) holders of Notes should consult their own tax advisors as to the Dutch or other tax consequences of the acquisition, ownership and transfer of Notes, including, in particular, the application to their particular situations of the tax considerations discussed below. Noteholders may be subject to a special tax treatment under any applicable law and this summary is not intended to be applicable in respect of all categories of holders of Notes.

Withholding Tax

Any payments of interest and principal under the Notes may be made free of withholding or deduction for or on the account of any taxes of whatsoever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein.

For developments and risks in relation to the application of the conditional withholding tax on interest payments see "*Risk Factors—Risks Related to the Notes, the Guarantees and our Structure—The introduction of a Dutch conditional withholding tax on interest payments may reduce the amounts that we are obliged to pay under the Notes.*"

Taxes on Income and Capital Gains

General

The description of taxation set forth in this section of this Offering Memorandum is not intended for any holder of Notes:

- for whom the income or capital gains derived from the Notes are attributable to a membership of a management board or a supervisory board, an employment relationship, a deemed employment relationship or a management role, the income of which is taxable in The Netherlands;

- who has, or that has, a Substantial Interest or a deemed Substantial Interest in the Issuer or the Dutch Guarantor (as defined below);
- that is an entity that is resident or deemed to be resident in The Netherlands and that is, in whole or in part, not subject to or exempt from Dutch corporate income tax (such as qualifying pension funds); or
- that is a fiscal investment institution (*fiscale beleggingsinstelling*) or an exempt investment institution (*vrijgestelde beleggingsinstelling*) as meant in Articles 6a and 28 of the Dutch Corporate Income Tax Act 1969 (*Wet op de venootschapsbelasting* 1969, "**CITA**"), respectively;
- who is, or that is, not considered the beneficial owner (*uiteindelijk gerechtigde*) of the Notes and/or the income and/or capital gains derived from the Notes.

Generally, a holder of Notes will have a substantial interest in the Issuer or the Dutch Guarantor (a "**Substantial Interest**") if he or she holds, alone, or, in case the holder is an individual, together with his or her partner (a statutorily defined term in Dutch tax law), whether directly or indirectly, the ownership of, or certain other rights over, shares representing 5% or more of the total issued and outstanding capital of the Issuer or Dutch Guarantor (or the issued and outstanding capital of any class of shares), or rights to acquire shares, whether or not already issued, that represent at any time 5% or more of the total issued and outstanding capital of the Issuer or Dutch Guarantor (or the issued and outstanding capital of any class of shares) or the ownership of certain profit participating certificates that relate to 5% or more of the annual profit and/or to 5% or more of the liquidation proceeds of the Issuer or Dutch Guarantor.

A holder of Notes will also have a Substantial Interest in the Issuer or Dutch Guarantor if one of certain relatives of that holder or of his or her partner has a Substantial Interest in the Issuer or Dutch Guarantor. If a holder of Notes does not have a Substantial Interest, a deemed Substantial Interest will be present if (part of) a Substantial Interest has been disposed of, or is deemed to have been disposed of, without recognizing a taxable gain.

Dutch Resident Individuals

A holder of Notes who is an individual and who is resident or deemed to be resident in The Netherlands, or who opts to be taxed as a resident of The Netherlands for purposes of Dutch taxation (a "**Dutch Resident Individual**"), will generally be subject to Dutch income tax with respect to income and capital gains derived or deemed to be derived from the Notes at progressive rates up to 49.50% (maximum rate for 2020) if:

(i) the holder derives profits from an enterprise or deemed enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder), to which enterprise the Notes are attributable; or

(ii) the holder derives income or capital gains from the Notes that are taxable as benefits from 'miscellaneous activities' (*resultaat uit overige werkzaamheden*, as defined in the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting* 2001)), which include the performance of activities with respect to the Notes that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*) and also include benefits resulting from a lucrative interest (*lucratief belang*).

If neither condition (i) nor condition (ii) mentioned above applies, a Dutch Resident Individual will generally be subject to Dutch income tax on a deemed return regardless of the actual income and/or capital gains derived from the Notes. This deemed return is calculated by applying the applicable deemed return percentage(s) to the individual's yield basis (*rendementsgrondslag*), insofar this exceeds a certain threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets (including, as the case may be, the Notes) held by the Dutch Resident Individual less the fair market value of certain qualifying liabilities, both determined on January 1 of the relevant year. The deemed return percentages to be applied to the yield basis increase progressively from 1.80% to 5.33% (rates for 2020), depending on such individual's yield basis. The deemed return percentages are adjusted annually. The deemed return will be taxed at a rate of 30% (the rate for 2020).

Dutch Resident Entities

A holder of Notes that is an entity (including an association, partnership and mutual fund, in each case to the extent taxable as a corporate entity) and that is resident or deemed to be resident in The Netherlands for purposes of Dutch taxation (a "**Dutch Resident Entity**") will generally be subject to Dutch corporate income tax with respect to income and capital gains derived or deemed to be derived from the Notes. The Dutch corporate income tax rate is 16.50% for the first €200,000 of the taxable profits and 25% for the taxable amount exceeding €200,000 (rates for 2020).

Non-Dutch Residents

A holder of Notes who is not, nor deemed to be, a Dutch Resident Individual or a Dutch Resident Entity (a "**Non-Dutch Resident**"), is generally not subject to Dutch income or Dutch corporate income tax with respect to income and capital gains derived from the Notes, provided that:

(i) such Non-Dutch Resident does not derive profits from an enterprise or deemed enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder), which enterprise is, in whole or in part, carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in The Netherlands and to which enterprise or part of an enterprise, as the case may be, the Notes are attributable or deemed attributable;

(ii) in case of a Non-Dutch Resident who is an individual, such individual does not derive income or capital gains from the Notes, as the case may be, that are taxable as benefits from "miscellaneous activities" performed in The Netherlands (*resultaat uit overige werkzaamheden in Nederland*, as defined the Dutch Income Tax Act 2001), which include the performance of activities with respect to the Notes that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*) and also include benefits resulting from a lucrative interest (*lucratief belang*);

(iii) in case of a Non-Dutch Resident who is an individual, such individual is not entitled to a share in the profits of an enterprise effectively managed in The Netherlands, other than by way of the holding of securities or through an employment relationship, to which enterprise the Notes or payments in respect of the Notes are attributable; and

(iv) in case of a Non-Dutch Resident that is an entity (including an association, partnership and mutual fund, in each case to the extent taxable as a corporate entity), such entity is neither entitled to a share in the profits of an enterprise nor co entitled to the net worth of an enterprise effectively managed in The Netherlands, other than by way of the holding of securities, to which enterprise the Notes or payments in respect of the Notes are attributable.

Gift and Inheritance Taxes

Dutch Residents

Generally, gift taxes (*schenkbelasting*) and inheritance taxes (*erfbelasting*) may arise in The Netherlands with respect to a transfer of the Notes by way of a gift by, or on the death of, a holder of Notes who is resident or deemed to be resident in The Netherlands for the purpose of the Dutch Gift and Inheritance Tax Act 1956 (*Successiewet* 1965) at the time of the gift or his/her death.

Non-Dutch Residents

No Dutch gift or inheritance taxes will be levied on the transfer of Notes by way of gift by, or on the death of, a holder of Notes, who is neither a resident nor deemed to be a resident in The Netherlands for the purpose of the relevant provisions, unless:

- the transfer is construed as an inheritance or bequest or as a gift made by or on behalf of a person who, at the time of the gift or death, is or is deemed to be a resident in The Netherlands for the purpose of the relevant provisions;
- such holder dies while being a resident or deemed resident The Netherlands within 180 days after the date of a gift of the Notes; or
- the gift is made under a condition precedent and such holder is or is deemed to be resident in The Netherlands at the time the condition is fulfilled.

For purposes of the Dutch Gift and Inheritance Tax Act 1956, an individual who is of the Dutch nationality will be deemed to be a resident in The Netherlands if he or she has been a resident in The Netherlands at any time during the ten years preceding the date of the gift or his or her death.

For purposes of Dutch gift tax, an individual will, irrespective of his or her nationality, be deemed to be resident in The Netherlands if he or she has been a resident in The Netherlands at any time during the twelve months preceding the date of the gift. The same twelve-month rule may apply to entities that have transferred their seat of residence out of The Netherlands. Applicable tax treaties concluded by The Netherlands may override such deemed residency.

Value Added Tax

No Dutch value added tax (*omzetbelasting*) will be payable by a holder of Notes in respect of payments of interest and principal under the Notes or on a transfer of the Notes (other than value added taxes on fees payable in respect of services not exempt from Dutch value added tax).

Other Taxes and Duties

No Dutch registration tax, stamp duty or any other similar tax or duty will be payable in The Netherlands by a holder of Notes in respect of or in connection with the acquisition, ownership or transfer of the Notes.

Residence

A holder of Notes will not become or be deemed to become a resident of The Netherlands for tax purposes solely by reason of the acquisition, holding or transfer of the Notes.

Certain United States Federal Income Tax Considerations

The following is a summary of certain United States federal income tax consequences of the purchase, ownership and disposition of Notes as of the date hereof. Except where noted, this summary deals only with Notes that are held as capital assets for United States federal income tax purposes by U.S. holders (as defined below) who purchase the Notes for cash pursuant to this Offering at their "**Issue Price**" (the first price at which a substantial amount of the Notes is sold for money to investors, excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriter, placement agent or wholesaler).

As used herein, a "**U.S. holder**" means a beneficial owner of the Notes that is, for United States federal income tax purposes, any of the following:

- an individual who is a citizen or resident of the United States;

- a corporation (or any other entity treated as a corporation for United States federal income tax purposes) that is created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to United States federal income taxation regardless of its source; or
- a trust if it (i) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (ii) has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

If any entity or arrangement classified as a partnership for United States federal income tax purposes holds Notes, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partnership or a partner in a partnership considering an investment in the Notes, you should consult your own tax advisors.

This summary does not represent a detailed description of the United States federal income tax consequences applicable to you if you are a person subject to special tax treatment under the United States federal income tax laws, including, without limitation:

- a broker or dealer in securities or currencies;
- a financial institution;
- a regulated investment company;
- a real estate investment trust;
- a tax-exempt organization;
- an insurance company;
- a person holding the Notes as part of a hedging, integrated, conversion or constructive sale transaction or a straddle;
- a trader in securities that has elected the mark-to-market method of accounting for his securities;
- a partnership or other pass-through entity (or an investor in such an entity);
- an accrual method taxpayer required to recognize income for United States federal income tax purposes no later than when such income is taken into account in applicable financial statements;
- a person whose "functional currency" is not the U.S. dollar; or
- a U.S. expatriate.

This summary is based on the Internal Revenue Code of 1986, as amended (the "**Code**"), U.S. Treasury regulations, administrative rulings and judicial decisions as of the date hereof. Those authorities may be changed, possibly on a retroactive basis, so as to result in United States federal income tax consequences different from those summarized below. There can be no assurance that the Internal Revenue Service (the "**IRS**") will not take positions concerning the tax consequences of the purchase, ownership or disposition of the Notes that are different from those discussed below.

This summary does not represent a detailed description of the United States federal income tax consequences to you in light of your particular circumstances and does not address the Medicare contribution tax on net investment income, the alternative minimum tax or the effects of any U.S. state, local or non-U.S. tax laws. It is not intended to be, and should not be construed to be, legal or tax advice to any particular purchaser of Notes.

If you are considering the purchase of Notes, you should consult your own tax advisors concerning the particular United States federal income tax consequences to you of the purchase, ownership and disposition of the Notes, as well as the consequences to you arising under other United States federal tax laws and the laws of any other taxing jurisdiction.

IPO Pushdown

An IPO Pushdown Event could result in a taxable exchange of the Notes for United States federal income tax purposes, in which case you may recognize gain or loss on the Notes at such time equal to the difference, if any, between the issue price of the new notes (as determined for United States federal income tax purposes), and your adjusted tax basis in the Notes, and have a new holding period and tax basis in the Notes. Any such gain or loss will be taxed under the rules described below under "*—Sale, exchange, retirement, redemption or other taxable disposition of Notes.*" If the fair market value of the Notes at the time of such taxable exchange were lower than the stated redemption price by more than a *de minimis* amount, you may be required to include the difference as ordinary income as it accrues in advance of the receipt of cash. You should consult your own tax advisors regarding the potential United States federal income tax consequences to you in the event of an IPO Pushdown Event.

Payments of stated interest

Subject to the foreign currency rules discussed below, stated interest on a Note will generally be taxable to you as ordinary income at the time it is paid or accrued in accordance with your method of accounting for United States federal income tax purposes. In addition to interest on the Notes (which includes any foreign tax withheld), you will be required to include in income any additional amounts paid in respect of any foreign tax withheld. You may be entitled to deduct or credit any foreign tax withheld, subject to certain limitations (including that the election to deduct or credit foreign taxes applies to all of your applicable foreign taxes for a particular tax year). Interest income (including any additional amounts) on a Note generally will be considered foreign source income and, for purposes of the United States foreign tax credit, generally will be considered passive category income. You generally will be denied a foreign tax credit for foreign taxes imposed with respect to the Notes where you do not meet a minimum holding period requirement during which you are not protected from risk of loss. The rules governing foreign tax credits are complex. You are urged to consult your tax advisors regarding the availability of foreign tax credits under your particular circumstances. It is expected, and the remainder of this discussion assumes, that the Notes will not be issued with original issue discount for U.S. federal income tax purposes.

Interest on the Notes will be payable in euro. If you use the cash basis method of accounting for United States federal income tax purposes, you will be required to include in income (as ordinary income) the U.S. dollar value of the amount of interest received on the Notes, determined by translating the amount of euro received at the spot rate for euro on the date such payment is received, regardless of whether the payment is in fact converted into U.S. dollars. You will not recognize exchange gain or loss with respect to the receipt of such payment (other than exchange gain or loss realized on the disposition of euro so received).

If you use the accrual method of accounting for United States federal income tax purposes, you may determine the amount of income recognized with respect to such interest (including any additional amounts) in accordance with either of two methods. Under the first method you will be required to include in income (as ordinary income) for each taxable year the U.S. dollar value of the interest that has accrued on the Notes held during such year, determined by translating such interest at the average rate of exchange for the period or periods (or portions thereof) during which such interest accrued. Under the second method, you may elect to translate interest income at the spot rate on:

- the last day of the accrual period;
- the last day of the taxable year if the accrual period straddles your taxable year; or

- the date the interest payment is received if such date is within five business days of the end of the accrual period.

If you elect to use the second method, the election must be consistently applied by you to all debt instruments from year to year and can be changed only with the consent of the IRS. In addition, if you use the accrual method of accounting, upon receipt of an interest payment on a Note (including, upon the sale of a Note, the receipt of proceeds which include amounts attributable to accrued but unpaid interest previously included in income), you will recognize United states source ordinary income or loss in an amount equal to the difference, if any, between the U.S. dollar value of such payment (determined by translating the amount of euro received at the spot rate for euro on the date such payment is received) and the U.S. dollar value of the interest income you previously included in income with respect to such payment.

EURIBOR Discontinuation

If EURIBOR were discontinued or otherwise unavailable, such amendment to the terms of the 2026 Floating Rate Notes may be treated as a deemed exchange of old 2026 Floating Rate Notes for new notes under Section 1001 of the Code, which may be taxable to U.S. holders. Recently released proposed U.S. Treasury regulations, which are not yet in effect but upon which taxpayers may rely, provide that in certain circumstances, the replacement of EURIBOR with a qualifying reference rate would not result in a deemed exchange under Section 1001 of the Code. U.S. holders should consult with their own tax advisers regarding the potential consequences of changes to EURIBOR.

Sale, exchange, retirement, redemption or other taxable disposition of Notes

Upon the sale, exchange, retirement, redemption or other taxable disposition of a Note (except as noted below with respect to exchange gain or loss), you generally will recognize gain or loss equal to the difference between the amount realized upon the sale, exchange, retirement, redemption or other taxable disposition (less an amount equal to any accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income) and your adjusted tax basis in the Note. Your adjusted tax basis in a Note generally will be your U.S. dollar cost for that Note. If you purchased a Note with euro, your cost generally will be the U.S. dollar value of the amount of euro paid for such Note determined at the spot rate on the date of such purchase (or, in the case of a cash basis or electing accrual basis taxpayer, the settlement date of the purchase, if the Note is treated as traded on an established securities market for United States federal income tax purposes). If your Note is sold, exchanged, retired, redeemed or otherwise disposed of in a taxable disposition for euro, then your amount realized generally will be based on the spot rate in effect on the date of such sale, exchange, retirement, redemption or other taxable disposition (or, in the case of a cash basis or electing accrual basis taxpayer, the settlement date of the sale, exchange, retirement or disposition, if the Note is treated as traded on an established securities market for United States federal income tax purposes). If you use the accrual method of accounting for United States federal income tax purposes, you may elect the same treatment with respect to the purchase and sale of Notes traded on an established securities market, provided that such election is applied consistently to all debt instruments held by you from year to year. Such election cannot be changed without the consent of the IRS.

Except with respect to gain or loss attributable to changes in exchange rates as discussed below, any gain or loss you recognize will generally be capital gain or loss and will generally be long-term capital gain or loss if you have held the Note for more than one year. Long-term capital gains of non-corporate U.S. holders (including individuals) are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. Any gain or loss you recognize will generally be treated as U.S. source gain or loss.

A portion of your gain or loss with respect to the principal amount of a Note may be treated as exchange gain or loss. Exchange gain or loss generally will be treated as U.S. source ordinary income or loss. For these purposes, the principal amount of the Note is your purchase price for the Note calculated in euro on the date of purchase, and the amount of exchange gain or loss recognized is equal to the difference between (i) the U.S. dollar value of the principal amount determined at the spot rate on the date of the sale, exchange, retirement, redemption or other taxable disposition of the Note and (ii) the U.S. dollar value of the principal amount determined at the spot rate on the date you purchased the Note (or, possibly, in the case of cash basis or electing accrual basis taxpayers, the settlement dates of such purchase and taxable disposition, if the Note is treated as traded on an established securities market for United States federal income tax purposes). The amount of exchange gain or loss recognized on the disposition of the Note (with respect to both principal and accrued interest) will be limited to the amount of overall gain or loss realized on the disposition of the Note.

Disposition of foreign currency

Your tax basis in euro received as interest on a Note or on the sale, exchange, retirement, redemption or other taxable disposition of a Note will be the U.S. dollar value thereof at the spot rate in effect on the date the euro are received. Any gain or loss recognized by you on a sale, exchange or other taxable disposition of the euro will generally be treated as U.S. source ordinary income or loss.

Tax return disclosure requirements

Under U.S. Treasury regulations, certain transactions are required to be reported to the IRS, including, in certain circumstances, a sale, exchange, retirement, redemption or other taxable disposition of a foreign currency note, such as a Note, or foreign currency received in respect of a foreign currency note, to the extent that such sale, exchange, retirement, redemption or other taxable disposition results in a tax loss in excess of a threshold amount. If you are considering the purchase of a Note, you should consult with your own tax advisors to determine the tax return obligations, if any, with respect to an investment in the Notes, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

Backup withholding and information reporting

Generally, information reporting requirements will apply to all payments of interest and principal on a Note. or the proceeds from a sale or other disposition of a Note paid to you, unless you are an exempt recipient. Additionally, if you fail to provide your taxpayer identification number, or in the case of interest payments, fail either to report in full dividend and interest income or to make certain certifications, you may be subject to backup withholding on any such payments or proceeds.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against your United States federal income tax liability provided the required information is timely furnished to the IRS. You are urged to consult your own tax advisors regarding backup withholding and information reporting requirements relating to your ownership and disposition of the Notes.

CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase and holding of the Notes by (i) employee benefit plans that are subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), (ii) plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or provisions under any other U.S. or non-U.S. federal, state, local or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, "**Similar Laws**"), and (iii) entities whose underlying assets are considered to include the assets (within the meaning of ERISA or otherwise) of any of the foregoing described in clauses (i) or (ii) (each of the foregoing as described in clauses (i), (ii) and (iii) referred to herein as a "**Plan**").

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of a Plan subject to Title I of ERISA or Section 4975 of the Code (such Plans collectively referred to as "**Covered Plans**") and certain persons (referred to as "**parties in interest**" or "**disqualified persons**") having certain relationships to such Covered Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person who engaged in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under Section 406 of ERISA and/or Section 4975 of the Code. In addition, the fiduciary of the Covered Plan that engaged in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and/or the Code.

The acquisition and/or holding of Notes by a Covered Plan with respect to which the Issuer, a Guarantor, or the Initial Purchasers or any of their respective affiliates is considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the U.S. Department of Labor has issued prohibited transaction class exemptions, or "**PTCEs**," that may apply to the acquisition and holding of the Notes. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide relief from the prohibited transaction provisions of ERISA and Section 4975 of the Code for certain transactions; *provided* that neither the issuer of the securities nor any of its affiliates (directly or indirectly) have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any Covered Plan involved in the transaction; and *provided*, *further*, that the Covered Plan pays no more than adequate consideration in connection with the transaction. Each of the above-noted exemptions contains conditions and limitations on its application. Fiduciaries of Covered Plans considering acquiring and/or holding the Notes in reliance on these or any other exemption should carefully review the exemption to assure it is applicable. There can be no assurance that all of the conditions of any such exemptions will be satisfied.

While certain Plans that are, or whose assets constitute the assets of, U.S. governmental plans, U.S. church plans and non-United States plans, may not subject to the fiduciary responsibility or prohibited transaction provisions of Title I of ERISA or the prohibited transaction provisions of Section 4975 of the Code, may nevertheless be subject to Similar Laws. Fiduciaries of any such Plans should consult with their counsel before purchasing any Notes.

Subject to the requirements discussed herein, the Notes (or any interests therein) may be purchased and held by Plans. Each purchaser and transferee of a Note (or any interest therein) will be deemed to have represented and warranted that either (i) no portion of the assets used by such purchaser or subsequent transferee to acquire or hold a Note (or any interest therein) constitutes the assets of any Plan, or (ii) its purchase and holding of such Note (or any interest therein) will not result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a similar violation of any applicable Similar Law.

The foregoing discussion is general in nature and is not intended to be all inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing or holding the Notes on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code and any Similar Laws to such investment and whether an exemption would be applicable to the purchase and holding of the Notes. Purchasers of the Notes have exclusive responsibility for ensuring that their purchase and holding of the Notes do not violate the fiduciary or prohibited transaction rules of ERISA, the Code or any Similar Laws applicable to such Plan.

The sale of any Notes to a Plan is in no respect a representation by the Issuer, a Guarantor or an Initial Purchaser, or any of their respective affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by any such Plan generally or any particular Plan, or that such investment is appropriate for such Plans generally or any particular Plan. Neither this discussion nor anything provided in this Offering Memorandum is or is intended to be investment advice directed at any potential Plan purchasers or at Plan purchasers generally and such purchasers of any Notes (or beneficial interests therein) should consult and rely on their own counsel and advisors as to whether an investment in the Notes is suitable for the Plan.

THE PRECEDING DISCUSSION IS ONLY A SUMMARY OF CERTAIN ERISA AND OTHER U.S. IMPLICATIONS OF AN INVESTMENT IN THE NOTES AND DOES NOT PURPORT TO BE COMPLETE. PROSPECTIVE INVESTORS SHOULD CONSULT WITH THEIR OWN LEGAL, TAX, FINANCIAL AND OTHER ADVISORS PRIOR TO INVESTING TO REVIEW THESE IMPLICATIONS IN LIGHT OF SUCH INVESTOR'S PARTICULAR CIRCUMSTANCES.

PLAN OF DISTRIBUTION

Subject to the terms and conditions stated in the purchase agreement dated the date of this Offering Memorandum (the "**Purchase Agreement**"), by and among the Issuer, the Initial Guarantors and each of the Initial Purchasers, each Initial Purchaser has agreed, severally and not jointly, to purchase from the Issuer, and the Issuer has agreed to sell, all of the Notes pursuant to the terms of the Purchase Agreement.

Subject to the terms and conditions set forth in the Purchase Agreement, the Initial Purchasers have agreed, severally and not jointly, to purchase all of the Notes sold under the Purchase Agreement if any of these Notes are purchased. If an Initial Purchaser defaults, the Purchase Agreement provides that the purchase commitments of the non-defaulting Initial Purchasers may be increased or the Purchase Agreement may be terminated.

The Initial Purchasers propose to offer the Notes at the initial offering price to purchasers at the price to investors indicated on the cover page of this Offering Memorandum. After the Notes are released for sale, the Initial Purchasers may change the offering price and any other selling terms without notice. The Initial Purchasers may offer and sell Notes through certain of their affiliates.

Persons who purchase the Notes from the Initial Purchasers may be required to pay stamp duty, taxes and other charges in accordance with the laws and practice of the country of purchase in addition to the offering price set forth on the cover page hereof.

The Notes have not been registered under the U.S. Securities Act or any state securities law. The Initial Purchasers propose to offer the Notes for resale in transactions not requiring registration under the U.S. Securities Act or applicable state securities laws, including sales pursuant to Rule 144A and Regulation S. The Initial Purchasers will not offer or sell the notes except to persons they reasonably believe to be qualified institutional buyers or pursuant to offers and sales to non-U.S. persons that occur outside of the United States within the meaning of Regulation S. In addition, until 40 days following the commencement of this Offering, an offer or sale of Notes within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act unless the dealer makes the offer or sale in compliance with Rule 144A or another exemption from registration under the U.S. Securities Act. Each purchaser of the Notes will be deemed to have made acknowledgements, representations and agreements as described under "*Notice to Investors*."

The Issuer and the Guarantors have agreed, subject to certain limited exceptions, that during the period from the date hereof through and including the date that is 60 days after the date of the Purchase Agreement, none of the Issuer or the Guarantors, or any of the Issuer's or the Guarantors' subsidiaries will, without the prior written consent provided for in the Purchase Agreement, offer, sell, contract to sell, or otherwise dispose of, any debt securities issued or guaranteed by the Issuer or any of the Guarantors having a tenor of more than one year (other than the Notes).

The Issuer and the Guarantors have agreed to indemnify the Initial Purchasers and the directors, officers, employees and affiliates of each of the Initial Purchasers against certain liabilities, including liabilities under the U.S. Securities Act, and will contribute to payments that the Initial Purchasers may be required to make in respect thereof. In addition, the Issuer will pay the Initial Purchasers a commission and pay certain fees and expenses relating to the Offering. The Issuer and each Guarantor waives to the fullest extent permitted by applicable law any claims it may have against the Initial Purchasers arising from an alleged breach of fiduciary duty in connection with the Offering.

In connection with the Offering, the Initial Purchasers may purchase and sell the Notes in the open market. These transactions may include short sales, over allotments, stabilizing transactions and purchases to cover positions created by short sales or over allotments. Short sales involve the sale by the Initial Purchasers of a greater number of Notes than they are required to purchase in the Offering. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Notes while the Offering is in progress.

In connection with the Offering, J.P. Morgan Securities plc (the "**Stabilizing Manager**"), or a person acting on its behalf, may engage in transactions that stabilize, maintain or otherwise affect the price of the Notes. Specifically, the Stabilizing Manager may bid for and purchase Notes in the open markets for the purpose of pegging, fixing or maintaining the price of the Notes. The Stabilizing Manager may also over allot the Offering, creating a syndicate short position, and may bid for and purchase Notes in the open market to cover the syndicate short position. In addition, the Stabilizing Manager may bid for and purchase Notes in market making transactions as permitted by applicable laws and regulations. These activities may stabilize or maintain the respective market price of the Notes above market levels that may otherwise prevail. The Stabilizing Manager is not required to engage in these activities, and may end these activities at any time. Accordingly, no assurance can be given as to the liquidity of, or trading markets for, the Notes. See "*Risk Factors—Risks related to the Notes, the Guarantees and our Structure—There may not be an active trading market for the Notes, in which case your ability to sell the Notes may be limited*."

No action has been taken in any jurisdiction, including the United States, by the Issuer, the Guarantors or the Initial Purchasers that would permit a public offering of the Notes and the Guarantees or the possession, circulation or distribution of this Offering Memorandum or any other material relating to the Group or the Notes in any jurisdiction where action for this purpose is required. Accordingly, the Notes and the Guarantees may not be offered or sold, directly or indirectly, and neither this Offering Memorandum nor any other offering material or advertisements in connection with the Notes may be distributed or published, in or from any country or jurisdiction, except in compliance with any applicable rules and regulations of any such country or jurisdiction. This Offering Memorandum does not constitute an offer to purchase or a solicitation of an offer to sell in any jurisdiction where such offer or solicitation would be unlawful. Persons into whose possession this Offering Memorandum comes are advised to inform themselves about and to observe any restrictions relating to the Offering, the distribution of this Offering Memorandum and the resale of the Notes. See "*Notice to Investors—Notice to U.S. Investors.*"

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retain investor in the EEA or the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by the PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the EEA or the United Kingdom has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or the United Kingdom may be unlawful under the PRIIPs Regulation. This Offering Memorandum has been prepared on the basis that any offer of the Notes in any member state of the EEA or in the United Kingdom will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of notes. This Offering Memorandum is not a prospectus for the purposes of the Prospectus Regulation.

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**Distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Certain Initial Purchasers are not broker-dealers registered with the SEC and, therefore, may not make sales of any Notes in the United States or to U.S. persons except in compliance with applicable U.S. laws and regulations. To the extent that such Initial Purchasers intend to effect sales of the Notes in the United States, they will do so only through one or more U.S. registered broker-dealers or otherwise as permitted by applicable U.S. law. ICBC Standard Bank Plc is restricted in its U.S. securities dealings under the United States Bank Holding Company Act and may not underwrite, subscribe, agree to purchase or procure purchasers to purchase notes that are offered or sold in the United States. Accordingly, ICBC Standard Bank Plc shall not be obligated to, and shall not, underwrite, subscribe, agree to purchase or procure purchasers to purchase notes that may be offered or sold by other underwriters in the United States. ICBC Standard Bank Plc shall offer and sell the Securities constituting part of its allotment solely outside the United States.

The Notes are a new issue of securities with no established trading market. The Issuer will apply to list the Notes on the Official List of the Exchange and to admit them to trading on such stock exchange; however, the Issuer cannot assure you that the Notes will be listed or admitted to trading on the Exchange. The Initial Purchasers have advised the Issuer that they presently intend to make a market in the Notes after completion of the Offering as permitted by applicable laws and regulations. The Initial Purchasers are not obliged, however, to make a market in the Notes and any such market-making may be discontinued at any time at the sole discretion of the Initial Purchasers. The Issuer and Guarantors cannot assure the liquidity of the trading market for the Notes. If an active trading market for the Notes does not develop, the market price and liquidity of the Notes may be adversely affected. If the Notes are traded, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, the Group's operating performance and financial condition, general economic conditions and other factors.

The Issuer expects that the delivery of the Notes will be made on or about the date specified on the cover page of this Offering Memorandum, which will be the "T+5" business day following the date of pricing of the Notes (such settlement cycle being herein referred to as "T+5"). Under Rule 15c6-1 under the U.S. Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes on the date of pricing or the next succeeding two business days will be required, by virtue of the fact that the Notes initially will settle T+5, to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes on the date of pricing should consult their advisors.

The Initial Purchasers and their respective affiliates have from time to time provided certain investment banking and/or other financial services to the Issuer and its affiliates or former affiliates, including, without limitation, hedging activities, for which they received customary fees and reimbursement of expenses. The Initial Purchasers and their respective affiliates may in the future provide investment banking or other financial services to the Issuer or its affiliates, for which they will receive customary fees and reimbursement of expenses. In addition, the Issuer has agreed to pay the Initial Purchasers certain customary fees for their services in connection with this Offering and to reimburse them for certain costs and expenses incurred.

Certain of the Initial Purchasers or their affiliates are acting as arrangers under the Revolving Credit Facility. In addition, certain of the Initial Purchasers or their affiliates may enter into hedging arrangements with the Issuer and/or its affiliates. In connection with their services in such capacities, such Initial Purchasers or affiliates will receive customary fees and commissions. Further, certain of the Initial Purchasers or their affiliates are lenders under the Existing Facilities and will therefore receive a portion of the proceeds of this Offering when the Existing Facilities are repaid and cancelled in accordance with the use of proceeds of the Offering. See "*Use of Proceeds*."

Funds advised by KKR that hold an indirect controlling interest in the Issuer are affiliates of KKR Capital Markets Limited, which is acting as an Initial Purchaser in connection with the Offering. KKR Capital Markets Limited may therefore be deemed to be our affiliate and the interests of KKR Capital Markets Limited may not coincide with your interests. We have engaged KKR to provide certain financial consulting services in connection with this Offering.

From time to time, certain Initial Purchasers, or certain of their affiliates, also engage in securities trading and brokerage activities with respect to securities of the Group and its subsidiaries and affiliates. An affiliate of an Initial Purchaser has provided hedging arrangements to the Issuer, which arrangements are expected to remain in place following the Issue Date. See "*Description of Other Indebtedness—Hedging Arrangements*."

In the ordinary course of their business activities, the Initial Purchasers and their affiliates may make or hold a broad arrange of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. The Initial Purchasers or their affiliates have a lending relationship with us and may hedge their creditor exposure to us consistent with their customary risk management policies. Typically, such Initial Purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby.

The Initial Purchasers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

TRANSFER RESTRICTIONS

You are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of any of the Notes (including the Guarantees) offered hereby.

The Notes and the Guarantees have not been, and will not be, registered under the U.S. Securities Act or any U.S. state securities laws and, unless so registered, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Notes (including the Guarantees) offered hereby are being offered and sold only to QIBs in reliance on Rule 144A under the U.S. Securities Act and to persons who are not U.S. persons and who are outside the United States in an offshore transaction in reliance on Regulation S under the U.S. Securities Act. As used in this section, the terms "United States," "U.S. person" and "offshore transaction" have the meanings given to them in Regulation S.

In addition, until 40 days after the later of the commencement of the Offering and the Issue Date, an offer or sale of the Notes (including the Guarantees) within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than pursuant to Rule 144A.

Each purchaser of the Notes (including the Guarantees), by its acceptance thereof, will be deemed to have acknowledged, represented to and agreed with the Issuer, each Guarantor, and the Initial Purchasers as follows:

(1) It understands and acknowledges that the Notes (including the Guarantees) have not been and will not be registered under the U.S. Securities Act or any applicable state securities law; are being offered for resale in transactions not requiring registration under the U.S. Securities Act or any state securities law, including sales pursuant to Rule 144A and Regulation S; and may not be offered, sold or otherwise transferred except in compliance with the registration requirements of the U.S. Securities Act or any applicable state securities law, pursuant to an exemption therefrom or in any transaction not subject thereto and in each case in compliance with the conditions for transfer set forth in paragraph (5) below.

(2) It is not an "affiliate" (as defined in Rule 144 under the U.S. Securities Act) of the Issuer or any Guarantor or acting on behalf of the Issuer or any Guarantor and it is either:

(a) a QIB and is aware that any sale of the Notes (including the Guarantees) to it will be made in reliance on Rule 144A and the acquisition of the Notes (including the Guarantees) will be for its own account or for the account of another QIB; or

(b) not a U.S. person, nor is it purchasing for the account of a U.S. person, and is purchasing the Notes (including the Guarantees) outside the United States in an offshore transaction in accordance with Regulation S.

(3) It acknowledges that neither the Issuer, the Guarantors nor the Initial Purchasers, nor any person representing the Issuer, the Guarantors or the Initial Purchasers, has made any representation to it with respect to the Offering or sale of any Notes (including the Guarantees), other than the information contained in this Offering Memorandum, which Offering Memorandum has been delivered to it and upon which it is relying in making its investment decision with respect to the Notes (including the Guarantees). It acknowledges that neither the Initial Purchasers nor any person representing the Initial Purchasers makes any representation or warranty as to the accuracy or completeness of the information contained in this Offering Memorandum. It also acknowledges that it has had access to such financial and other information concerning the Issuer and the Notes (including the Guarantees) as it has deemed necessary in connection with its decision to purchase any of the Notes (including the Guarantees), including an

opportunity to ask questions of, and request information from, the Issuer and the Initial Purchasers.

(4) It is purchasing the Notes (including the Guarantees) for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the U.S. Securities Act or any state or other securities laws, subject to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and subject to its or their ability to resell such Notes (including the Guarantees) pursuant to Rule 144A, Regulation S or any other exemption from registration available under the U.S. Securities Act.

(5) It agrees, on its own behalf and on behalf of any investor account for which it is purchasing the Notes (including the Guarantees), and each subsequent holder of the Notes by its acceptance thereof will be deemed to agree, not to offer, sell or otherwise transfer such Notes prior to the date (the "**Resale Restriction Termination Date**") that is, in the case of Notes sold in reliance on Rule 144A, one year after the later of the Issue Date, the issue date of any additional Notes and the last date on which the Issuer or any of its affiliates was the owner of such Notes (or any predecessor thereof), or is, in the case of Notes sold in reliance on Regulation S, 40 days after the later of the Issue Date, the issue date of any additional Notes, and the date on which such Notes (or any predecessor thereof) were first offered to persons other than Distributors (as defined in Rule 902 of Regulation S), except (i) to the Issuer, the Guarantors or any subsidiary thereof; (ii) pursuant to a registration statement that has been declared effective under the U.S. Securities Act; (iii) for so long as the Notes are eligible pursuant to Rule 144A under the U.S. Securities Act, to a person it reasonably believes to be a QIB that purchases for its own account or for the account of a QIB to whom notice is given that the transfer is being made in reliance on Rule 144A under the U.S. Securities Act; (iv) pursuant to an offshore transaction to persons who are not U.S. persons and who are outside the United States within the meaning of Regulation S under the U.S. Securities Act and in reliance on Regulation S under the U.S. Securities Act or (v) pursuant to any other available exemption from the registration requirements of the U.S. Securities Act, subject in each of the foregoing cases to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and to compliance with any applicable state securities laws and any applicable local laws and regulations, and further subject to the Issuer's and the Trustee's rights prior to any such offer, sale or transfer (I) pursuant to clauses (iv) or (v) prior to the Resale Restriction Termination Date to require the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them, (II) in each of the foregoing cases, to require that a certificate of transfer in the form appearing on the other side of the New Note is completed and delivered by the transferor to the Trustee and (III) agrees that it will give to each person to whom the New Note is transferred a notice substantially to the effect of this legend. Each purchaser acknowledges that each New Note (and each Guarantees) will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND, NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT.

THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT ("RULE 144A")) OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION PURSUANT TO RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND (2) AGREES NOT TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS [IN THE CASE OF RULE 144A NOTES: ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE OF THIS SECURITY, THE ORIGINAL ISSUE DATE OF THE ISSUANCE OF ANY ADDITIONAL NOTES, AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY)] [IN THE CASE OF REGULATION S NOTES: 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE OF THIS SECURITY, THE ORIGINAL ISSUE DATE OF THE ISSUANCE OF ANY ADDITIONAL NOTES, AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR THERETO) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS] ONLY (A) TO THE ISSUER, THE GUARANTORS OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT, (C)FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO AN OFFSHORE TRANSACTION TO PERSONS WHO ARE NOT U.S. PERSONS OCCURRING OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN RELIANCE ON REGULATION S UNDER THE U.S. SECURITIES ACT OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND TO COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSES (D) OR (E) PRIOR TO THE RESALE RESTRICTION TERMINATION DATE TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THIS SECURITY IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE AND (III) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. [IN THE CASE OF REGULATION S NOTES: BY ITS ACQUISITION HEREOF, THE HOLDER HEREOF REPRESENTS THAT IT IS NOT A U.S. PERSON, NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON, AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION," "UNITED STATES," AND "U.S. PERSON" HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE U.S. SECURITIES ACT.]

BY ACCEPTANCE OF THIS SECURITY, EACH ACQUIRER AND SUBSEQUENT TRANSFEREE OF THIS SECURITY OR ANY INTEREST HEREIN WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT EITHER (A) NO PORTION OF THE ASSETS USED BY SUCH ACQUIRER OR TRANSFEREE TO ACQUIRE OR HOLD THIS SECURITY OR ANY INTEREST HEREIN CONSTITUTES ASSETS OF ANY (I) EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), (II) PLAN, INDIVIDUAL RETIREMENT ACCOUNT OR OTHER ARRANGEMENT SUBJECT TO

SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR PROVISIONS UNDER ANY U.S. OR NON-U.S. OTHER FEDERAL, STATE, LOCAL OR OTHER LAWS OR REGULATIONS THAT ARE SIMILAR TO SUCH PROVISIONS OF ERISA OR THE CODE (COLLECTIVELY, "SIMILAR LAWS"), OR (III) ENTITY WHOSE UNDERLYING ASSETS ARE CONSIDERED TO INCLUDE "PLAN ASSETS" OF ANY SUCH PLAN, ACCOUNT OR ARRANGEMENT DESCRIBED IN CLAUSE (I) AND (II) (EACH OF THE FOREGOING DESCRIBED IN CLAUSES (I), (II) AND (III) REFERRED TO AS, A "PLAN") OR (B) THE ACQUISITION, HOLDING AND DISPOSITION OF THIS SECURITY OR ANY INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR ANY SIMILAR VIOLATION UNDER ANY APPLICABLE SIMILAR LAWS.

If the purchaser purchases the Notes (including the Guarantees), it will also be deemed to acknowledge that the foregoing restrictions apply to holders of beneficial interests in these Notes (including the Guarantees) as well as to holders of these Notes (including the Guarantees).

It agrees that it will give to each person to whom it transfers the Notes (including the Guarantees) notice of any restrictions on transfer of such Notes.

It acknowledges that the Transfer Agent will not be required to accept for registration of transfer any Notes (including the Guarantees) except upon presentation of evidence satisfactory to the Issuer and the Transfer Agent that the restrictions set forth therein have been complied with.

It acknowledges that the Issuer, the Initial Purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements and agrees that if any of the acknowledgements, representations, warranties and agreements deemed to have been made by its purchase of the Notes (including the Guarantees) are no longer accurate, it will promptly notify the Initial Purchasers. If it is acquiring any Notes (including the Guarantees) as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such investor account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such investor account.

It understands that no action has been taken in any jurisdiction (including the United States) by the Issuer or the Initial Purchasers that would result in a public offering of the Notes (including the Guarantees) or the possession, circulation or distribution of this Offering Memorandum or any other material relating to the Issuer or the Notes (including the Guarantees) in any jurisdiction where action for such purpose is required. Consequently, any transfer of the Notes will be subject to the selling restrictions set forth under "*Plan of Distribution*" and "*Transfer Restrictions.*"

It represents that it understands that the Issuer shall not recognize any offer, sale, pledge or other transfer of the Notes (including the Guarantees) other than in compliance with the above-stated restrictions.

It represents and agrees that either (a) no portion of the assets used by such acquirer or transferee to acquire and hold the Notes or any interest therein constitutes assets of any (i) employee benefit plan subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**,") (ii) plan, individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or provisions under any other U.S. or non-U.S. federal, state, local or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, "**Similar Laws**"), or (iii) entity whose underlying assets are considered to include the assets of any such plan, account and arrangement described in clauses (i) and (ii) (each of the foregoing described in clauses (i), (ii) and (iii) referred to as a "**Plan**") or (b) the acquisition and holding of the Notes or any interest therein will not result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or similar violation of any applicable Similar Laws.

LEGAL MATTERS

Certain legal matters are being passed upon for the Issuer and the Guarantors by Simpson Thacher & Bartlett LLP with respect to matters of U.S. federal and New York State law and English law, by Stibbe N.V. with respect to matters of Dutch law, by Herbert Smith Freehills Paris LLP with respect to matters of French law and by Gleiss Lutz Hootz Hirsch PartmbB with respect to matters of German law.

Certain legal matters are being passed upon for the Initial Purchasers by Linklaters LLP with respect to matters of U.S. federal and New York State law, Dutch law, English law, French law and German law.

INDEPENDENT AUDITORS

The consolidated annual accounts of the Parent as of and for the year ended December 31, 2018 and as of and for the period from May 22, 2017 to December 31, 2017 and the consolidated annual accounts of Q Park B.V. as of and for the year ended December 31, 2016 have been audited by Deloitte Accountants B.V., as set forth in their independent auditor's reports appearing herein.

ENFORCEMENT OF CIVIL LIABILITIES

The Issuer is a Dutch company. The Guarantors are entities organized under the laws of The Netherlands, England and Wales, France and Germany. Although the Issuer and the Guarantors have agreed, in accordance with the terms of the Indenture, to accept service of process in the United States through agents designated for such purpose, it may not be possible for holders of the Notes to (a) effect service of process upon the Issuer, the Guarantors or their respective directors or officers, or (b) enforce judgments of courts of the United States predicated upon the civil liability of such entities or persons under the U.S. federal securities laws and state securities laws or other laws against any such entities or persons in the courts of a foreign jurisdiction.

The Netherlands

The Issuer and the Dutch Guarantors are incorporated under Dutch law and have their registered seat in The Netherlands. Civil liabilities based on the securities laws of the United States may not be enforceable in The Netherlands, either in an original action or in an action to enforce a judgment obtained in U.S. courts.

The United States and The Netherlands currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Consequently, a final judgment for payment given by any court in the United States, whether or not predicated solely upon U.S. securities laws, would not be enforceable in The Netherlands. In order to obtain a judgment which is enforceable in The Netherlands, the claim must be re-litigated before a competent Dutch court. A Dutch court will, under current practice, generally grant the same judgment without substantive re-examination or re-litigation on the merits if (a) that judgment results from proceedings compatible with the Dutch concept of due process, (b) that judgment does not contravene public policy (*openbare orde*) of The Netherlands, (c) the jurisdiction of the court has been based on an internationally acceptable ground, and (d) the judgment by the court is not incompatible with a judgment rendered between the same parties by a Dutch court, or with an earlier judgment rendered between the same parties by a non-Dutch court in a dispute that concerns the same subject and is based on the same cause, provided that the earlier judgment qualifies for recognition in The Netherlands.

Subject to the foregoing and provided that service of process occurs in accordance with applicable treaties, investors may be able to enforce in The Netherlands judgments in civil and commercial matters obtained from U.S. federal or state courts. However, no assurance can be given that such judgments will be enforceable. In addition, it is doubtful whether a Dutch court would accept jurisdiction and impose civil liability in an original action commenced in The Netherlands and predicated solely upon U.S. federal securities laws.

Any enforcement of agreements governed by foreign law and any foreign judgments in The Netherlands will be subject to the rules of Dutch civil procedure. Judgments may be rendered in a foreign currency but enforcement is executed in euros at the applicable rate of exchange. Enforcement of obligations in The Netherlands will be subject to the nature of the remedies available in the courts of The Netherlands. Under certain circumstances, a Dutch court has the power to stay proceedings (*aanhouden*) or to declare that it has no jurisdiction, if concurrent proceedings are being brought elsewhere.

A Dutch court may reduce the amount of damages granted by a U.S. court and recognize damages only to the extent that they are necessary to compensate actual losses and damages.

France

You may not be able to effect service of process on the French Guarantors or enforce judgments against them outside of the United States, including judgments of the U.S. courts predicated upon the civil liability provisions of the U.S. securities laws.

The United States and France are not party to a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitral awards, rendered in civil and commercial matters. Accordingly, a judgment rendered by any U.S. Federal or state court based on civil liability, whether or not predicated solely upon U.S. Federal or state securities laws, enforceable in the United States, would not directly be recognized or enforceable in France. A party in whose favor such judgment was rendered could initiate enforcement proceedings (exequatur) in France before the relevant civil court (*Tribunal Judiciaire*). Enforcement in France of such U.S. judgment could be obtained following proper (*i.e.,* non-*ex parte)* proceedings if the civil court is satisfied that the following conditions have been met (which conditions, under prevailing French case law, do not include a review by the French court of the merits of the foreign judgment):

- such U.S. judgment is enforceable in the U.S.;
- the subject matter of such U.S. judgment is sufficiently or substantially connected with the jurisdiction of the court that rendered it, the choice of the U.S. court was not fraudulent and the French courts did not have exclusive jurisdiction over such matter;
- such U.S. judgment does not contravene French international public policy rules, both pertaining to the merits and to the procedure of the case, including the fair trial rights. It should be noted in this respect that the scope and content of French international public policy are not precisely or exhaustively defined under French law and are determined by French courts on a case-by-case basis and may vary in time;
- such U.S. judgment is not tainted with fraud; and
- such U.S. judgment does not conflict with a French judgment or a foreign judgment which has become effective in France and there are no proceedings pending before French courts at the time enforcement of the judgment is sought and having the same or similar subject matter as such U.S. judgment (in this latter case, exequatur proceedings may be stayed).

If the French civil court is satisfied that such conditions are met, the U.S. judgment will be declared enforceable in France. However, the decision granting the exequatur is subject to appeal.

In addition, the discovery process under actions filed in the United States could be adversely affected under certain circumstances by French law No. 68-678 of July 26, 1968, as modified by French law No. 80-538 of July 16, 1980 (*Loi de blocage*) and Order No. 2000-916 of September 19, 2000 (relating to communication of documents and information of an economic, commercial, industrial, financial or technical nature to foreign authorities or persons) as well as French law No. 2018-670 related to the protection of trade secrets, which could prohibit or restrict obtaining evidence in France or from French persons in connection with a judicial or administrative U.S. action. Pursuant to the regulations above, the U.S. authorities would have to comply with international (1970 Hague Convention on the Taking of Evidence Abroad) or French procedural rules to obtain evidence in France or from French persons.

Similarly, French data protection rules (law No. 78-17 of January 6, 1978 on data processing, data files and individual liberties, as most recently modified by laws No. 2018-493 of June 20, 2018 (adopting the provisions relating to the General Data Protection Regulation (Regulation (EU) 2016/679) and the EU Law Enforcement Directive (EU 2016/680)) and No. 2018-699 August 3, 2018 and by French Ordinance No. 2018-1125 of December 12, 2018 and Decree No. 2019-536 of May 29, 2019) can limit under certain circumstances the possibility of obtaining information in France or from French persons in connection with a judicial or administrative U.S. action in a discovery context.

If an original action is brought in France, French courts may refuse to apply foreign law designated by the applicable French rules of conflict (including the law chosen by the parties to govern their contract) if the application of such law (in the case at hand) contravenes French international public policy (as determined on a case-by-case basis by French courts) or in case of applicable overriding mandatory rules. In an action brought in France on the basis of U.S. Federal or state securities laws, French courts may not have the requisite power to grant all the remedies sought.

Pursuant to articles 14 and 15 of the French Civil Code, a French national (either a company or an individual) can sue a foreign defendant before French courts (article 14) and can be sued by a foreign claimant before French courts (article 15). For a long time, case law has interpreted these provisions as meaning that a French national, either claimant or defendant, could not be forced against its will to appear before a jurisdiction other than French courts. However, according to case law, the French court's jurisdiction towards French nationals is no longer mandatory to the extent an action has been commenced before a court in a jurisdiction which has sufficient contacts with the litigation and the choice of jurisdiction is not fraudulent. In addition, the French national may waive its rights to benefit from the provisions of articles 14 and 15 of the French Civil Code.

There are diverging positions amongst the chambers of the French Supreme Court (*Cour de Cassation*) regarding the validity of a contractual provision submitting one party to the exclusive jurisdiction of a court and giving another party the discretionary option to choose any competent jurisdiction. French case-law has previously ruled that a unilateral jurisdiction clause granting one party the discretionary option to choose any competent jurisdiction without specifying the objective basis on which this alternative jurisdiction is founded was contrary to the objectives of foreseeability and legal certainty of Article 23 of the Lugano Convention. Accordingly, any provisions to the same effect in any relevant documents may not be binding over the party submitted court.

Any document which is not in the French language may be required to be translated into French by a sworn translator (*traducteur assermenté*) for the purpose of any proceedings brought before a French court in respect thereof (although such translations do not need to be made before the relevant proceedings are commenced).

As indicated above (see "*Limitations on Validity and Enforceability of the Guarantees and the Collateral and Certain Insolvency Law Considerations*"), there is a risk that the accession documents, the Security Documents, the Guarantee or the obligations of the French Guarantor under the finance documents do not comply with the Toubon Law.

Therefore, there would be a risk that French courts, considering that the Toubon Law constitutes a French international public policy rule, refuse to recognize or enforce a U.S. judgment ordering the enforcement of the Guarantee and/or accession documents and/or Security Documents against the French Guarantor.

Germany

Civil liabilities based on federal or state securities laws of the Unites States may, either in an original action or in an action to enforce a judgment obtained in U.S. courts, not be enforceable in Germany. The enforceability of U.S. judgments in Germany is subject to an action to be brought before a German court of competent jurisdiction in accordance with the procedures set forth by the German Code of Civil Procedure (*Zivilprozessordnung*). The United States and Germany currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Consequently, under applicable legal rules, a final judgment for payment given by any court in the United States, whether or not predicated solely upon U.S. securities laws, would not automatically be enforceable in Germany.

However, under current rules as presently applied by German courts, a final and conclusive judgment by a U.S. court for a definite sum of money, will be recognized and thereby given binding effect within the territory of Germany, unless the German court finds that, *inter alia*, the recognition of the U.S. judgment leads to a result manifestly irreconcilable with material principles of German law or that proper legal procedures have not been observed. Specifically, the recognition and enforcement of the U.S. judgment by a German court is to be denied if one or more of the following circumstances exist:

- U.S. courts would not have had jurisdiction over the case based on the principles on jurisdictional competences under German law; or
- the defendant did not appear in the proceedings and invokes such lack of appearance, and the document introducing the proceedings was not duly made known to the defendant in a timely manner that allowed for adequate defense; or
- the judgment conflicts with (i) any prior judgment rendered by a German court or (ii) any prior judgment rendered by another foreign court which is to be recognized in Germany; or (iii) the proceedings leading to such foreign judgment are irreconcilable with previously pending proceedings in a German court; or
- the recognition of the judgment by the U.S. court would be in conflict with German public policy, including the fundamental principles of German law, and in particular the civil liberties (*Grundrechte*) guaranteed by virtue of the German Constitution (*Grundgesetz*); or
- the reciprocity of enforcement of judgments is not guaranteed.

Subject to the foregoing, purchasers of securities, such as the holders of the Notes, may be able to enforce judgments in Germany in civil and commercial matters obtained from U.S. courts. We cannot, however, assure you that attempts to enforce judgments in Germany will be successful. In addition, it is doubtful whether a German court would accept jurisdiction and impose civil liability in an original action predicated solely upon U.S. federal securities laws. In particular, the obligations need to be of a specific kind and type for which an enforcement procedure exists under German law. Enforcement is also subject to the effect of any applicable bankruptcy, insolvency, reorganization, liquidation or moratorium, as well as other similar laws affecting creditor's rights generally.

It should be noted that German courts usually deny the recognition and enforcement of punitive damages as incompatible with the fundamental principles of German law. Moreover, a German court may reduce the amount of damages granted by a U.S. court and recognize damages only to the extent that they are necessary to compensate actual losses or damages.

German civil procedure differs substantially from U.S. civil procedure in a number of respects. As far as the production of evidence is concerned, U.S. law and the laws of several other jurisdictions based on common law provide for pre-trial discovery, a process by which parties to the proceedings may compel the extensive production of documents by adverse or third parties and the deposition of witnesses prior to trial. Evidence obtained in this manner may be decisive in the outcome of any proceeding. No equivalent pre-trial discovery process exists under German law.

If the party in whose favor a final U.S. judgment is rendered brings a new suit in a competent court in Germany, such party may submit to the German court the final judgment rendered in the United States. Under such circumstances, a judgment by a federal or state court of the United States will be regarded by a German court only as evidence of the outcome of the dispute to which such judgment relates. A German court may choose to re-hear the dispute and may render a judgment inconsistent with the judgment rendered by a federal or state court of the United States.

England and Wales

The United States and England currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments (as opposed to arbitration awards) in civil and commercial matters. Consequently, a final judgment for payment rendered by any federal or state court in the United States based on civil liability, whether or not predicated solely upon U.S. federal securities laws, would not automatically be recognized or enforceable in England. In order to enforce any such U.S. judgment in England, proceedings must first be initiated before a court of competent jurisdiction in England. In such an action, the English court would not generally reinvestigate the merits of the original matter decided by the U.S. court (subject to what is described below) and it would usually be possible to obtain summary judgment on such a claim (assuming that the defense to it has no real prospect of success and there is no other compelling reason for trial). Recognition and enforcement of a U.S. judgment by an English court in such an action is conditional upon (among other things) the following:

- the U.S. court having had, at the time when proceedings were served, jurisdiction over the original proceedings according to English conflicts of laws principles;
- the U.S. judgment being final and conclusive on the merits in the sense of being final and unalterable in the court which pronounced it and being for a definite sum of money; and
- the U.S. judgment not being for a sum payable in respect of taxes, or other charges of a like nature or in respect of a penalty or fine or otherwise based on a U.S. law that an English court considers to relate to penal, revenue or other public law.

An English court may refuse to enforce such a judgment if the judgment debtor satisfies the court that:

- the U.S. judgment contravenes English public policy;
- the U.S. judgment has been arrived at by doubling, trebling or otherwise multiplying a sum assessed as compensation for the loss or damages sustained, is otherwise specified in Section 5 of the Protection of Trading Interests Act 1980 or is based on measures designated by the Secretary of State under Section 1 of the Act;
- the U.S. judgment has been obtained by fraud or in breach of English principles of natural or substantial justice;
- the U.S. judgment is a judgment on a matter previously determined by an English court or another court whose judgment is entitled to recognition in England or conflicts with an earlier judgment of such court;
- the English enforcement proceedings were not commenced within the relevant limitation period; or
- the U.S. judgment was obtained contrary to an agreement for the settlement of disputes under which the dispute in question was to be settled otherwise than by proceedings in a United States court (to whose jurisdiction the judgment debtor did not submit).

Only subject to the foregoing may investors be able to enforce in England judgments that have been obtained from U.S. federal or state courts in civil and commercial matters. Notwithstanding the preceding, we cannot assure you that those judgments will be recognized or enforceable in England. In addition, we cannot assure you whether an English court would accept jurisdiction and impose civil liability if the original action was commenced in England, instead of the United States, and predicated solely upon U.S. federal securities laws.

AVAILABLE INFORMATION

Each purchaser of the Notes from the Initial Purchasers will be furnished with a copy of this Offering Memorandum and any related amendments or supplements to this Offering Memorandum. Each person receiving this Offering Memorandum and any related amendments or supplements to this Offering Memorandum acknowledges that:

(1) such person has been afforded an opportunity to request from us, and to review, and has received, all additional information considered by it to be necessary to verify the accuracy and completeness of the information herein;

(2) such person has not relied on the Initial Purchasers or any person affiliated with the Initial Purchasers in connection with its investigation of the accuracy of such information or its investment decision; and

(3) except as provided pursuant to paragraph (1) above, no person has been authorized to give any information or to make any representation concerning the Notes or the Guarantees offered hereby other than those contained herein and, if given or made, such other information or representation should not be relied upon as having been authorized by us or the Initial Purchasers.

For so long as any of the Notes remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, we will, during any period in which we are neither subject to the reporting requirements of Section 13 or 15(d) of the U.S. Exchange Act, nor exempt from the reporting requirements under Rule 12g3-2(b) of the U.S. Exchange Act, provide to the holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, in each case upon the written request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the U.S. Securities Act to permit compliance with Rule 144A thereunder in connection with resales of the Notes.

We are not currently subject to the periodic reporting and other information requirements of the U.S. Exchange Act. However, pursuant to the Indenture and so long as the Notes are outstanding, we will furnish periodic information to holders of the Notes. See "*Description of the Notes—Certain Covenants—Reports*."

Upon request, we will provide you with copies of the Indenture, the form of the Notes and any notation of guarantee and the Intercreditor Agreement. You may request copies of such documents free of charge by contacting the Issuer at its registered office.

So long as the Notes are admitted to trading on the Official List of the Exchange, and the rules and regulations of such stock exchange so require, copies of such information will also be available for review during normal business hours on any business day at the registered office of the Issuer. See "*Listing and General Information*."

LISTING AND GENERAL INFORMATION

Listing

Application will be made to The International Stock Exchange Authority Limited (the "**Authority**") for the listing of the Notes on the Official List of The International Stock Exchange (the "**Exchange**") and admission to trade on the Exchange. There can be no assurance that the Notes will be listed on the Official List of the Exchange.

Neither the admission of the Notes to the Official List of the Exchange nor the approval of this Offering Memorandum pursuant to the listing requirements of the Authority shall constitute a warranty or representation by the Authority as to the competence of the service providers to, or any other party connected with, the Issuer, the adequacy and accuracy of information contained in this Offering Memorandum or the suitability of the Issuer for investment or for any other purpose.

The Notes are only intended to be offered in the primary market to, and held by, investors who are particularly knowledgeable in investment matters.

Listing Information

Copies of the following documents will be available for inspection at the registered office of the Issuer during normal business hours on any weekday (Saturdays, Sundays and public holidays excluded) for a period of 14 days following the grant of listing of the Notes on the Official List of the Exchange:

- the organizational documents of the Issuer and the Guarantors;
- the financial statements included in this Offering Memorandum; and
- our most recent audited consolidated annual accounts, any unaudited interim financial statements published by us and the most recent audited unconsolidated financial statements published by the Issuer.

The Issuer has appointed Carey Olsen Corporate Finance Limited as listing agent (the "**Listing Agent**"). The Issuer reserves the right to change this appointment in accordance with the terms of the Indenture. Application may also be made to the Authority to have the Notes removed from listing on the Official List of the Exchange, including if necessary to avoid any new withholding taxes in connection with the listing.

Clearing Information

The 2025 Senior Secured Fixed Rate Notes sold pursuant to Regulation S and the 2025 Senior Secured Fixed Rate Notes sold pursuant to Rule 144A have been accepted for clearance through the facilities of Euroclear and Clearstream under common codes 211518987 and 211518995, respectively. The ISIN for the 2025 Senior Secured Fixed Rate Notes sold pursuant to Regulation S is XS2115189875 and the ISIN for the 2025 Senior Secured Fixed Rate Notes sold pursuant to Rule 144A is XS2115189958.

The 2027 Senior Secured Fixed Rate Notes sold pursuant to Regulation S and the 2027 Senior Secured Fixed Rate Notes sold pursuant to Rule 144A have been accepted for clearance through the facilities of Euroclear and Clearstream under common codes 211519045 and 211519053, respectively. The ISIN for the 2027 Senior Secured Fixed Rate Notes sold pursuant to Regulation S is XS2115190451 and the ISIN for the 2027 Senior Secured Fixed Rate Notes sold pursuant to Rule 144A is XS2115190535.

The 2026 Senior Secured Floating Rate Notes sold pursuant to Regulation S and the 2026 Senior Secured Floating Rate Notes sold pursuant to Rule 144A have been accepted for clearance through the facilities of Euroclear and Clearstream under common codes 211519029 and 211519037, respectively. The ISIN for the 2026 Senior Secured Floating Rate Notes sold pursuant to Regulation S is XS2115190295 and the ISIN for the 2026 Senior Secured Floating Rate Notes sold pursuant to Rule 144A is XS2115190378.

Legal Information

The Issuer

The Issuer is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands on May 12, 2017 and is registered with the Dutch trade register under registration number 68751044. Its registered office is located at Overschiestraat 61F, 1062XD, Amsterdam, The Netherlands. The Issuer is a wholly owned subsidiary of the Parent. As of the Issue Date, the Issuer had a share capital of €100.

The Issuer has obtained all necessary consents, approvals and authorizations in the jurisdiction of its incorporation in connection with the issuance of the Notes. The creation and issuance of the Notes was authorized by the Issuer's Board on January 30, 2020.

The Guarantors

The following table lists the Guarantors, along with their date of incorporation or formation, address of registered office and company, business or register number.

Name	Date of Incorporation, Amalgamation or Formation	Address of Registered Office	Company/ Business/ Register number
Q-Park Holding B.V.	May 22, 2017	Overschiestraat 61F, 1062XD, Amsterdam, The Netherlands	68805934
Q Park B.V.	October 6, 1994	Stationsplein 8E, 6221BT Maastricht, the Netherlands	27159273
Q-Park Real Estate Holding B.V.	August 19, 2008	Stationsplein 8E, 6221BT Maastricht, the Netherlands	14105267
Q-Park Operations Holding B.V.	May 17, 2006	Stationsplein 8E, 6221BT Maastricht, the Netherlands	14089641
Q-Park Operations Netherlands B.V.	December 31, 1997	Stationsplein 12E, 6221BT Maastricht, the Netherlands	27169616
Q-Park Real Estate Netherlands B.V.	September 27, 2013	Stationsplein 8E, 6221BT Maastricht, the Netherlands	58865209
Q-Park Duitsland B.V.	November 3, 1998	Stationsplein 8E, 6221BT Maastricht, the Netherlands	14060055
Q-Park France SAS	November 26, 1997	1 rue Jacques-Henri Lartigue, 92 130 Issy-les-Moulineaux	378888234 (RCS Nanterre)
Q-Park France Holding SAS	January 3, 2003	1 rue Jacques-Henri Lartigue, 92 130 Issy-les-Moulineaux	443275904 (RCS Nanterre)
Q-Park Real Estate Germany GmbH	September 22, 2015	Marktplatz 5-7, 41516 Grevenbroich, Germany	HRB 17168 (commercial register of the local court of Mönchengladbach)

Name	Date of Incorporation, Amalgamation or Formation	Address of Registered Office	Company/ Business/ Register number
Q-Park Operations Germany GmbH & Co. KG	September 2, 1965 (under the former name Parking Gesellschaft mit beschränkter Haftung & Co Kommanditgesellschaft)	Marktplatz 5-7, 41516 Grevenbroich, Germany	HRA 7485 (commercial register of the local court of Mönchengladbach)
Q-Park Limited	May 10, 1983	72 Merrion Street, Leeds, West Yorkshire, LS2 8LW	01721817
Universal Parking Limited	March 19, 2001	72 Merrion Street, Leeds, West Yorkshire, LS2 8LW	04181937
Q-Park UK Limited	March 19, 2001	72 Merrion Street, Leeds, West Yorkshire, LS2 8LW	04181928
Q-Park (Taunton) Limited	November 18, 2003	72 Merrion Street, Leeds, West Yorkshire, LS2 8LW	04968045
Q-Park Securities Limited	August 13, 2002	72 Merrion Street, Leeds, West Yorkshire, LS2 8LW	04510392

Each Guarantor has obtained all necessary consents, approvals and authorizations in the jurisdiction of its incorporation or organization in connection with the issuance and performance of its respective Guarantee.

Persons Responsible

The Issuer accepts responsibility for the information contained in this Offering Memorandum. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Offering Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. This Offering Memorandum may only be used for the purposes for which it has been published.

Absence of Significant Changes

There has been no material adverse change to: (a) the Issuer; or (b) the Issuer's group structure; or (c) the Issuer's business or accounting policies; or (d) the financial or trading position of the Issuer, since September 30, 2019.

Absence of Litigation

Except as otherwise disclosed in this Offering Memorandum, we are not involved (and have not been involved in the twelve months preceding the date of this Offering Memorandum) in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which we are aware) that may have or have had in the recent past, significant effects on our financial position or profitability.

Periodic Reporting Under the Exchange Act

The Issuer is currently not subject to the periodic reporting and other information requirements of the U.S. Exchange Act.

SUPPLEMENTAL UNDERLYING FINANCIAL INFORMATION

Underlying Total Capex

The following table provides a reconciliation of cash flow from investment activities to Underlying Total Capex.

	Year ended December 31			Nine months ended September 30		Twelve months ended September 30
(€ in millions)	**2016**	**2017**	**2018**	**2018**	**2019**	**2019**
Cash flow from investment activities	**74.5**	**1,850.0**	**109.0**	**83.5**	**(361.9)**	**(336.4)**
Acquisition	–	(1,822.3)	–	–	–	–
Underlying 2017 Pre-Acquisition Results Adjustment	–	76.5	–	–	–	–
Divestments	1.2	0.6	1.1	0.5	480.4	481.0
Underlying SeNoFi Adjustment	(6.2)	(6.4)	(3.6)	(2.1)	(0.9)	(2.4)
Underlying Total Capex	**69.5**	**98.5**	**106.5**	**81.9**	**117.6**	**142.2**

Underlying Operating Expenses

The following table provides a reconciliation of Certain Operating Expenses to Underlying Operating Expenses.

	Year ended December 31			Nine months ended September 30		Twelve months ended September 30
(€ in millions)	**2016**	**2017**	**2018**	**2018**	**2019**	**2019**
Certain Operating Expenses[(a)]	**192.4**	**50.6**	**189.7**	**142.4**	**128.7**	**176.0**
Underlying 2017 Pre-Acquisition Results Adjustment	–	143.7	–	–	–	–
Underlying SeNoFi Adjustment	(41.2)	(42.0)	(39.9)	(29.8)	(13.8)	(23.9)
Underlying Non-Operating and Non-Recurring Adjustments	1.1	(1.1)	(0.5)	0.5	(0.7)	(1.7)
Underlying Constant Exchange Rate Adjustments	(3.5)	(0.9)	(0.8)	(0.7)	(0.7)	(0.8)
Reclassification of Certain Capitalized Personnel Expenses and Certain General Expenses to Certain Operating Expenses	–	5.9	6.4	4.6	–	1.8
Underlying Operating Expenses	**148.6**	**156.0**	**155.0**	**117.0**	**113.6**	**151.6**

(a) Certain Operating Expenses consist of expenses incurred with respect to the operation of our facilities including maintenance expenses, utilities, personnel required to operate our facilities, property taxes, money management fees such as credit card charges, ICT, parking management systems and other costs directly related to operating parking facilities, as derived from management accounts.

Underlying Lease Expenses

The following table provides a reconciliation of Certain Lease Expenses to Underlying Lease Expenses.

	Year ended December 31			Nine months ended September 30		Twelve months ended September 30
(€ in millions)	**2016**	**2017**	**2018**	**2018**	**2019**	**2019**
Certain Lease Expenses[(a)]	**371.2**	**83.4**	**334.7**	**246.5**	**192.0**	**280.2**
Underlying 2017 Pre-Acquisition Results Adjustment	–	287.1	–	–	–	–
Underlying SeNoFi Adjustment	(133.1)	(138.6)	(140.1)	(103.5)	(48.2)	(84.8)
Underlying Non-Operating and Non-Recurring Adjustments	0.6	–	–	–	(1.7)	(1.7)
Underlying Constant Exchange Rate Adjustments	(5.1)	(1.6)	(1.1)	(0.8)	(1.0)	(1.3)
Underlying UK Sale and Leaseback Adjustment	7.7	7.7	7.7	5.7	5.7	7.7
Underlying Financial Lease Adjustment	–	14.2	58.4	43.8	45.1	59.7
Underlying Lease Expenses	**241.3**	**252.3**	**259.5**	**191.7**	**191.9**	**259.8**

(a) Certain Operating Expenses consist of expenses incurred with respect to the operation of our facilities including maintenance expenses, utilities, personnel required to operate our facilities, property taxes, money management fees such as credit card charges, ICT, parking management systems and other costs directly related to operating parking facilities, as derived from management accounts.

Underlying General Expenses

The following table provides a reconciliation of Certain General Expenses to Underlying General Expenses.

	Year ended December 31			Nine months ended September 30		Twelve months ended September 30
(€ in millions)	**2016**	**2017**	**2018**	**2018**	**2019**	**2019**
Certain General Expenses[(a)]	**67.8**	**21.3**	**77.0**	**56.8**	**44.4**	**64.6**
Underlying 2017 Pre-Acquisition Results Adjustment	–	50.7	–	–	–	–
Underlying SeNoFi Adjustment	(13.5)	(13.8)	(14.0)	(10.5)	(5.0)	(8.5)
Underlying Non-Operating and Non-Recurring Adjustments	(5.9)	(7.6)	(15.7)	(10.8)	(9.3)	(14.2)
Underlying Constant Exchange Rate Adjustments	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Reclassification of Certain General Expenses to Certain Operating Expenses	–	(5.9)	(6.5)	(4.8)	–	(1.7)
Underlying General Expenses	**48.0**	**44.4**	**40.7**	**30.5**	**29.9**	**40.0**

(a) Certain General Expenses consist of central and local overhead costs, including wages and salaries for centralized personnel, office lease expenses, ICT costs, advisory and consultancy costs, and travel costs as derived from management accounts.

Underlying Capitalized Personnel Expenses

The following table provides a reconciliation of Certain Capitalized Personnel Expenses to Underlying Capitalized Personnel Expenses.

	Year ended December 31			Nine months ended September 30		Twelve months ended September 30
(€ in millions)	**2016**	**2017**	**2018**	**2018**	**2019**	**2019**
Certain Capitalized Personnel Expenses[(a)]	**1.4**	**0.7**	**1.4**	**0.9**	**1.3**	**1.8**
Underlying 2017 Pre-Acquisition Results Adjustment	–	0.6	–	–	–	–
Underlying Constant Exchange Rate Adjustments	(0.1)	–	–	–	–	–
Reclassification of Certain Capitalized Personnel Expenses to Certain Operating Expenses	–	–	(0.2)	(0.2)	–	–
Underlying Capitalized Personnel Expenses	**1.3**	**1.3**	**1.2**	**0.7**	**1.3**	**1.8**

(a) Certain Capitalized Personnel Expenses consist of personnel costs related to large capital projects, including construction, development and refurbishment of parking facilities, as well as costs relating to our acquisition personnel who acquire new facilities and/or contracts, and capitalized costs in connection with building, developing or expanding facilities as derived from management accounts.

Underlying Short-term Parking Revenues

The following table provides a reconciliation of Short-term Parking revenues to Underlying Short-term Parking Revenues.

	Year ended December 31			Nine months ended September 30		Twelve months ended September 30
(€ in millions)	**2016**	**2017**	**2018**	**2018**	**2019**	**2019**
Short-term Parking revenues	**558.5**	**159.3**	**593.6**	**430.1**	**381.7**	**545.2**
Underlying 2017 Pre-Acquisition Results Adjustment	–	419.4	–	–	–	–
Underlying SeNoFi Adjustment	(115.1)	(120.3)	(118.2)	(85.5)	(38.8)	(70.5)
Underlying Non-Operating and Non-Recurring Adjustments	1.2	0.8	–	–	–	–
Underlying Constant Exchange Rate Adjustments	(8.7)	(2.5)	(2.0)	(1.5)	(1.9)	(2.4)
Underlying Short-Term Parking Revenues	**435.8**	**456.5**	**473.5**	**342.2**	**341.0**	**472.3**

Underlying Long-term Parking Revenues

The following table provides a reconciliation of Long-term Parking revenues to Underlying Long-term Parking Revenues.

(€ in millions)	Year ended December 31 2016	2017	2018	Nine months ended September 30 2018	2019	Twelve months ended September 30 2019
Long-term Parking revenues	**173.3**	**46.6**	**194.3**	**144.3**	**124.9**	**174.8**
Underlying 2017 Pre-Acquisition Results Adjustment	–	137.2	–	–	–	–
Underlying SeNoFi Adjustment	(62.2)	(64.6)	(67.8)	(50.3)	(23.9)	(41.4)
Underlying Non-Operating and Non-Recurring Adjustments	(0.3)	(0.2)	–	–	–	–
Underlying Constant Exchange Rate Adjustments	(1.6)	(0.5)	(0.3)	(0.3)	(0.4)	(0.4)
Underlying Long-Term Parking Revenues	**109.2**	**118.6**	**126.1**	**93.8**	**100.7**	**133.0**

Underlying Rental Income

The following table provides a reconciliation of Rental income to Underlying Rental Income.

(€ in millions)	Year ended December 31 2016	2017	2018	Nine months ended September 30 2018	2019	Twelve months ended September 30 2019
Rental income	**13.4**	**3.0**	**12.6**	**9.4**	**9.8**	**13.0**
Underlying 2017 Pre-Acquisition Results Adjustment	–	10.6	–	–	–	–
Underlying SeNoFi Adjustment	(0.4)	(0.7)	(0.7)	(0.5)	(0.2)	(0.4)
Underlying Non-Operating and Non-Recurring Adjustments	–	0.2	–	–	–	–
Underlying Constant Exchange Rate Adjustments	(0.4)	(0.1)	(0.1)	(0.0)	(0.1)	(0.1)
Underlying Rental Income	**12.5**	**12.9**	**11.9**	**8.9**	**9.5**	**12.4**

Underlying Management and Consultancy Fees

The following table provides a reconciliation of Management and consultancy fees to Underlying Management and Consultancy Fees.

(€ in millions)	Year ended December 31 2016	2017	2018	Nine months ended September 30 2018	2019	Twelve months ended September 30 2019
Management and consultancy fees	**21.7**	**4.5**	**17.2**	**12.9**	**10.8**	**15.1**
Underlying 2017 Pre-Acquisition Results Adjustment	–	13.2	–	–	–	–
Underlying SeNoFi Adjustment	(6.9)	(6.9)	(6.9)	(5.1)	(2.1)	(3.9)
Underlying Non-Operating and Non-Recurring Adjustments	–	–	–	–	–	–
Underlying Constant Exchange Rate Adjustments	(0.3)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Underlying Management and Consultancy Fees	**14.5**	**10.7**	**10.3**	**7.8**	**8.6**	**11.2**

Underlying Control Fees

The following table provides a reconciliation of Control fees to Underlying Control Fees.

(€ in millions)	Year ended December 31			Nine months ended September 30		Twelve months ended September 30
	2016	2017	2018	2018	2019	2019
Control fees	**38.8**	**10.3**	**42.5**	**30.6**	**20.4**	**32.3**
Underlying 2017 Pre-Acquisition Results Adjustment	–	29.1	–	–	–	–
Underlying SeNoFi Adjustment	(27.1)	(26.6)	(28.0)	(20.1)	(9.8)	(17.7)
Underlying Non-Operating and Non-Recurring Adjustments	–	–	–	–	0.7	0.7
Underlying Constant Exchange Rate Adjustments	–	–	–	–	–	–
Underlying Control Fees	**11.7**	**12.9**	**14.5**	**10.5**	**11.2**	**15.2**

Underlying Other Income

The following table provides a reconciliation of Other income to Underlying Other Income.

(€ in millions)	Year ended December 31			Nine months ended September 30		Twelve months ended September 30
	2016	2017	2018	2018	2019	2019
Other income	**19.2**	**7.8**	**17.7**	**13.5**	**11.5**	**15.6**
Underlying 2017 Pre-Acquisition Results Adjustment	–	13.3	–	–	–	–
Underlying SeNoFi Adjustment	(3.8)	(4.1)	(3.6)	(2.9)	(0.9)	(1.6)
Underlying Non-Operating and Non-Recurring Adjustments	(2.7)	(2.1)	–	–	–	–
Underlying Constant Exchange Rate Adjustments	(0.2)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)
Underlying Other Income	**12.7**	**14.7**	**14.2**	**10.5**	**10.6**	**14.5**

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CONSOLIDATED CONDENSED BALANCE SHEET AS PER 30 SEPTEMBER

(x EUR million, before result appropriation)	September 30, 2019	December 31, 2018
NON-CURRENT ASSETS		
Intangible fixed assets	1,053.5	1,326.1
Tangible fixed assets	2,881.1	2,942.9
Participating interests and prepaid expenses	7.7	8.0
Deferred tax assets	51.6	56.9
Financial instruments	–	0.4
	3,993.9	**4,334.3**
CURRENT ASSETS		
Receivables	104.0	109.1
Cash	50.7	61.6
	154.7	**170.7**
TOTAL ASSETS	**4,148.6**	**4,505.0**
Shareholders' equity	1,110.4	1,113.3
GROUP EQUITY	**1,110.4**	**1,113.3**
PROVISIONS		
Deferred tax liabilities	269.8	293.4
Other provisions	31.3	27.2
	301.1	**320.6**
NON-CURRENT LIABILITIES		
Lease obligations	1,110.5	985.9
Shareholder loan	78.9	527.9
Loans	1,239.6	1,216.8
Other long-term liabilities	53.8	48.6
	2,482.8	**2,779.2**
CURRENT LIABILITIES		
Trade payables	31.2	54.7
Debt credit institutions	1.7	3.4
Lease obligations	64.4	58.0
Taxes and social insurance contributions	43.4	37.6
Other liabilities, accruals and deferred income	113.6	138.2
	254.4	**291.9**
TOTAL EQUITY AND LIABILITIES	**4,148.6**	**4,505.0**

CONSOLIDATED CONDENSED INCOME STATEMENT

(x EUR million)	September 2019	September 2018
Net revenue	**558.9**	**640.9**
Other operating income	**70.4**	**0.1**
Lease expenses	-192.0	-246.5
Operating expenses parking facilities	-75.6	-82.9
Wages and salaries	-63.1	-74.1
Social security premiums	-10.7	-13.0
Pensions	-3.0	-4.3
Depreciation and amortisation	-190.1	-157.6
Other operating expenses	-19.2	-24.3
Total operating expenses	**-553.6**	**-602.6**
Operating result	**75.7**	**38.3**
Financial result	-76.2	-80.1
Result before taxes	**-0.5**	**-41.8**
Taxes	0.5	-3.5
NET RESULT	**-0.1**	**-45.4**

CONSOLIDATED STATEMENT OF CASH FLOWS

(x EUR million)	September 2019	September 2018
Cash flow from operating activities		
Operating result	75.7	38.3
Adjustment for:		
Other operating income	-70.4	-0.1
Capitalised costs	-1.5	-0.9
Depreciation and amortisation	190.1	157.6
Taxes paid	-10.7	-5.1
Movements in working capital	-28.6	-26.5
	154.6	**163.4**
Cash flow from investment activities		
Investments in existing facilities	-41.4	-24.2
Expansion investments	-77.1	-59.8
Divestments	480.4	0.5
	361.9	**-83.5**
Cash flow from financing activities		
New loans	17.5	35.0
Repayments on loans	-1.6	-4.1
Repayment on shareholder loans	-449.1	–
Cash dividends paid	–	-70.5
Capitalised transaction costs refinancing	–	-1.4
Interest paid on bank loans	-25.1	-22.0
Interest paid on shareholder loan	-13.1	-14.5
Interest component financial lease payments	-27.5	-27.1
Redemption component financial lease payments	-17.6	-16.7
	-516.5	**-121.2**
Movement in cash and cash equivalents	**–**	**-41.3**
Cash balance as per 1 January	61.6	98.2
Cash from acquisitions	-9.1	–
Movement in cash and cash equivalents financial year	–	-41.3
Foreign exchange differences	-1.8	-2.1
Cash balance as per 30 September	**50.7**	**54.8**

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

1 General information

Activities

The company is a limited private company under Dutch law which was founded on 22 May 2017 with registered office and principal place of business in Amsterdam (Overschiestraat 61). The company is filed with the Trade Register at the Chamber of Commerce under number 68805934.

The activities of Q-Park Holding B.V. and its Group companies primarily consist of providing off-street and on-street parking services at strategic locations.

Neither the company's shares nor liabilities are listed on any stock exchange.

All amounts are in EUR millions unless stated otherwise. Q-Park Holding B.V.'s consolidated condensed interim financial statements have been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code.

Group structure

Q-Park Holding B.V. in Amsterdam is the head of the Group of legal entities included in the consolidation. The Company's direct shareholder is Byzantium Acquisition MidCo 1 B.V. registered at the Chamber of Commerce under number 68802641. The ultimate shareholders of the Company are a consortium consisting of investment funds advised by Kohlberg Kravis Roberts & Co. LP (London, United Kingdom), Eureizen (Paris, France), PensionDanmark Pensionsforsikringsaktieselskab (Copenhagen, Denmark), Euro-Parking Investments S.a.r.l. (Luxembourg, Grand Duchy of Luxembourg) and Babylon Investments B.V. (Amsterdam, The Netherlands).

2 Significant accounting policies

General

The consolidated condensed interim financial statements are presented in euros. The euro is the presentation currency as well as the functional currency of Q-Park Holding B.V. Each entity within the Group recognises transactions and balance sheet items in its own functional currency.

Consolidation

Financial information relating to Group companies and other legal entities controlled by Q-Park Holding B.V. or where central management is conducted has been consolidated in the condensed financial statements of Q-Park Holding B.V. The consolidated condensed financial statements have been prepared in accordance with the accounting principles of Q-Park Holding B.V.

Financial information relating to the Group companies and the other legal entities and companies included in the consolidation is fully included in the consolidated condensed financial statements, eliminating the intercompany relationships and transactions.

The results of newly acquired Group companies and the other legal entities and companies included in the consolidation are consolidated as from the acquisition date. On that date the assets and liabilities acquired are measured at fair value. If the acquisition price exceeds the fair value of the acquired assets and liabilities, this is goodwill which is capitalised and amortised over the expected useful life.

Foreign currencies

Receivables, liabilities, and cash and cash equivalents in foreign currency are converted at the prevailing exchange rates as per balance sheet date. Foreign exchange rate differences arising are incorporated in the consolidated condensed income statement.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

2 Significant accounting policies (continued)

The income statements from the Group companies registered abroad are converted at the average exchange rate for the period of the consolidated condensed income statement. The net result from these Group companies is converted at the exchange rate prevailing at balance sheet date. The difference between these two conversions is accounted for in the shareholders' equity (statutory exchange rate differences reserve).

Assets and liabilities of a Group company incorporated abroad are converted at the foreign exchange rates prevailing at the balance sheet date for the purposes of consolidation. Foreign exchange rate differences that arise are directly deducted from or added to, after deduction of deferred tax effects, the Group equity and recognised in the statutory exchange rate differences reserve. Likewise, this also applies to the translation differences on loans that form part of the net investment in the foreign operations.

Overview of the exchange rates used for drawing up the interim condensed financial statements:

	September 30, 2019		December 31, 2018		September 30, 2018	
	Average	End	Average	End	Average	End
British pound (GBP)	1.1327	1.1290	1.1306	1.1179	1.1315	1.1270
Danish crown (DKK)	0.1340	0.1339	0.1342	0.1339	0.1342	0.1341
Swedish crown (SEK)	0.0943	0.0940	0.0975	0.0975	0.0977	0.0970
Norwegian crown (NOK)	0.1026	0.1021	0.1042	0.1005	0.1043	0.1056

Estimates in the condensed interim financial statements

When applying the Group's accounting policies, it is necessary to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The most important of these estimates are explained as follows.

At balance sheet date Q-Park Holding B.V. determines whether there are any indicators that goodwill is impaired. Additionally, the assessment is made for its other intangible fixed assets as well as tangible fixed assets.

There is some uncertainty regarding the explanation of complex tax regulations and the tax effects of the acquisition and financing structure of Q-Park. Considering the wide range of international business relationships and the long-running and complex nature of existing contractual agreements, differences may arise between the assumptions made and the actual results, or future changes in such assumptions may influence the actual results.

Deferred tax assets related to unused tax losses are recognised insofar as it is probable that profit for tax purposes will be available to which this can be offset. In order to determine the value of the deferred tax assets arising from tax losses not offset, a management assessment is required regarding the probable timing and level of the future taxable profits, combined with future fiscal planning strategies.

2 Significant accounting policies (continued)

Business combination

The purchase accounting method is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- net present value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets and liabilities acquired in a business combination are, with limited exceptions, measured initially at their fair values on the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis at the non-controlling interest's proportionate share in the fair value of the acquired entity's assets and liabilities. Acquisition-related costs are capitalised as part of the purchase price.

Goodwill is measured as the excess of the sum of the consideration transferred, adjusted for any non-controlling interest in the acquired entity, and the fair value of the net identifiable assets acquired and the liabilities assumed. Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. A contingent consideration is classified either as equity or a financial liability.

Intangible fixed assets

Intangible fixed assets are presented at cost less accumulated amortisation and, if applicable, less impairments in value. Amortisation is charged as a fixed percentage of cost, as specified in more detail in the notes to the balance sheet. The expected useful life and the amortisation method are reassessed at the end of each financial year.

Goodwill

Goodwill on acquisitions is capitalised and amortised on a straight line basis over a period of 20 years. This period is derived from the long-term business profile and cash flows from the underlying assets (owned and leased parking facilities).

Concessions

The concessions relate to all French parking facilities involving a (finite) concession for the use of the ground and facility. The concessions are depreciated on a straight line basis over the duration of the underlying concession contracts with an assumed residual value of nil.

Other intangible fixed assets

The other intangible fixed assets consist of the corporate trade name and other intangible fixed assets (mainly software). The corporate trade name is capitalised as part of business combinations at fair value on acquisition date.

2 Significant accounting policies (continued)

The other intangible fixed assets are amortised on a straight line basis over the expected useful economic life with an assumed residual value of nil. The following table shows an indication of the useful life per asset category:

Categories	Percentage
Trade name	5%
Software and other	20%

Tangible fixed assets

Tangible fixed assets are stated at the cost price less accumulated depreciation and, if applicable, less impairments in value. Depreciation of tangible fixed assets is based on linear depreciation over the expected period in use and taking the expected residual value into account. Depreciation commences on the date an asset comes into use. The following table shows an indication of the assessed useful economic life and depreciation percentages applied to the different fixed asset categories.

Categories	Percentage
Buildings	2% – 3%
Leasehold improvements	5% – 10%
Parking equipment and installations	10% – 20%
Other tangible fixed assets	10% – 20%

Tangible fixed assets are capitalised if the economic ownership is held by the company, and its Group companies, or is governed by a financial lease agreement. The qualification of a financial lease agreement is based on the contract duration, cumulative amounts of lease payments and other contract specific conditions that indicate economic ownership. The commitment arising from the financial lease agreement is accounted for as a liability. The interest included in the future lease instalments is charged to the financial result over the term of the financial lease agreement.

Periodical major maintenance is capitalised according to the components approach, with which the aggregate expenditures are allocated to the component parts.

Participating interests and prepaid expenses

Participating interests in which significant influence can be exercised are valued based on the equity method by applying the Q-Park Holding B.V. valuation and accounting policies. It is presumed that significant influence can be exercised when Q-Park Holding B.V. has 20% or more of the voting rights in the General Meeting of Shareholders.

If the valuation according to the equity method of a participating interest comes out negative, this is valued at zero. A provision is recognised if and insofar as, in this situation, Q-Park Holding B.V. is fully or partially liable for the debts of the participating interest or has the firm intention to guarantee its participating interest's liabilities. The first valuation of acquired participating interests is based on the fair value of the identifiable assets and liabilities at the moment of acquisition.

Participating interests in which no significant influence can be exercised are classified as financial instrument and stated at fair value.

The prepaid expenses are valued at amortised cost.

2 Significant accounting policies (continued)

Deferred tax assets

Deferred tax assets with respect to tax-deductible losses and temporary valuation differences are recognised and are valued at the tax rates expected to apply in the future years. Deferred tax assets are only recognised if and to the extent that sufficient fiscal benefit is expected as compensation or if sufficient deferred tax liabilities arising from temporary taxable differences are available.

Deferred tax assets and liabilities will be offset against each other if these fall within a tax group for corporate tax and as far as the periods in which settlement is expected coincide.

Receivables

On initial recognition, receivables are valued at fair value and then valued at amortised cost. The fair value and amortised cost equal the face value. Provisions deemed necessary for possible bad debt losses are deducted. These provisions are determined by individual assessment of the receivables.

Cash

Cash is valued at face value. If cash is not freely disposable, then this has been taken into account on valuation.

Provisions

Provisions are made if Q-Park Holding B.V. has a present obligation (contractual or actual) resulting from a past event. A provision is only recognised insofar as a reliable estimate of the liability can be made and it is probable that such a liability will have to be paid. However, the exact size and timing of the outgoing cash flow is uncertain. The expenses associated with a provision are recognised in the income statement. If the effect of the time value of money is significant, the provisions will be discounted at the market rate of high-quality corporate bonds as at balance sheet date.

Onerous contracts

A provision for onerous contracts is recognised for contracts in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs reflect the least net costs of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. As the time value of money is material to the provision it is discounted at the market rate of high-quality corporate bonds.

Deferred tax liabilities

The deferred tax liabilities with respect to temporary differences between the tax base and commercial valuation of assets and liabilities are stated at nominal value and based on the tax rates against which these differences are expected to be settled in the future.

Pensions

In relation to pension benefits the Group makes use of the provision to (integrally) apply the IFRS standards on pension benefits. Within the Group there are a variety of pension schemes in

2 Significant accounting policies (continued)

accordance with the conditions and practices prevailing in the countries in which the Group operates. The schemes qualify as defined contribution plans under which contributions are paid into pension funds or to insurance companies on a contractual basis. Except for paying these contributions, the Group has no other obligations to pay further contributions by virtue of these plans.

Premium liabilities are charged to the result at the moment the liability arises and no provisions are made for future increases of pension premiums.

Non-current liabilities

Lease obligations

Long-term liabilities arising from financial lease contracts are stated in the balance sheet at the discounted value, only insofar as they are fixed, irreversible liabilities. This discounted value is determined based on the incremental borrowing rate for these liabilities. The interest expenses related to these liabilities are recognised in the income statement.

Loans

On initial recognition, loans are stated at fair value and then valued at amortised cost. The costs of concluding loans, prepaid interest charges and financing charges are deducted from the loan and are charged to the result according to the effective interest method over the duration of the loans. The effective interest method is a method of calculating the amortised costs of a debt instrument and allocating the interest income over the relevant period. Repayments within a year after balance sheet date are presented as a separate item as part of the current liabilities.

Financial instruments

Q-Park Holding B.V. uses derivative financial instruments (derivatives) such as interest rate swaps (IRS) and interest rate caps (IRC) to hedge against the risk of changing interest rates.

Financial derivatives are initially recognised in the balance sheet at fair value and are valued at their fair value at every subsequent balance sheet date. Hedges relate to the risk of possible variability of cash flows attributable to a recognised asset, or obligation, or an expected transaction, or the currency risk of an off-balance obligation for which a contract has been undertaken. Movements in the fair value of financial instruments are recognised in the condensed income statement as part of the line item ‘financial result’.

Current liabilities

On initial recognition, current liabilities are stated at fair value and then valued at amortised cost (which is usually in line with the nominal amount).

Determining the result

Costs are determined in accordance with the accounting policies defined and are allocated to the appropriate reporting period. Profits are reported in the period in which the services are provided. Losses are recognised in the period in which they are known.

2 Significant accounting policies (continued)

Revenue recognition

Net revenue represents amounts invoiced for services provided during the financial period, net of discounts and value added taxes. The costs of providing these services are allocated to the same period. The revenue recognised consists of:

- Parking revenues: parking revenues (short-stay parking and season tickets) from parking facilities operated by the Group.
- Control fees: income arising from enforcement of paid parking (parking fines) on or in parking facilities owned by the Group and/or by third parties.
- Management and consultancy fees: concerns the fixed and variable allowance for operating parking facilities for third parties.
- Rental income: rental income from parking facilities owned by the Group but operated by third parties, as well as income from renting specific areas in parking facilities to third parties.
- Other income: concerns all other income not included in the categories above.

Financial result

The financial result consists of both the financial expenses as well as the financial income. Interest costs on loans and interest rate derivatives, as well as amortised refinancing costs are accounted for under financial expenses.

Interest income on outstanding cash and cash equivalents is accounted for under financial income.

Taxes

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period including changes regarding taxes to be paid in respect of previous years.

Condensed cash flow statement

The condensed cash flow statement has been prepared using the indirect method.

The funds in the condensed cash flow statement consist of cash and cash equivalents. Cash equivalents can be considered to be highly liquid investments.

Cash flows in foreign currencies are translated at an estimated average rate. Exchange rate differences concerning finances are shown separately in the condensed cash flow statement.

Corporate income taxes, interest received and dividends received are presented under the cash flow from operating activities. Interest paid and dividends paid are presented under the cash flow from financing activities.

The cost of Group companies acquired is presented under the cash flow from investment activities, as far as payment has been made with cash and cash equivalents. The cash and cash equivalents of Group companies acquired is presented separately in the reconciliation of the net cash flow and in the balance sheet movement of the cash position.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

2 Significant accounting policies (continued)

Issuance of share capital is presented under the cash flow from financing activities.

Transactions that do not result in exchange of cash and cash equivalents, such as financial lease, are not presented in the cash flow statement. Lease instalment payments for financial lease contracts are presented as debt redemption for the redemption component and as interest paid for the interest component.

3 Significant developments

Equity movement schedule

The following table shows the equity movements within the reporting period:

(x EUR million)		2019
Balance as per 1 January		1,113.3
Consolidated net result for the reporting period	-0.1	
Direct equity movements:		
Foreign exchange differences on foreign investments	-2.8	
Total result of the Group		-2.9
Balance as per 31 December		**1,110.4**

Acquisition of P1 Parking

On 17 September 2019, the Group acquired 100% of the shares in Pink and Nelson B.V. (P1 Parking), via its subsidiary Q-Park Operations Netherlands B.V.

The estimated fair value of the identifiable assets and liabilities on the acquisition date was as follows:

(x EUR million)			
NON-CURRENT ASSETS		**TOTAL EQUITY**	**8.2**
Intangible fixed assets	2.1		
Tangible fixed assets	3.2	**NON-CURRENT LIABILITIES**	
Participating interests and prepaid expenses	–	Provisions	0.2
CURRENT ASSETS		**CURRENT LIABILITIES**	
Receivables	2.7	Liabilities	4.9
Cash and cash equivalents	5.3		
TOTAL ASSETS	**13.3**	**TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES**	**13.3**

The acquisition price of the shares in Pink and Nelson B.V. (including acquisition costs) amounted to EUR 64.6 million (in cash only). The acquisition in Q-Park is accounted for based on the 'purchase accounting' method. As a result of the timing of the acquisition and the reporting date the initial recognition of the acquisition is provisional in relation to the final measurement of the identifiable assets and liabilities acquired. The preliminary amount of goodwill resulting from the transaction amounts to EUR 56.4 million. The goodwill depreciation term is set at 13.5 years and derived from the average contract duration of the acquired (leased) parking facilities.

Disposal of the Nordics (Sweden, Norway and Finland)

On 30 April 2019 the Group disposed its Nordic activities in Sweden, Norway and Finland by sale of it's intermediate holding company Q-Park Operations B.V. The sale of the Nordic activities resulted in a gain of EUR 68.9 million.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

3 Significant developments (continued)

The part of the Goodwill allocated to this Nordic business and disposed as part of the transaction amounted to EUR 272.3 million.

Sale & Lease back of UK real Estate

During the reporting period we engaged in several sale and leaseback transactions for 11 properties in the UK. The leases entered into meet the criteria to be accounted for as financial lease contracts. As such the gain realised on the transaction is deferred over the duration of the lease contracts. This deferred gain is recorded within the tangible fixed assets and as such reduces the book value of the financial leased asset. This deferred gain will be released over the duration of the lease and the effect in the P&L will be included as part of depreciation expenses. The deferred gain recognized upon completion of the transaction amounts to EUR 22.1 million.

The sale and leaseback transaction resulted in an additional financial lease obligation of EUR 122.0 million as per 30 September 2019.

4 Subsequent events

Following the sale and leaseback transactions in the reporting period we have entered into sale and leaseback transactions for the remaining 3 properties in the United Kingdom (UK) in October 2019. With these transactions the UK sale and leaseback process is completed.

In December 2019 the company increased its total debt with EUR 250.0 million by increasing the existing term loan with an additional tranch. This additional tranch has a duration of 5 years and the applicable covenants are equal to the original term loan agreement.

In November 2019 and in January 2020, the Company paid distributions from share premium to its shareholders of respectively EUR 25.3 million and EUR 210.0 million. These distributions are not reflected in the consolidated condensed interim financial statements and are treated as subsequent events.

CONTENTS

DIRECTORS' REPORT

The Directors' Report is not included in these annual accounts. Such report is incorporated by reference in this Offering Memorandum, is available for review and can be obtained from the Chamber of Commerce in The Netherlands.

CONSOLIDATED BALANCE SHEET AS PER 31 DECEMBER

(x EUR million, before result appropriation)	Notes	December 31, 2018	December 31, 2017[1]
NON-CURRENT ASSETS			
Intangible fixed assets	3	1,326.1	1,400.8
Tangible fixed assets	4	2,942.9	2,956.4
Participating interests and prepaid expenses	5	8.0	4.2
Deferred tax assets	16	56.9	49.2
Financial instruments	19	0.4	2.6
		4,334.3	**4,413.2**
CURRENT ASSETS			
Receivables	6	109.1	118.9
Cash	7	61.6	98.2
		170.7	**217.1**
TOTAL ASSETS		**4,505.0**	**4,630.3**
Shareholders' equity	8	1,113.3	1,210.5
GROUP EQUITY		**1,113.3**	**1,210.5**
PROVISIONS			
Deferred tax liabilities	16	293.4	350.6
Other provisions	9	27.2	34.2
		320.6	**384.8**
NON-CURRENT LIABILITIES			
Lease obligations	10	985.9	976.1
Shareholder loan	10	527.9	527.9
Loans	10	1,216.8	1,168.6
Other long-term liabilities	10	48.6	53.8
		2,779.2	**2,726.4**
CURRENT LIABILITIES			
Trade payables		54.7	66.1
Debt credit institutions	10	3.4	5.1
Lease obligations	10	58.0	56.4
Taxes and social insurance contributions		37.6	34.4
Other liabilities, accruals and deferred income	11	138.2	146.6
		291.9	**308.6**
TOTAL EQUITY AND LIABILITIES		**4,505.0**	**4,630.3**

1 The comparative figures have been restated. Further reference is made to note 3 'Intangible fixed assets'.

CONSOLIDATED INCOME STATEMENT

(x EUR million)	Notes	2018	2017[1]
Net revenue	14	**877.9**	**231.6**
Lease expenses		-334.7	-83.4
Operating expenses parking facilities		-110.1	-30.0
Wages and salaries		-98.8	-25.6
Social security premiums		-17.7	-4.8
Pensions		-5.5	-1.1
Depreciation and amortisation		-207.9	-56.1
Other operating expenses		-33.6	-9.8
Total operating expenses		**-808.3**	**-210.8**
Operating result		**69.6**	**20.8**
Financial result	15	-108.9	-34.6
Result before taxes		**-39.3**	**-13.8**
Taxes	16	37.3	-6.6
NET RESULT		**-2.0**	**-20.4**

1 As Q-Park Holding B.V. was founded on 22 May 2017, the financial year also commenced on 22 May 2017.

CONSOLIDATED STATEMENT OF CASH FLOWS

(x EUR million)	Notes	2018	2017[1]
Cash flow from operating activities			
Operating result		69.6	20.8
Adjustment for:			
Capitalised costs		-1.4	-0.6
Depreciation and amortisation		207.9	56.1
Taxes paid		-15.2	-2.9
Movements in working capital		-11.6	37.2
		249.3	**110.6**
Cash flow from investment activities			
Acquisition of Q-Park Group		–	-1,822.3
Investments in existing facilities		-43.1	-19.9
Expansion investments		-67.0	-8.4
Divestments		1.1	0.6
		-109.0	**-1,850.0**
Cash flow from financing activities			
Capital contribution from shareholder	8	–	1,236.9
New loans	10	47.5	835.8
Repayments on loans	10	-5.1	-225.6
Cash dividends paid	8	-85.8	–
Settled derivatives	19	–	-10.3
Capitalised transaction costs refinancing		-1.4	-28.1
Interest paid on bank loans		-30.6	-10.2
Interest paid on shareholder loan		-39.2	–
Interest component financial lease payments	15	-36.2	-8.9
Redemption component financial lease payments	15	-22.1	-5.3
Other movements		-2.1	–
		-175.0	**1,784.3**
Movement in cash and cash equivalents		**-34.7**	**44.9**
Cash balance as per 1 January		98.2	–
Cash from acquisitions		–	52.3
Movement in cash and cash equivalents financial year		-34.7	44.9
Foreign exchange differences		-1.9	1.0
Cash balance as per 31 December	8	**61.6**	**98.2**

1 As Q-Park Holding B.V. was founded on 22 May 2017, the financial year also commenced on 22 May 2017.

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS

1 General information

Activities

In 2018 the company was renamed from Byzantium Acquisition MidCo 2 B.V. to Q-Park Holding B.V. The company is a limited private company under Dutch law which was founded on 22 May 2017 with registered office and principal place of business in Amsterdam (Overschiestraat 61). The company is filed with the Trade Register at the Chamber of Commerce under number 68805934.

The activities of Q-Park Holding B.V. and its Group companies primarily consist of providing off-street and on-street parking services at strategic locations.

Neither the company's shares nor liabilities are listed on any stock exchange.

The consolidated annual accounts are drawn up by the Executive Board for the year 2018 and approved for publication on 25 April 2019.

All amounts are in EUR millions unless stated otherwise. Q-Park Holding B.V.'s consolidated annual accounts have been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code. By virtue of Title 9, Book 2, Article 402, Dutch Civil Code the company annual accounts contain an abridged profit and loss account.

Group structure

Q-Park Holding B.V. in Amsterdam is the head of the Group of legal entities included in the consolidation. The Company's direct shareholder is Byzantium Acquisition MidCo 1 B.V. registered at the Chamber of Commerce under number 68802641. The ultimate shareholders of the Company are a consortium consisting of investment funds advised by Kohlberg Kravis Roberts & Co. LP (London, United Kingdom), Eureizen (Paris, France), PensionDanmark Pensionsforsikringsaktieselskab (Copenhagen, Denmark), Euro-Parking Investments S.a.r.l. (Luxembourg, Grand Duchy of Luxembourg) and Babylon Investments B.V. (Amsterdam, The Netherlands).

An overview of the Group companies and the company's other participating interests is set out in the note on Group companies and participating interests.

2 Significant accounting policies

General

The consolidated annual accounts and company annual accounts are presented in euros. The euro is the presentation currency as well as the functional currency of Q-Park Holding B.V. Each entity within the Group recognises transactions and balance sheet items in its own functional currency.

Consolidation

Financial information relating to Group companies and other legal entities controlled by Q-Park Holding B.V. or where central management is conducted has been consolidated in the financial statements of Q-Park Holding B.V. The consolidated financial statements have been prepared in accordance with the accounting principles of Q-Park Holding B.V. An overview of the Group companies and the company's other participating interests is set out in the note on Group companies and participating interests.

Financial information relating to the Group companies and the other legal entities and companies included in the consolidation is fully included in the consolidated financial statements, eliminating the intercompany relationships and transactions.

2 Significant accounting policies (continued)

The results of newly acquired Group companies and the other legal entities and companies included in the consolidation are consolidated as from the acquisition date. On that date the assets and liabilities acquired are measured at fair value. If the acquisition price exceeds the fair value of the acquired assets and liabilities, this is goodwill which is capitalised and amortised over the expected useful life.

Comparative figures and accounting change

Q-Park Holding B.V. was founded on 22 May 2017 and acquired 100% of the shares in Q-Park B.V. on 11 October 2017. The figures of Q-Park B.V. are included as of acquisition date and the comparative figures 2017 do therefore not comprise a full year's result. The financial year 2018 is the first year that includes a full year's result of the Q-Park Group.

Futhermore the comparative figures haven been restated as a result of an accounting change. Further reference hereon is made in note 3 'Intangible fixed assets'.

Foreign currencies

Receivables, liabilities, and cash and cash equivalents in foreign currency are converted at the prevailing exchange rates as per balance sheet date. Foreign exchange rate differences arising are incorporated in the consolidated income statement.

The income statements from the Group companies registered abroad are converted at the average exchange rate for the period of the consolidated income statement. The net result from these Group companies is converted at the exchange rate prevailing at balance sheet date. The difference between these two conversions is accounted for in the shareholders' equity (statutory exchange rate differences reserve).

Assets and liabilities of a Group company incorporated abroad are converted at the foreign exchange rates prevailing at the balance sheet date for the purposes of consolidation. Foreign exchange rate differences that arise are directly deducted from or added to, after deduction of deferred tax effects, the Group equity and recognised in the statutory exchange rate differences reserve. Likewise, this also applies to the translation differences on loans that form part of the net investment in the foreign operations.

Overview of the exchange rates used for drawing up the annual accounts:

	2018		2017	
	Average	End	Average	End
British pound (GBP)	1.1306	1.1179	1.1270	1.1271
Danish crown (DKK)	0.1342	0.1339	0.1344	0.1343
Swedish crown (SEK)	0.0975	0.0975	0.1021	0.1016
Norwegian crown (NOK)	0.1042	0.1005	0.1041	0.1016

Estimates in the annual accounts

When applying the Group's accounting policies, it is necessary to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS (CONTINUED)

2 Significant accounting policies (continued)

affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The most important of these estimates are explained as follows.

At balance sheet date Q-Park Holding B.V. determines whether there are any indicators that goodwill is impaired. Additionally, the assessment is made for its other intangible fixed assets as well as tangible fixed assets.

There is some uncertainty regarding the explanation of complex tax regulations and the tax effects of the acquisition and financing structure of Q-Park. Considering the wide range of international business relationships and the long-running and complex nature of existing contractual agreements, differences may arise between the assumptions made and the actual results, or future changes in such assumptions may influence the actual results.

Deferred tax assets related to unused tax losses are recognised insofar as it is probable that profit for tax purposes will be available to which this can be offset. In order to determine the value of the deferred tax assets arising from tax losses not offset, a management assessment is required regarding the probable timing and level of the future taxable profits, combined with future fiscal planning strategies. For further details on the tax positions, reference is made to note 17 'Taxes'.

Business combination

The purchase accounting method is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- net present value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets and liabilities acquired in a business combination are, with limited exceptions, measured initially at their fair values on the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis at the non-controlling interest's proportionate share in the fair value of the acquired entity's assets and liabilities. Acquisition-related costs are capitalised as part of the purchase price.

Goodwill is measured as the excess of the sum of the consideration transferred, adjusted for any non-controlling interest in the acquired entity, and the fair value of the net identifiable assets acquired and the liabilities assumed. Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. A contingent consideration is classified either as equity or a financial liability.

Intangible fixed assets

Intangible fixed assets are presented at cost less accumulated amortisation and, if applicable, less impairments in value. Amortisation is charged as a fixed percentage of cost, as specified in more detail in the notes to the balance sheet. The expected useful life and the amortisation method are reassessed at the end of each financial year.

2 Significant accounting policies (continued)

Goodwill

Goodwill on acquisitions is capitalised and amortised on a straight line basis over a period of 20 years. This period is derived from the long-term business profile and cash flows from the underlying assets (owned and leased parking facilities).

Concessions

The concessions relate to all French parking facilities involving a (finite) concession for the use of the ground and facility. The concessions are depreciated on a straight line basis over the duration of the underlying concession contracts with an assumed residual value of nil.

Other intangible fixed assets

The other intangible fixed assets consist of the corporate trade name and other intangible fixed assets (mainly software). The corporate trade name is capitalised as part of business combinations at fair value on acquisition date.

The other intangible fixed assets are amortised on a straight line basis over the expected useful economic life with an assumed residual value of nil. The following table shows an indication of the useful life per asset category:

Categories	Percentage
Trade name	5%
Software and other	20%

Tangible fixed assets

Tangible fixed assets are stated at the cost price less accumulated depreciation and, if applicable, less impairments in value. Depreciation of tangible fixed assets is based on linear depreciation over the expected period in use and taking the expected residual value into account. Depreciation commences on the date an asset comes into use. The following table shows an indication of the assessed useful economic life and depreciation percentages applied to the different fixed asset categories.

Categories	Percentage
Buildings	2% – 3%
Leasehold improvements	5% – 10%
Parking equipment and installations	10% – 20%
Other tangible fixed assets	10% – 20%

Tangible fixed assets are capitalised if the economic ownership is held by the company, and its Group companies, or is governed by a financial lease agreement. The qualification of a financial lease agreement is based on the contract duration, cumulative amounts of lease payments and other contract specific conditions that indicate economic ownership. The commitment arising from the financial lease agreement is accounted for as a liability. The interest included in the future lease instalments is charged to the financial result over the term of the financial lease agreement.

Periodical major maintenance is capitalised according to the components approach, with which the aggregate expenditures are allocated to the component parts.

2 Significant accounting policies (continued)

Participating interests and prepaid expenses

Participating interests in which significant influence can be exercised are valued based on the equity method by applying the Q-Park Holding B.V. valuation and accounting policies. It is presumed that significant influence can be exercised when Q-Park Holding B.V. has 20% or more of the voting rights in the General Meeting of Shareholders.

If the valuation according to the equity method of a participating interest comes out negative, this is valued at zero. A provision is recognised if and insofar as, in this situation, Q-Park Holding B.V. is fully or partially liable for the debts of the participating interest or has the firm intention to guarantee its participating interest's liabilities. The first valuation of acquired participating interests is based on the fair value of the identifiable assets and liabilities at the moment of acquisition.

Participating interests in which no significant influence can be exercised are classified as financial instrument and stated at fair value.

The prepaid expenses are valued at amortised cost.

Deferred tax assets

Deferred tax assets with respect to tax-deductible losses and temporary valuation differences are recognised and are valued at the tax rates expected to apply in the future years. Deferred tax assets are only recognised if and to the extent that sufficient fiscal benefit is expected as compensation or if sufficient deferred tax liabilities arising from temporary taxable differences are available.

Deferred tax assets and liabilities will be offset against each other if these fall within a tax group for corporate tax and as far as the periods in which settlement is expected coincide.

Receivables

On initial recognition, receivables are valued at fair value and then valued at amortised cost. The fair value and amortised cost equal the face value. Provisions deemed necessary for possible bad debt losses are deducted. These provisions are determined by individual assessment of the receivables.

Cash

Cash is valued at face value. If cash is not freely disposable, then this has been taken into account on valuation.

Provisions

Provisions are made if Q-Park Holding B.V. has a present obligation (contractual or actual) resulting from a past event. A provision is only recognised insofar as a reliable estimate of the liability can be made and it is probable that such a liability will have to be paid. However, the exact size and timing of the outgoing cash flow is uncertain. The expenses associated with a provision are recognised in the income statement. If the effect of the time value of money is significant, the provisions will be discounted at the market rate of high-quality corporate bonds as at balance sheet date.

2 Significant accounting policies (continued)

Onerous contracts

A provision for onerous contracts is recognised for contracts in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs reflect the least net costs of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. As the time value of money is material to the provision it is discounted at the market rate of high-quality corporate bonds.

Deferred tax liabilities

The deferred tax liabilities with respect to temporary differences between the tax base and commercial valuation of assets and liabilities are stated at nominal value and based on the tax rates against which these differences are expected to be settled in the future.

Pensions

In relation to pension benefits the Group makes use of the provision to (integrally) apply the IFRS standards on pension benefits. Within the Group there are a variety of pension schemes in accordance with the conditions and practices prevailing in the countries in which the Group operates. The schemes qualify as defined contribution plans under which contributions are paid into pension funds or to insurance companies on a contractual basis. Except for paying these contributions, the Group has no other obligations to pay further contributions by virtue of these plans.

Premium liabilities are charged to the result at the moment the liability arises and no provisions are made for future increases of pension premiums.

Non-current liabilities

Lease obligations

Long-term liabilities arising from financial lease contracts are stated in the balance sheet at the discounted value, only insofar as they are fixed, irreversible liabilities. This discounted value is determined based on the incremental borrowing rate for these liabilities. The interest expenses related to these liabilities are recognised in the income statement.

Loans

On initial recognition, loans are stated at fair value and then valued at amortised cost. The costs of concluding loans, prepaid interest charges and financing charges are deducted from the loan and are charged to the result according to the effective interest method over the duration of the loans. The effective interest method is a method of calculating the amortised costs of a debt instrument and allocating the interest income over the relevant period. Repayments within a year after balance sheet date are presented as a separate item as part of the current liabilities.

Financial instruments

Q-Park Holding B.V. uses derivative financial instruments (derivatives) such as interest rate swaps (IRS) and interest rate caps (IRC) to hedge against the risk of changing interest rates.

Financial derivatives are initially recognised in the balance sheet at fair value and are valued at their fair value at every subsequent balance sheet date. Hedges relate to the risk of possible

2 Significant accounting policies (continued)

variability of cash flows attributable to a recognised asset, or obligation, or an expected transaction, or the currency risk of an off-balance obligation for which a contract has been undertaken. Movements in the fair value of financial instruments are recognised in the income statement as part of the line item 'financial result'.

Current liabilities

On initial recognition, current liabilities are stated at fair value and then valued at amortised cost (which is usually in line with the nominal amount).

Determining the result

Costs are determined in accordance with the accounting policies defined and are allocated to the appropriate reporting year. Profits are reported in the year in which the services are provided. Losses are recognised in the year in which they are known.

Revenue recognition

Net revenue represents amounts invoiced for services provided during the financial year, net of discounts and value added taxes. The costs of providing these services are allocated to the same period. The revenue recognised consists of:

- Parking revenues: parking revenues (short-stay parking and season tickets) from parking facilities operated by the Group.
- Control fees: income arising from enforcement of paid parking (parking fines) on or in parking facilities owned by the Group and/or by third parties.
- Management and consultancy fees: concerns the fixed and variable allowance for operating parking facilities for third parties.
- Rental income: rental income from parking facilities owned by the Group but operated by third parties, as well as income from renting specific areas in parking facilities to third parties.
- Other income: concerns all other income not included in the categories above.

Financial result

The financial result consists of both the financial expenses as well as the financial income. Interest costs on loans and interest rate derivatives, as well as amortised refinancing costs are accounted for under financial expenses.

Interest income on outstanding cash and cash equivalents is accounted for under financial income.

Taxes

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period including changes regarding taxes to be paid in respect of previous years.

2 Significant accounting policies (continued)

Cash flow statement

The cash flow statement has been prepared using the indirect method.

The funds in the cash flow statement consist of cash and cash equivalents. Cash equivalents can be considered to be highly liquid investments.

Cash flows in foreign currencies are translated at an estimated average rate. Exchange rate differences concerning finances are shown separately in the cash flow statement.

Corporate income taxes, interest received and dividends received are presented under the cash flow from operating activities. Interest paid and dividends paid are presented under the cash flow from financing activities.

The cost of Group companies acquired is presented under the cash flow from investment activities, as far as payment has been made with cash and cash equivalents. The cash and cash equivalents of Group companies acquired is presented separately in the reconciliation of the net cash flow and in the balance sheet movement of the cash position.

Issuance of share capital is presented under the cash flow from financing activities.

Transactions that do not result in exchange of cash and cash equivalents, such as financial lease, are not presented in the cash flow statement. Lease instalment payments for financial lease contracts are presented as debt redemption for the redemption component and as interest paid for the interest component.

3 Intangible fixed assets

Movements in the goodwill and other intangible fixed assets are shown in the table.

(x EUR million)	Goodwill	Concessions	Other intangible fixed assets	Total intangible fixed assets
Cost price	656.6	287.9	466.2	1,410.7
Accumulated amortisation	-8.2	-4.9	-8.8	-21.9
Impairments	–	–	–	–
Balance as per 1 January	**648.4**	**283.0**	**457.4**	**1,388.8**
Accounting change	371.9	–	-359.9	12.0
Adjusted balance as per 1 January	**1,020.3**	**283.0**	**97.5**	**1,400.8**
Changes in book value:				
– Investments	-7.5	19.2	9.2	20.9
– Disposals	–	–	-1.2	-1.2
– Relocation tangible/ intangible fixed assets	–	0.2	0.2	0.4
– Amortisation	-56.9	-21.0	-10.4	-88.3
– Impairment	–	–	–	–
– Foreign exchange rate differences	–	–	-6.5	-6.5
Cost price	1,021.0	307.3	108.0	1,436.3
Accumulated amortisation	-65.1	-25.9	-19.2	-110.2
Impairments	–	–	–	–
Balance as per 31 December	**955.9**	**281.4**	**88.8**	**1,326.1**

3 Intangible fixed assets (continued)

Accounting change operating rights of leased facilities

In 2018, the presentation of the other intangible fixed assets related to operating rights of leased facilities has been changed from other intangible fixed assets and tangible fixed assets to goodwill, to better match the profile and content of this item. In essence, the operating rights of leased facilities represent the potential profits to be realised from the existing lease portfolio on acquisition. The contracts itself are all concluded against market conditions and subject to inflation adjustment and/or periodic rent revision to match the market. The exact result and fair value of this lease portfolio is difficult to estimate as it is volatile and dependent on amongst others economic circumstances, political environment and regional developments. Based on the above, the value allocated to operating rights has the characteristics of goodwill (future profit potential) included in these contracts. The accounting change has an impact on the total intangible and tangible fixed assets and deferred tax assets and liabilities (not recognised in the goodwill) and does not impact the equity position of the Group.

Goodwill

The acquisition of the Q-Park Group by Q-Park Holding B.V. in 2017 resulted in a (provisional) goodwill addition of EUR 656.6 million, being the difference between the acquisition price and the fair value of the acquired assets and liabilities. During 2018 the provisional goodwill decreased with EUR -7.5 million as a result purchase price allocation adjustments on the deferred tax assets (EUR -10.0 million) and an additional payment to the former shareholders of Q-Park B.V. (EUR 2.5 million). In addition, the accounting change mentioned above added EUR 371.9 million to the total goodwill amount. The goodwill is amortised on a straight line basis over its useful life time. Based on the profile of the company and the long-term cash flow profile of the operational contracts, this useful life is estimated at 20 years. Amortisation charges are recognised as part of the total depreciation and amortisation expenses.

Concessions

Concessions relate to the cost price (fair value at acquisition date) of the concession contracts in France. Investments in concession contracts are amortised on a straight line basis according to the duration of the underlying concession contracts. The book value of the concessions includes all capital expenditure related to the underlying parking facilities.

Other intangible fixed assets

The other intangible fixed assets mainly include the Q-Park trade name and software and can be summarised as follows:

(x EUR million)	2018	2017
Trade name	69.7	73.4
Software and other	19.1	24.1
Balance as per 31 December	**88.8**	**97.5**

4 Tangible fixed assets

Movements in tangible fixed assets are shown in the table.

(x EUR million)	Land and buildings	Leasehold improvements	Equipment and installations	Assets under construction	Other tangible fixed assets	Total tangible fixed assets
Cost price	2,941.5	194.4	198.7	13.3	46.2	3,394.1
Accumulated depreciation	-130.7	-55.5	-100.1	–	-32.6	-318.9
Balance as per 1 January	**2,810.8**	**138.9**	**98.6**	**13.3**	**13.6**	**3,075.2**
Accounting change	-118.8	–	–	–	–	-118.8
Adjusted balance as per 1 January	**2,692.0**	**138.9**	**98.6**	**13.3**	**13.6**	**2,956.4**
Changes in book value:						
– Acquisitions	–	–	–	–	–	–
– Investments	81.5	0.3	14.9	22.8	3.0	122.5
– Disposals	–	-0.2	-1.6	-0.1	0.1	-1.8
– Relocation tangible/ intangible fixed assets	7.7	3.0	2.6	-13.7	–	-0.4
– Depreciation	-90.4	-12.1	-19.7	-0.1	-3.9	-126.2
– Foreign exchange rate differences	-6.4	-0.4	-0.7	–	-0.1	-7.6
Cost price	2,902.9	201.5	216.9	22.3	43.9	3,387.5
Accumulated depreciation	-218.5	-72.0	-122.8	-0.1	-31.2	-444.6
Balance as per 31 December	**2,684.4**	**129.5**	**94.1**	**22.2**	**12.7**	**2,942.9**

As a result of the acquisition of the Q-Park Group by Q-Park Holding B.V. in 2017 tangible fixed assets were acquired for an amount of EUR 3,090.8 million, primarily consisting of parking facilities (owned and leased), parking equipment and installations.

In relation to the accounting change impacting the book value of land and buildings, reference is made to note 3 'Intangible fixed assets'.

The land and buildings include assets with a carrying amount of EUR 975.4 million (2017: EUR 977.7 million), financed by means of financial lease. The Group does not hold legal title of these assets.

As part of the corporate financing agreement concluded in 2017, the majority of the corporate assets have been pledged either by mortgage or share pledges. The guarantee reaches the majority of the Group with exemption of the assets located in Denmark and Finland.

5 Participating interests and prepaid expenses

Movements in participating interests and prepaid expenses are shown in the table.

(x EUR million)	Participating interests	Prepaid expenses	Total
Balance as per 1 January	**0.1**	**4.1**	**4.2**
Acquisitions	–	–	–
Additions	–	3.9	3.9
Amortisation	–	-0.1	-0.1
Other movements	–	–	–
Balance as per 31 December	**0.1**	**7.9**	**8.0**

For a specification of the minority interests in the previous table please refer to the note on Group companies and participating interests. Insofar as participating interests represent a negative balance at balance sheet date, these are recognised if and insofar as the company is liable for its share in the liabilities of the participating interests concerned.

The prepaid expenses primarily relate to prepaid (ground) lease amounts on leased parking facilities.

6 Receivables

The specification of receivables is shown in the table.

(x EUR million)	2018	2017
Trade debtors	43.4	55.1
Taxes and social insurance contributions	8.1	6.2
Other receivables and prepayments	57.6	57.6
Balance as per 31 December	**109.1**	**118.9**

Details of trade debtors are shown in the following table.

(x EUR million)	2018	2017
Trade debtors	47.1	59.0
Provision for doubtful debts	-3.7	-3.9
Balance as per 31 December	**43.4**	**55.1**

The following table shows an analysis of the age of the trade debtors item after provisions taken for doubtful debts have been deducted.

(x EUR million)	2018	2017
< 30 days	37.3	49.4
between 30 and 60 days	3.0	2.8
between 61 and 90 days	1.1	1.1
between 91 and 180 days	1.7	2.3
> 180 days	0.3	-0.5
Total	**43.4**	**55.1**

The net receivables balance consists of receivables amounting to EUR 37.3 million (85.9%) (2017: EUR 49.4 million, 89.6%) for which there are no payment arrears.

The receivables balance of EUR 6.1 million (2017: EUR 9.6 million) concerns trade debtors with payment arrears, for which a provision of EUR -3.7 million (2017: EUR -3.9 million) is recognised.

6 Receivables (continued)

Movements in the provision for bad debts are shown in the following table.

(x EUR million)	2018	2017
Balance as per 1 January	**-3.9**	**–**
Acquisitions	–	-3.5
Additions	-0.4	-0.6
Usage and/or releases	0.6	0.2
Balance as per 31 December	**-3.7**	**-3.9**

The other receivables, prepayments and accrued income are shown in the following table.

(x EUR million)	2018	2017
Prepaid lease expenses	31.8	34.4
Amounts to be invoiced	8.8	9.1
Other receivables, prepayments and accrued income	17.0	14.1
Balance as per 31 December	**57.6**	**57.6**

7 Cash

The specification of cash is shown in the table.

(x EUR million)	2018	2017
Bank	49.1	85.4
Payment machines	3.3	3.6
Cash in transit	9.2	9.2
Balance as per 31 December	**61.6**	**98.2**

Of the total bank balance of EUR 49.1 million, an amount of EUR 3.2 million (2017: EUR 3.9 million) is blocked and not freely disposable.

8 Shareholders’ equity

The shareholders’ equity amounts to EUR 1,113.3 million (2017: EUR 1,210.5 million). For an explanation of the individual items in the shareholders’ equity, please refer to the note on the Shareholders’ equity in the company annual accounts.

The issued share capital consists of 100 shares with a nominal value of EUR 1 per share. All shares have been issued.

(x EUR million)		2018		2017
Balance as per 1 January		**1,210.5**		**–**
Capital contribution from shareholder		–		1,236.9
Consolidated net result for the year	-2.0		-20.4	
Direct equity movements:				
Foreign exchange differences on foreign investments	-9.4		-6.0	
Cash dividends distributed	-85.8		–	
Other movements	–		–	
Total result of the Group		-97.2		-26.4
Balance as per 31 December		**1,113.3**		**1,210.5**

9 Provisions

The composition of the Group's provisions is shown in the following tables.

(x EUR million)	2018	2017
Provisions > 1 year	23.4	33.1
Provisions < 1 year	3.8	1.1
Balance as per 31 December	**27.2**	**34.2**

(x EUR million)	2018	2017
Provisions for participating interests	0.4	0.4
Provisions for onerous contracts	21.9	32.2
Provisions other	4.9	1.6
Balance as per 31 December	**27.2**	**34.2**

Movements in the provisions for participating interests are shown in the following table.

(x EUR million)	2018	2017
Balance as per 1 January	**0.4**	**–**
Acquisitions	–	0.4
Movements	–	–
Balance as per 31 December	**0.4**	**0.4**

Movements in the provisions for onerous contracts are shown in the following table.

(x EUR million)	2018	2017
Balance as per 1 January	**32.2**	**–**
Acquisitions	–	31.3
Movements in provision	-10.3	–
Foreign exchange rate differences	–	0.9
Balance as per 31 December	**21.9**	**32.2**

Movements in the provisions other are shown in the following table.

(x EUR million)	2018	2017
Balance as per 1 January	**1.6**	**–**
Acquisitions	–	1.8
Movements in provision	3.3	-0.2
Withdrawals	–	–
Balance as per 31 December	**4.9**	**1.6**

10 Non-current liabilities

Lease obligations

The Group has agreed financial lease contracts of which the discounted value of the minimum lease obligations included in these lease contracts amounts to EUR 1,043.9 million at the end of 2018 (2017: EUR 1,032.5 million).

10 Non-current liabilities (continued)

The minimum lease obligations are based on the most recent estimates of the minimum fixed lease obligations. The composition of the lease obligations is shown in the following table.

(x EUR million)	2018	2017
Lease obligations under non-current liabilities in the balance sheet	985.9	976.1
Lease obligations under current liabilities in the balance sheet	58.0	56.4
Balance as per 31 December	**1,043.9**	**1,032.5**

Movements in the lease obligations are shown in the following table.

(x EUR million)	2018	2017
Balance as per 1 January	**1032.5**	**–**
Acquisitions	–	1,034.3
Interest addition on lease obligation	36.2	8.9
New contracts	38.0	6.8
Paid lease obligation	-58.4	-14.2
Foreign exchange rate differences	-4.4	-3.3
Balance as per 31 December	**1,043.9**	**1,032.5**

The minimum lease obligations as recognised on the balance sheet are further specified in the following table.

	2018		2017	
	Lease obligation		Lease obligation	
(x EUR million)	Discounted value	Nominal value	Discounted value	Nominal value
Period < 1 year	58.0	60.0	56.4	58.3
1 year < period < 5 years	162.5	179.9	157.9	175.0
Period => 5 years	823.4	1,505.9	818.2	1,511.6
Total	**1,043.9**	**1,745.8**	**1,032.5**	**1,744.9**

Loans

At the end of 2018, the total amount of the interest-bearing monetary loans recognised under the current and long-term liabilities was EUR 1,770.5 million (2017: EUR 1,728.5 million), from which the capitalised transaction costs of EUR 22.4 million have been deducted (2017: EUR 26.9 million).

10 Non-current liabilities (continued)

The composition of the Group's monetary loans is shown in the following table.

(x EUR million)	2018	2017
Monetary loans under non-current liabilities in the balance sheet	1,216.8	1,168.6
Shareholder loan under non-current liabilities in the balance sheet	527.9	527.9
Monetary loans under current liabilities in the balance sheet	3.4	5.1
Monetary loans recognised in the balance sheet	**1,748.1**	**1,701.6**
Capitalised transaction costs	22.4	26.9
Total monetary loans excluding capitalised transaction costs[1]	**1,770.5**	**1,728.5**
Corporate term loan and RCF	1,194.3	1,147.0
Other long-term loans	48.3	53.6
Bank loans	**1,242.6**	**1,200.6**
Loan from shareholder	527.9	527.9
Total monetary loans	**1,770.5**	**1,728.5**

1 Basis for further notes and tables in this note. Further referred to as 'total monetary loans'.

The changes are shown in the following table.

	2018		2017	
(x EUR million)	Bank loans	Shareholder loan	Bank loans	Shareholder loan
Balance as per 1 January	**1,200.6**	**527.9**	–	–
Acquired loans	–	–	1,118.3	–
Movement RCF	47.5	–	–	–
New loans	–	–	307.9	527.9
Redeemed loans	-5.1	–	-225.6	–
Foreign exchange rate differences	-0.4	–	–	–
Balance as per 31 December	**1,242.6**	**527.9**	**1,200.6**	**527.9**

The main part of the loan balance consists of a term loan of 1,147 million and a Revolving Credit Facility (RCF) which has a limit of EUR 250 million and matures in 2022. At the end of 2018, the drawn part of the RCF amounts to EUR 47.5 million (undrawn at the end of 2017). Q-Park Holding B.V. may borrow and repay amounts at will within the limit of the RCF. The financing ratios as agreed for this loan are the 'interest coverage ratio' (ICR) and the 'Net bank debt / EBITDA' ratio. Further reference is also made to note 20 Risk management regarding financial instruments.

At the end of 2018, the unutilised portion of the total financing amounted to EUR 202.5 million (2017: EUR 250.0 million). Of this unutilised portion, EUR 21.0 million (2017: EUR 20.0 million) is blocked for bank guarantees and overdraft facilities.

In the coming years, the loans will be repaid according to the schedule shown in the following table.

(x EUR million)	2018	2017
Period < 1 year	3.4	5.1
1 year < period < 5 years	1,203.9	1,195.5
Period => 5 years	563.2	527.9
Total	**1,770.5**	**1,728.5**

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS (CONTINUED)

10 Non-current liabilities (continued)

The average interest percentage on bank loans, including the effect of interest rates swaps, amounted to 2.5% (2017: 2.4%). As the majority of the loans are based on variable interest rates, the average interest percentage rate is dependent on the Euribor rate. The volatility in interest expenses is partly hedged by means of interest rate swaps and interest caps as further explained in note 20 Risk management regarding financial instruments.

The interest due on the shareholder loan is fixed at 7%.

As part of the financing agreement, the majority of the corporate assets have been pledged either by mortgage or share pledges. The company and the majority of the Group with exemption of the entities located in Denmark and Finland have reciprocally accepted joint and several liability for everything they, or any one of them, are, or shall be, liable for in respect of debts in connection with RCF and term loan.

Other long-term liabilities

The composition of the other long-term liabilities is shown in the following table.

(x EUR million)	2018	2017
Financial derivatives	33.8	35.9
Other long-term liabilities	14.8	17.9
Balance as per 31 December	**48.6**	**53.8**

For further notes on the financial derivatives, please refer to the note on risk management with regard to financial instruments.

The other long-term liabilities primarily relate to prepaid long-term parking revenues which will be recognised in the income statement over the remaining duration of the underlying contracts.

11 Current liabilities

Other liabilities, accruals and deferred income

The specification of the other liabilities, accruals and deferred income is shown in the following table.

(x EUR million)	2018	2017
Personnel related payables	12.7	15.6
Lease costs	24.1	21.2
Interest and bank costs	12.8	14.1
Accruals	16.8	14.8
Revenue invoiced in advance	44.6	51.4
Other liabilities	27.2	29.5
Balance as per 31 December	**138.2**	**146.6**

12 Contingencies and liabilities not included in the balance sheet

The Group operates parking facilities under operational lease agreements. The total nominal fixed lease obligation relating to these operational lease agreements amounts to EUR 1,410.6 million (2017: EUR 1,456.0 million). Of this amount, EUR 121.3 million (2017: EUR 130.7 million) is due within one year, EUR 334.5 million (2017: EUR 442.4 million) is due between 1 to 5 years and EUR 954.7 million (2017: EUR 883.0 million) is due after five or more years.

12 Contingencies and liabilities not included in the balance sheet (continued)

In addition, the Group has committed itself to the lease of small equipment, offices and cars amounting to EUR 19.4 million (2017: EUR 19.4 million). These lease commitments have a duration of less than 5 years.

Securities are submitted to third parties by means of bank and other guarantees amounting to EUR 6.5 million (2017: EUR 5.7 million).

The Group has committed itself to investment obligations related to new business opportunities (owned and leased parking facilities) amounting to EUR 89.6 million (2017: EUR 155.9 million).

At the end of 2018, Q-Park Holding B.V., including its Group companies, was involved in various legal proceedings and disputes. Based on an assessment of financial risk for the claims received, provisions have been taken or the financial consequences have been accounted for in the annual accounts, as far as is deemed necessary. In relation to the legal proceedings and disputes that are not included in the balance sheet, the risk of a cash outflow is assessed as highly remote.

13 Events after balance sheet date

On 4 March 2019 a Share Purchase Agreement was signed for the sale of the Nordic business, and the transaction is expected to be completed in the second quarter of 2019. The divested Nordic business represents roughly 25% of the Group's revenues and 11% of the operating result before depreciation. The Nordic Group has about 684 employees (592 FTE). The agreed sale does not have any impact on the valuation of assets and liabilities at year-end.

As of the date of preparation of the annual accounts no other significant events have occurred which require additional disclosures in the consolidated annual accounts.

14 Net revenue

The specification of net revenue is shown in the following table.

(x EUR million)	2018	2017
Parking revenues	787.9	205.9
Control fees	42.5	10.3
Management and consultancy fees	17.2	4.5
Rental income	12.6	3.0
Other income	17.7	7.9
Net revenue	**877.9**	**231.6**

The net revenue per country is further specified in the following table:

(x EUR million)	2018	2017
Netherlands	199.2	56.6
Germany	98.0	26.0
France	125.9	32.8
Belgium	57.6	14.9
United Kingdom	108.4	24.5
Ireland	22.6	6.3
Denmark	41.1	10.9
Sweden	119.6	32.7
Norway	67.7	17.6
Finland	37.8	9.3
Net revenue	**877.9**	**231.6**

15 Financial result

The specification of the financial result is shown in the following table.

(x EUR million)	2018	2017
Interest costs bank debt	-30.1	-6.9
Interest on shareholder loan	-37.1	-8.3
Interest on financial lease obligation	-36.2	-8.9
Fair value movement of derivatives	-0.1	-4.5
Other bank and interest costs	-6.5	-7.1
Foreign exchange results	1.1	1.1
Financial result	**-108.9**	**-34.6**

The other bank and interest costs of EUR -6.5 million (2017: EUR -7.1 million) primarily relate to depreciation on capitalised transaction costs on bank debt of EUR 5.8 million (2017: EUR -1.4 million). In 2017 the other bank and interest costs also included a penalty (EUR -5.7 million) for the early redemption of loans as a consequence of the acquisition-related refinancing of the Q-Park Group.

16 Taxes

The tax income/expense amounts to EUR 37.3 million (2017: EUR -6.6 million), the details are shown in the following table.

(x EUR million)	2018		2017	
	%	EUR	%	EUR
Taxes on direct result based on domestic tax rates	25%	9.8	25%	3.5
Adjustments:				
Adjustments for actual Group companies rate	-8%	-3.2	-14%	-2.0
Non-taxable goodwill depreciation	-36%	-14.2	-15%	-2.1
Other permanent differences	-18%	-6.9	-31%	-4.3
Other adjustments	132%	51.8	-12%	-1.7
Total tax income/(expense)	**95%**	**37.3**	**-48%**	**-6.6**

The other permanent differences mainly relate to adjustments regarding non-deductible interest expenses and non-deductible other expenses which are driven by non-deductible lease expenses for German trade tax.

The other adjustments mainly concern releases of deferred tax positions as a result of tax rate changes in the Netherlands and Belgium and true-ups of tax positions based on the latest available tax declarations.

The deferred tax balances recognised in the balance sheet are detailed in the following table.

(x EUR million)	2018	2017
Available tax losses carried forward	23.2	25.6
Other temporary valuation differences	33.7	23.6
Total deferred tax assets	**56.9**	**49.2**
Other temporary valuation differences	293.4	350.6
Total deferred tax liabilities	**293.4**	**350.6**

The total deferred tax assets mainly relate to available tax-deductible losses in the Netherlands, France and Belgium. The recoverability of the tax-deductible losses has been assessed in the light of the recent business plan and prevailing tax regulations.

16 Taxes (continued)

The other deferred taxable differences included in the deferred tax assets primarily relate to temporary valuation differences and stalled interest deduction positions.

The deferred tax liabilities mainly comprise of the temporary valuation differences between the fiscal and commercial valuation of parking facilities. The value is largely driven (some 65%) by the fair value step-up of assets resulting from the purchase accounting of the Q-Park Group acquisition.

Movements in the deferred tax assets and liabilities are shown in the following table.

(x EUR million)	2018		2017	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Balance as per 1 January	**49.2**	**350.6**	–	–
Acquisitions	10.0	–	40.6	452.4
Exchange rate result	-0.1	-1.5	-0.1	-1.0
Movements via income statement	-4.3	-57.4	-0.8	-3.5
Movements via shareholders' equity	0.4	–	–	–
Transfers of deferred taxes and other movements	1.7	1.7	–	–
Balance as per 31 December	**56.9**	**293.4**	**39.7**	**447.9**
Accounting change	–	–	9.5	-97.3
Adjusted balance as per 31 December	**56.9**	**293.4**	**49.2**	**350.6**

The additions to the deferred tax assets in 2018 of EUR 10.0 million relate to purchase price allocation adjustments on the deferred tax assets following the Q-Park acquisition in 2017. For further information about the accounting change impacting the book value of the deferred tax assets and liabilities, please see note 3 'Intangible fixed assets'.

17 Employee information

Employees

At the end of 2018 there were 2,378 employees (2017: 2,546) corresponding to 2,146 full-time equivalents (FTEs) (2017: 2,214). Of the total employees, 1,901 (2017: 2,063) work outside the Netherlands (1,730 FTEs) (2017: 1,795 FTEs). The number of employees and the number of FTEs is further specified as follows:

	2018		2017	
	Headcount	FTE	Headcount	FTE
Netherlands	477	416	487	421
Germany	200	185	203	185
France	381	377	416	382
Belgium	79	78	97	90
United Kingdom	329	309	389	368
Ireland	56	54	81	73
Denmark	172	135	166	115
Sweden	433	384	458	376
Norway	141	119	149	122
Finland	110	89	100	82
Total	**2,378**	**2,146**	**2,546**	**2,214**

17 Employee information (continued)

Remuneration of the Executive Board of Q-Park Holding B.V.

The Executive Board of Q-Park Holding B.V. has four members. The compensation to board members is paid as a service fee and amounts EUR 0.1 million for the year 2018 (2017: EUR 0.1 million).

18 Related parties

There have not been any significant transactions with related parties in the financial year under review that are outside the normal course of business or not based on arm's length principles.

19 Risk management regarding financial instruments

Policy concerning financial risk management

The policy regarding managing financial risks is determined by the Executive Board. The key financial risks to which Q-Park Holding B.V. is exposed are market risk, liquidity risk, and credit risk. Market risk can be further split into interest exposure and currency risk; these risks are closely monitored internally. Instruments for managing these risks include financial derivatives. The company does not take speculative positions with financial instruments.

Interest exposure

Interest rate fluctuations influence the direct result of Q-Park Holding B.V. The Group interest policy is designed to limit risks and can be explained as follows:

- interest-bearing debts have a fixed-interest component and a variable-interest component, where the interest from the variable-interest component is hedged by means of interest rate swaps (IRS) and caps;
- overall, at least 70% of the term loan should be protected from interest rate fluctuations.

At the end of 2018, loan positions were hedged, by means of interest rate swaps (IRS) and interest rate caps (IRC), for an amount of EUR 840.0 million (2017: EUR 840.0 million). As a result of the hedging positions, 73% of the total term loan of EUR 1,147.0 million is therefore insensitive to interest rate fluctuations. The following table shows the hedging of the loan positions further specified by time to maturity of the interest rate derivatives.

	2018		2017	
Time to maturity	**Number of contracts**	**Hedged value (x EUR million)**	**Number of contracts**	**Hedged value (x EUR million)**
Period < 5 years	2	730.0	2	730.0
5 years < period < 10 years	1	110.0	1	110.0
10 years < period < 15 years	–	–	–	–
Period > 15 year	–	–	–	–
Total	**3**	**840.0**	**3**	**840.0**

Currency risk

Q-Park Holding B.V. is exposed to exchange rate fluctuations with respect to its activities in the United Kingdom, Sweden, Norway and Denmark. This risk is partly hedged by concluding part of the term loan in foreign currencies. The part that is hedged communicates with the total loan

19 Risk management regarding financial instruments (continued)

amount submitted to these countries as part of the financing of past acquisitions. The equity part of the currency exposure is not hedged. The part of the term loan denominated in foreign currencies comprises of GBP 127.8 million and DKK 305.2 million.

Liquidity risk

Q-Park Holding B.V. endeavours to limit the liquidity risk by ensuring the availability of sufficient credit facilities to support the operating activities and meet financial obligations. Given the solid cash flows and balance sheet positions, Q-Park Holding B.V. has sufficient access to these facilities.

The following tables indicate the time to maturity of the contractual liabilities at the close of 2018.

2018 (x EUR million)	< 1 year	1 to 5 years	> 5 years	Total
Liabilities arising from loans	3.4	1,203.9	563.2	1,770.5
Lease obligations	60.0	179.9	1,505.9	1,745.8
Financial derivatives	–	–	33.8	33.8
Other long-term liabilities	–	–	14.8	14.8
Provisions	3.8	–	23.4	27.2
Trade payables	54.7	–	–	54.7
Other liabilities, accruals and deferred income	175.8	–	–	175.8
Total	**297.7**	**1,383.8**	**2,141.1**	**3,822.6**

With the exception of the financial instruments, which are recognised at fair value, all items in the table are stated at face value, taking the moment of settlement into account.

Liabilities arising from loans – with the exception of the local bilateral loans – will be refinanced.

All other liabilities stated in the table are financed from working capital and operating cash flows. At balance sheet date, the financial lease obligations have an average time to maturity of more than ten years.

Credit risk

Credit risk is the risk that a counterparty fails to meet its obligations arising from a financial instrument or contract with a client, causing financial damage. Q-Park Holding B.V. is exposed to credit risk in connection with its operating activities (trade receivables in particular) and in connection with its financing activities, including deposits at banks and financial institutions, currency transactions, and other financial instruments.

At the reporting date, the maximum exposure to credit risk is the book value of the receivables and cash and cash equivalents as explained in the respective notes. Q-Park Holding B.V. considers the credit risk to be limited. The concentration of risks concerning trade receivables is low, as the customers are widely dispersed. Assets held at the bank concern only assets at reputable banks.

Fair value change of interest derivatives

The fair value of the financial instruments is calculated by discounting the future cash flows. Relevant variables applicable to the valuation of these interest rate derivatives are the present value of interest payments and the expected interest rate curves.

The total market value of the interest derivatives amounts to EUR -33.4 million (2017: EUR -33.3 million) consisting of interest rate caps (IRC) with a positive market value of

19 Risk management regarding financial instruments (continued)

EUR 0.4 million (2017: EUR 2.6 million) and interest rate swaps (IRS) with a negative market value of EUR -33.8 million (2017: EUR -35.9 million). The following table shows an overview of the book value and movements of the financial derivatives, subdivided per type.

	2018		2017	
(x EUR million)	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Book value as per 1 January	**2.6**	**-35.9**	**–**	**–**
Acquisitions	–	–	3.1	-42.2
Settled derivatives	–	–	–	10.3
Movements in fair value	-2.2	2.1	-0.5	-4.0
Book value as per 31 December	**0.4**	**-33.8**	**2.6**	**-35.9**

Capital management

The primary objective of Group capital management is to maintain good creditworthiness and to ensure that the operating activities are optimally supported, so that these operating activities can be conducted effectively, efficiently and profitably and so that shareholder value is created. Q-Park Holding B.V. manages its capital structure and adjusts this to changes in economic circumstances. In order to maintain or modify the capital structure, Q-Park Holding B.V. may adjust dividend payments to shareholders, repay capital or issue new shares.

The primary financing risks, as stated in the senior facilities agreement, are the 'interest coverage ratio' (ICR) and the 'net bank debt / EBITDA' ratio. The first measurement period of the covenants is set at 31 December 2018. The minimum ICR required for the first testing period is set at 4.75 whereas the requirement of the 'net bank debt / EBITDA' ratio is set at 8.75. If, and insofar as, the Group is unable to comply with the ratios set, repayment of the facility is to be made up to an amount which brings the ratios back into the ranges set in the period concerned. Based on the current results the 'net bank debt / EBITDA' ratio equals 4.90 and the ICR is 7.80. The covenants are therefore well within the required ranges.

COMPANY BALANCE SHEET AS PER 31 DECEMBER

(x EUR million, before result appropriation)	Notes	December 31, 2018	December 31, 2017
Financial fixed assets			
Participating interests	22	1,208.0	1,210.5
Intercompany receivables	23	438.8	527.9
		1,646.8	**1,738.4**
Current assets			
Intercompany receivables	23	5.1	8.3
Other receivables, prepayments and accrued income		0.1	–
		5.2	**8.3**
Cash		–	–
TOTAL ASSETS		**1,652.0**	**1,746.7**
Shareholders' equity			
Paid-up and called-up capital	24	–	–
Share premium reserve	24	1,151.1	1,236.9
Translation reserve	24	-15.4	-6.0
Other reserve	24	-20.4	–
Result financial year	24	-2.0	-20.4
		1,113.3	**1,210.5**
PROVISIONS			
Deferred tax liabilities		4.4	–
		4.4	**–**
NON-CURRENT LIABILITIES			
Shareholder loan	25	527.9	527.9
		527.9	**527.9**
Current liabilities			
Liabilities to shareholder	25	6.2	8.3
Intercompany liabilities		0.2	–
		6.4	**8.3**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**1,652.0**	**1,746.7**

COMPANY PROFIT AND LOSS ACCOUNT

(x EUR million)	Notes	2018	2017
Company result		-8.9	–
Share in result of participating interests	22	6.9	-20.4
Result after taxes		**-2.0**	**-20.4**

NOTES TO THE COMPANY ANNUAL ACCOUNTS

20 General information

Q-Park Holding B.V. (chamber of commerce number: 68805934) has issued notices of liability in respect of all consolidated Dutch legal entities pursuant to Book 2, Article 403 of the Dutch Civil Code. Furthermore, a similar parent guarantee has been submitted for legal entities in the United Kingdom. A statement of the legal entities for which a parent guarantee is submitted is stated in the note on Group companies and participating interests.

21 Accounting policies observed when preparing the company annual accounts

General

The company-only financial statements have been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code.

The accounting policies used for the company annual accounts are identical to those for the consolidated annual accounts. For the general principles for the preparation of the financial statements, the principles for valuation of assets and liabilities and determination of the result, as well as for the notes to the specific assets and liabilities and the results, reference is made to the notes to the consolidated financial statements, if not presented otherwise hereinafter.

Participating interests

Participating interests in Group companies and other entities where the company may exercise control or where it has the central management are stated initially and on balance sheet date at net asset value. The value of these participating interests is corrected for the company's share in the results of the participating interest, based on the accounting policies as these are applied in the consolidated annual accounts and for the share in other movements in the shareholders' equity of the participating interest attributable to the company after the acquisition date. The net asset value is determined by stating the assets, provisions, liabilities and result using the accounting policies applied in the consolidated annual accounts.

22 Participating interests

Movements in the participating interests are shown in the following table.

(x EUR million)	2018	2017
Balance as per 1 January	**1,210.5**	**–**
Acquisitions	–	1,236.9
Result from participating interests	6.9	-20.4
Other Movements	-9.4	-6.0
Balance as per 31 December	**1,208.0**	**1,210.5**

23 Intercompany receivables

The intercompany receivables recognised under financial fixed assets concern an interest-bearing loan and borrowings issued to Group companies as part of the Group financing. The interest rate for the loan is set at 7% with a term of 10 years. There are no repayment obligations during the term of the loan only on the final repayment date. The movement in 2018 is related to a voluntary repayment.

The intercompany receivables recognised under current assets mainly concern current account positions with Group companies for which no further agreements have been made about the term to maturity or repayment.

NOTES TO THE COMPANY ANNUAL ACCOUNTS (CONTINUED)

24 Shareholders' equity

Movements in the shareholders' equity are shown in the following table.

(x EUR million)	Share capital	Share premium	Translation reserve	Other reserve	Net result	Total
Balance as per 1 January	**–**	**1,236.9**	**-6.0**	**–**	**-20.4**	**1,210.5**
Capital contribution	–	–	–	–	–	–
Result for the financial year	–	–	–	–	-2.0	-2.0
Allocation result previous year	–	–	–	-20.4	20.4	–
Movement exchange rate difference	–	–	-9.4	–	–	-9.4
Dividends distributed	–	-85.8	–	–	–	-85.8
Other movements	–	–	–	–	–	–
Balance as per 31 December	**–**	**1,151.1**	**-15.4**	**-20.4**	**-2.0**	**1,113.3**

In the totals, the company does not recognise any difference between the shareholders' equity according to the consolidated annual accounts and the shareholders' equity according to the company annual accounts. The statutory reserve (exchange rate differences reserve) is a legally required reserve and therefore not freely distributable.

Share capital

The issued share capital consists of 100 shares with a nominal value of EUR 1 per share. All shares have been issued.

Statutory translation reserve

The statutory translation reserve is a legal reserve and comprises the foreign exchange rate differences arising from the translation of foreign operations.

Proposed appropriation of loss for the financial year 2018

By virtue of law, the loss over 2018 has been deducted from the shareholders' equity, with due regard to the necessary movements in the statutory reserves.

25 Shareholder loan

The shareholder loan concerns an interest-bearing loan issued by the shareholder of the company. The interest for the loan is set at 7% with a term of 10 years. There are no repayment obligations during the term of the loan, only on the final repayment date.

The accrued interest on the shareholder loan is recognised in the current liabilities.

26 Contingencies and liabilities not included in the balance sheet

The company and its subsidiary Q-Park Holding I B.V. have reciprocally accepted joint and several liability for everything they, or any one of the borrowers, are, or shall be, liable for in respect of debts in connection with the RCF and term loan.

In connection with this guarantee, the company pledged the shares it holds in Q-Park Holding I B.V. and pledged all intercompany receivables on Q-Park Holding I B.V.

From 22 May 2017 onwards, the company forms a fiscal unity for Dutch corporate income tax purposes together with its direct subsidiary Q-Park Holding I B.V. and parent companies

26 Contingencies and liabilities not included in the balance sheet (continued)

Byzantium Acquisition MidCo 1 B.V. and Byzantium Acquisition TopCo B.V. As of acquisition date, the Dutch Q-Park subsidiaries as included in note 30 Group companies and participating interests are included in this fiscal unity. Consequently, together with the other members of the fiscal unity, the company is jointly and severally liable for the corporate income tax liabilities of the fiscal unity as a whole.

27 Employee information

There are no people employed by the company.

28 Auditor fees paid to the company auditors

The full year audit fees charged by Deloitte Accountants for the audit of the financial year are shown in the following table.

(x EUR million)	2018	2017
Deloitte Accountants BV:		
Audit activities annual accounts	0.3	0.4
Other audit services	0.1	0.1
Deloitte Network:	–	
Audit activities annual accounts	0.5	0.7
Other audit services	–	–
Total fees	**0.9**	**1.2**

29 Events after balance sheet date

As of the date of preparation of the annual accounts no significant events, other than those disclosed in the consolidated accounts, have occurred after the balance sheet date which require additional disclosures in the company annual accounts.

30 Group companies and participating interests

The consolidated annual accounts include the financial data of Q-Park Holding B.V. and of the Group companies listed in below (unless otherwise stated, participating interests are 100%).

NETHERLANDS

- Q-Park Holding I B.V., Amsterdam
- Q-Park B.V., Amsterdam
- Q-Park Operations Holding B.V., Amsterdam
- Q-Park Real Estate Holding B.V., Amsterdam
- Q-Park Real Estate France B.V., Maastricht
- Q-Park België B.V., Amsterdam
- Q-Park Duitsland B.V., Amsterdam
- Q-Park Operations B.V., Amsterdam
- Q-Park Real Estate Netherlands B.V., Maastricht

30 Group companies and participating interests (continued)

- Q-Park Operations Netherlands B.V., Maastricht
- Q-Park Beheer B.V., Maastricht

GERMANY

- Q-Park Operations Germany GmbH & Co KG, Grevenbroich
- Q-Park Saarbrücken GmbH, Saarbrücken
- Q-Park Verwaltungs GmbH, Grevenbroich
- Q-Park Real Estate Germany GmbH, Grevenbroich

BELGIUM

- City Parking SA, Brussels
- Parketing NV, Brussels
- Q-Park Sint Martinuskerk NV, Brussels
- Q-Park Deurne NV, Brussels
- Q-Park Belgium NV, Brussels
- Q-Park Belgium Holding NV, Brussels
- Q-Park Meir NV, Brussels
- Q-Park Julianus Tongeren NV, Tongeren
- Q-Park Real Estate Belgium NV, Brussels
- Park-INN NV, Hasselt
- Parkilim NV, Hasselt
- Eural Parking NV, Hasselt (83%)
- Genk Park NV, Hasselt
- DusartPark NV, Hasselt
- HassPark NV, Hasselt

UNITED KINGDOM

- Q-Park UK Limited, Leeds
- Universal Parking Limited, Leeds
- Q-Park Developments Limited, Leeds
- Q-Park (Liverpool) Limited, Leeds
- Q-Park (Glasgow) Limited, Leeds
- Airparks (Glasgow) Limited, Leeds
- Q-Park Limited, Leeds

30 Group companies and participating interests (continued)

- QT Partnership Limited, Leeds
- Q-Park Heathrow Limited, Leeds
- Q-Park Employment Services Limited, Leeds
- Q-Park (NI) Limited, Leeds
- Q-Park & Fly Limited, Leeds
- Ringway Air Park Limited, Leeds
- Q-Park Finance Limited, Leeds
- Q-Park (Taunton) Limited, Leeds
- Q-Park Securities Limited, Leeds
- Surrey Street Car Park Limited, Leeds
- Q-Park Kingston (No.1) Limited, Leeds
- Q-Park Real Estate Holding UK Limited, Leeds
- Q-Park Real Estate UK I Limited, Leeds
- Q-Park Crawley Limited, Leeds
- Q-Park Real Estate UK II Limited, Leeds
- Q-Park Real Estate UK III Limited, Leeds
- Promenade Car Parks Limited, Leeds

FRANCE

- Q-Park France Holding SASU, Issy les Moulineaux
- Q-Park France SASU, Issy les Moulineaux
- Société Marseillaise de Stationnement, Marseille
- Société Rouenaise de Stationnement SASU, Rouen
- Q-Park Marseille HDV SASU, Issy les Moulineaux
- Q-Park Île de France, Issy les Moulineaux
- Q-Park Toulon SASU, Issy les Moulineaux
- Société Valentinoise de Stationnnement SASU, Valence
- Nîmes Stationnement SASU, Issy les Moulineaux
- Société Chalon Stationnement SASU, Chalon sur Saone
- Société Grenobloise de Stationnement SASU, Issy les Moulineaux
- Société les Parkings de Savoie SASU, Issy les Moulineaux
- Chartres Stationnement SASU, Issy les Moulineaux
- Saint Germain Stationnement SASU, Issy les Moulineaux

NOTES TO THE COMPANY ANNUAL ACCOUNTS (CONTINUED)

30 Group companies and participating interests (continued)

- Q-Park Boulogne SASU, Issy les Moulineaux
- Q-Park Chambéry SASU, Issy les Moulineaux
- Société du parc Coislin SNC, Issy les Moulineaux
- Street 4U SASU, Issy les Moulineaux
- SEPA – Saint Etienne Parc Auto SASU, Saint Etienne
- Patrimoniale Omniparc SNC, Issy les Moulineaux
- Société du Parking Puget SARL, Issy les Moulineaux
- SCI Q-Park Real Estate France I
- SCI Q-Park Real Estate France II
- SCI Q-Park Real Estate France III
- SCI Q-Park Real Estate France IV
- SCI Q-Park Real Estate France V
- SCI Q-Park Real Estate France VI
- SCI Q-Park Real Estate France VII
- SCI Q-Park Real Estate France VIII
- SCI Q-Park Real Estate France IX
- SCI Q-Park Real Estate France X
- SCI Q-Park Real Estate France XI

IRELAND

- Q-Park Ireland Ltd, Dublin
- Q-Park Management Ltd, Dublin
- Strongale Ltd, Dublin
- Northridge Ltd, Dublin
- Q-Park Properties Ltd, Dublin
- Q-Park Real Estate Ltd, Dublin
- Rushvard Ltd, Dublin
- Fenpark Ltd, Dublin
- Shudehill Ltd, Dublin
- Cornmarket Properties Ltd, Dublin
- Q-Park Real Estate Ireland Ltd, Dublin
- Accaway Ltd, Dublin
- Blarebrook Ltd, Dublin

NOTES TO THE COMPANY ANNUAL ACCOUNTS (CONTINUED)

30 Group companies and participating interests (continued)

DENMARK

- Q-Park Operations Denmark A/S, Søborg
- I/S Nørregardsvej, Kopenhagen
- Q-Park Real Estate Denmark ApS, Kopenhagen

SWEDEN

- Mobil Park AB, Uppsala
- Q-Park AB, Stockholm
- Q-Park Bevakning AB, Stockholm

NORWAY

- Q-Park AS, Oslo

FINLAND

- Q-Park Finland Oy, Helsinki

MINORITY INTERESTS

- NV Parkeergarage Deventer (1%), Deventer
- SOPAC NIORT (2.6%), Niort
- SEM de Vence (0.003%), Vence
- Transurbain (2%), Evreux
- Société du Parking Vallier (49%), Marseille

LIST OF WHERE GUARANTEES HAVE BEEN EXTENDED

The company has issued notices of liability in respect of the legal entities listed below pursuant to Book 2, Article 403 of the Dutch Civil Code and sections 479A and 479C of the UK Companies Act 2006.

- Q-Park Holding I B.V., Amsterdam
- Q-Park B.V., Amsterdam
- Q-Park Operations Holding B.V., Amsterdam
- Q-Park Real Estate Holding B.V., Amsterdam
- Q-Park Real Estate France B.V., Maastricht
- Q-Park België B.V., Amsterdam
- Q-Park Duitsland B.V., Amsterdam
- Q-Park Operations B.V., Amsterdam
- Q-Park Real Estate Netherlands B.V., Maastricht

NOTES TO THE COMPANY ANNUAL ACCOUNTS (CONTINUED)

30 Group companies and participating interests (continued)

- Q-Park Operations Netherlands B.V., Maastricht
- Q-Park Beheer B.V., Maastricht
- Q-Park UK Limited, Leeds
- Universal Parking Limited, Leeds
- Q-Park Limited, Leeds
- Q-Park Securities Limited, Leeds
- Q-Park (Taunton) Limited, Leeds
- Q-Park (NI) Limited, Leeds
- Q-Park Real Estate Holding UK Limited, Leeds
- Q-Park Real Estate UK I Limited, Leeds
- Q-Park Real Estate UK II Limited, Leeds
- Q-Park Real Estate UK III Limited, Leeds
- Promenade Car Parks Limited, Leeds

Signed

Amsterdam, 25 April 2019

The Executive Board:

- V.O. Policard
- R. Miller
- A.J.A. Gabriels
- M. Yasar

OTHER INFORMATION

Provisions from the articles of association concerning profit appropriation

Article 21

1. The General Meeting is at liberty to appropriate profits which are determined based on the approved annual accounts and to approve distributions to the extend the shareholders' equity exceeds the reserves that must be retained according to the law. By way of derogation from the preceding sentence and in compliance with article 21.4, the Executive Board is authorised to execute interim profit distributions.

2. The profit is at free disposal of the General Meeting. When calculating the amount of profit to be distributed for each share the nominal amount of the shares will be eligible regardless the amount against which the shares have been issued.

3. Distributions of profit occurs after approval of the annual accounts. Profit distributions are paid within two weeks after approval of the Executive Board as specified in article 21.6, unless the Executive Board decides otherwise in the event of exceptional circumstances.

4. The Executive Board is at liberty, in compliance with article 21.1, to authorise interim distributions. The Executive Board shall not authorise interim distributions if they are aware or reasonably should be aware that the company can not continue to pay their debts after payment of these distributions.

5. The General Meeting is at liberty to full or partial distribution of reserves.

6. A resolution to distribute profits or reserves can not be executed without approval of the Executive Board. The Executive Board only refuses the approval of distributions if they are aware or reasonably should be aware that the company can not continue to pay their debts after payment of these distributions.

7. Shareholder claims for payment of distributions expires five years after approval of the distribution.

8. In calculating the amount of any distribution, any shares held by the company shall not be included.

Independent auditor's report (DELOITTE)

To the shareholders of Q-Park Holding B.V.

Report on the audit of the annual accounts 2018 included in the annual report

Our opinion

We have audited the accompanying annual accounts 2018 of Q-Park Holding B.V., based in Amsterdam.

In our opinion the accompanying annual accounts give a true and fair view of the financial position of Q-Park Holding B.V. as at December 31, 2018, and of its result for 2018 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The annual accounts comprise:

1. The consolidated and company balance sheet as at December 31, 2018.
2. The consolidated income statement and company profit and loss account for the period January 1st, 2018 to December 31st, 2018.
3. The notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

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

We are independent of Q-Park Holding B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

Report on the other information included in the annual report

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

- Directors report.
- Other Information as required by Part 9 Book 2 of the Dutch Civil Code.

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

- Is consistent with the annual accounts and does not contain material misstatements.
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

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

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

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

Description of responsibilities regarding the annual accounts

Responsibilities of management for the annual accounts

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

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

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

Our responsibilities for the audit of the annual accounts

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

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

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

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

- Identifying and assessing the risks of material misstatement of the annual accounts, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluating the overall presentation, structure and content of the annual accounts, including the disclosures.
- Evaluating whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

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 findings in internal control that we identify during our audit.

Amsterdam, April 25, 2019
Deloitte Accountants B.V.
As originally signed J. Dalhuisen

CONTENTS

DIRECTORS' REPORT

The Directors' Report is not included in these annual accounts. Such report is incorporated by reference in this Offering Memorandum, is available for review and can be obtained from the Chamber of Commerce in The Netherlands.

CONSOLIDATED BALANCE SHEET AS PER 31 DECEMBER

(x EUR million, before result appropriation)	Notes	December 31, 2017	May 22, 2017
NON-CURRENT ASSETS			
Intangible fixed assets	4	1,388.8	–
Tangible fixed assets	5	3,075.2	–
Participating interests and prepaid expenses	6	4.2	–
Deferred tax assets	17	39.7	–
Financial instruments	20	2.6	–
		4,510.5	**–**
CURRENT ASSETS			
Receivables	7	118.9	–
Cash	8	98.2	–
		217.1	**–**
TOTAL ASSETS		**4,727.6**	**–**
Shareholders' equity	9	1,210.5	–
GROUP EQUITY		**1,210.5**	**–**
PROVISIONS			
Deferred tax liabilities	17	447.9	–
Other provisions	10	34.2	–
		482.1	**–**
NON-CURRENT LIABILITIES			
Lease obligations	11	976.1	–
Loans	11	1,696.5	–
Other long-term liabilities	11	53.8	–
		2,726.4	**–**
CURRENT LIABILITIES			
Trade payables		66.1	–
Debt credit institutions	11	5.1	–
Lease obligations	11	56.4	–
Taxes and social insurance contributions		34.4	–
Other liabilities, accruals and deferred income	12	146.6	–
		308.6	**–**
TOTAL EQUITY AND LIABILITIES		**4,727.6**	**–**

CONSOLIDATED INCOME STATEMENT

(x EUR million)	Notes	2017[1]
Net revenue	15	**231.6**
Lease expenses		-83.4
Operating expenses parking facilities		-30.0
Wages and salaries		-25.6
Social security premiums		-4.8
Pensions		-1.1
Depreciation and amortisation		-56.1
Other operating expenses		-9.8
Total operating expenses		**-210.8**
Operating result		**20.8**
Financial result	16	-34.6
Result before taxes		**-13.8**
Taxes	17	-6.6
NET RESULT		**-20.4**

1 As Byzantium Acquisition MidCo 2 B.V. was founded on 22 May 2017, the financial year also commenced on 22 May 2017.

CONSOLIDATED STATEMENT OF CASH FLOWS

(x EUR million)	Notes	2017
Cash flow from operating activities		
Operating result		20.8
Adjustment for:		
Capitalised costs		-0.6
Depreciation and amortisation		56.1
Taxes paid		-2.9
Movements in working capital		37.2
		110.6
Cash flow from investment activities		
Acquisition of Q-Park Group	3	-1,822.3
Investments in existing facilities		-19.9
Expansion investments		-8.4
Divestments		0.6
		-1,850.0
Cash flow from financing activities		
Capital contribution from shareholder	9	1,236.9
New loans	11	835.8
Repayments	11	-225.6
Settled derivatives	20	-10.3
Capitalised transaction costs refinancing		-28.1
Interest paid		-10.2
Interest component financial lease payments		-8.9
Redemption component financial lease payments	11	-5.3
Other movements		1.0
		1,785.3
Movement in cash and cash equivalents		**45.9**
Cash balance as per 22 May		–
Cash from acquisitions		52.3
Movement in cash and cash equivalents financial year		45.9
Cash balance as per 31 December	8	**98.2**

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS

1 General information

Activities

Byzantium Acquisition MidCo 2 B.V. (the company) is a limited private company under Dutch law which was founded on 22 May 2017 with registered office and principal place of business in Amsterdam (Overschiestraat 61). The company is filed with the Trade Register at the Chamber of Commerce under number 68805934.

The activities of Byzantium Acquisition MidCo 2 B.V. and its Group companies primarily consist of providing off-street and on-street parking services at strategic locations.

Neither the company's shares nor liabilities are listed on any stock exchange.

The consolidated annual accounts drawn up by the Executive Board for the year 2017 and approved for publication on 12 April 2018.

All amounts are in EUR millions unless stated otherwise. Byzantium Acquisition MidCo 2 B.V.'s consolidated annual accounts have been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code. By virtue of Title 9, Book 2, Article 402, Dutch Civil Code the company annual accounts contain an abridged profit and loss account.

This is the company's first financial year. It commenced on 22 May 2017 and ended on 31 December 2017. The annual report does not include comparative figures because the financial year commenced in 2017.

Group structure

Byzantium Acquisition MidCo 2 B.V. in Amsterdam is the head of the group of legal entities included in the consolidation. The Company's direct shareholder is Byzantium Acquisition MidCo 1 B.V. registered at the Chamber of Commerce under number 68802641. The ultimate shareholders of the Company are a consortium consisting of investment funds advised by Kohlberg Kravis Roberts & Co. LP (London, United Kingdom), Eureizen (Paris, France), PensionDanmark Pensionsforsikringsaktieselskab (Copenhagen, Denmark), Euro-Parking Investments S.a r.l. (Luxembourg, Grand Duchy of Luxembourg) and Babylon Investments B.V. (Amsterdam, The Netherlands).

An overview of the group companies and the company's other participating interests is set out in the note on group companies and participating interests.

2 Significant accounting policies

General

The consolidated annual accounts and company annual accounts are presented in euros. The euro is the presentation currency as well as the functional currency of Byzantium Acquisition MidCo 2 B.V. Each entity within the Group recognises transactions and balance sheet items in its own functional currency.

Consolidation

Financial information relating to Group companies and other legal entities controlled by Byzantium Acquisition MidCo 2 B.V. or where central management is conducted has been consolidated in the financial statements of Byzantium Acquisition MidCo 2 B.V. The consolidated financial statements have been prepared in accordance with the accounting principles of Byzantium Acquisition MidCo 2 B.V. An overview of the Group companies and the company's other participating interests is set out in the note on group companies and participating interests.

2 Significant accounting policies (continued)

Financial information relating to the group companies and the other legal entities and companies included in the consolidation is fully included in the consolidated financial statements, eliminating the intercompany relationships and transactions.

The results of newly acquired group companies and the other legal entities and companies included in the consolidation are consolidated as from the acquisition date. On that date the assets and liabilities acquired are measured at fair value. If the acquisition price exceeds the fair value of the acquired assets and liabilities, this is goodwill which is capitalised and amortised over the expected useful life.

Foreign currencies

Receivables, liabilities, and cash and cash equivalents in foreign currency are converted at the prevailing exchange rates as per balance sheet date. Foreign exchange rate differences arising are incorporated in the consolidated income statement.

The income statements from the group companies registered abroad are converted at the average exchange rate for the period of the consolidated income statement. The net result from these group companies is converted at the exchange rate prevailing at balance sheet date. The difference between these two conversions is accounted for in the shareholders' equity (statutory exchange rate differences reserve).

Assets and liabilities of a group company incorporated abroad are converted at the foreign exchange rates prevailing at the balance sheet date for the purposes of consolidation. Foreign exchange rate differences that arise are directly deducted from or added to, after deduction of deferred tax effects, the Group equity and recognised in the statutory exchange rate differences reserve. Likewise, this also applies to the translation differences on loans that form part of the net investment in the foreign operations.

Overview of the exchange rates used for drawing up the annual accounts:

	2017	
	Average	**End**
British pound (GBP)	1.1270	1.1271
Danish crown (DKK)	0.1344	0.1343
Swedish crown (SEK)	0.1021	0.1016
Norwegian crown (NOK)	0.1041	0.1016

Estimates in the annual accounts

When applying the Group's accounting policies, it is necessary to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The most important of these estimates are explained as follows.

At balance sheet date Byzantium Acquisition MidCo 2 B.V. determines whether there are any indicators that goodwill is impaired. Additionally, the assessment is made for its other intangible fixed assets as well as tangible fixed assets.

2 Significant accounting policies (continued)

There is some uncertainty regarding the explanation of complex tax regulations and the tax effects of the acquisition and financing strucutre of Q-Park. Considering the wide range of international business relationships and the long-running and complex nature of existing contractual agreements, differences may arise between the assumptions made and the actual results, or future changes in such assumptions may influence the actual results.

Deferred tax assets related to unused tax losses are recognised in so far as it is probable that profit for tax purposes will be available to which this can be offset. In order to determine the value of the deferred tax assets arising from tax losses not offset, a management assessment is required regarding the probable timing and level of the future taxable profits, combined with future fiscal planning strategies. For further details on the tax positions, reference is made to note 17 'Taxes'.

Business combination

The purchase accounting method is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- net present value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets and liabilities acquired in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis at the non-controlling interest's proportionate share in the fair value of the acquired entity's assets and liabilities. Acquisition-related costs are capitalised as part of the purchase price.

Goodwill is measured as the excess of the sum of the consideration transferred, adjusted for any non-controlling interest in the acquired entity, and the fair value of the net identifiable assets acquired and the liabilities assumed. Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability.

Intangible fixed assets

Intangible fixed assets are presented at cost less accumulated amortisation and, if applicable, less impairments in value. Amortisation is charged as a fixed percentage of cost, as specified in more detail in the notes to the balance sheet. The expected useful life and the amortisation method are reassessed at the end of each financial year.

Goodwill

Goodwill on acquisitions is capitalised and amortised on a straight line basis over a period of 20 years. This period is derived from the long-term business profile and cash flows from the underlying assets (owned and leased parking facilities).

2 Significant accounting policies (continued)

Concessions

The concessions relate to all French parking facilities involving a (finite) concession for the use of the ground. The concessions are depreciated on a straight line basis over the duration of the underlying concession contracts.

Other intangible fixed assets

The other intangible fixed assets consist of operating rights related to leased facilities, the corporate trade name and other intangible fixed assets (mainly software). The operating rights related to leased rights and the corporate trade name are capitalised as part of business combinations at fair value on acquisition date.

The other tangible fixed assets are amortised on a straight line basis over the expected useful economic life with an assumed residual value of nil. The following table shows an indication of the useful life per asset category:

Categories	Percentage
Operating rights leased facilities	5%
Trade name	5%
Other	20%

Tangible fixed assets

Tangible fixed assets are stated at the cost price less accumulated depreciation and, if applicable, less impairments in value. Depreciation of tangible fixed assets is based on linear depreciation over the expected period in use and taking the expected residual value into account. Depreciation commences on the date an asset comes into use. The following table shows an indication of the assessed useful economic life and depreciation percentages applied to the different fixed asset categories.

Categories	Percentage
Buildings	2% – 3%
Leasehold improvements	5% – 10%
Parking equipment and installations	10% – 20%
Other tangible fixed assets	10% – 20%

Tangible fixed assets are capitalised if the economic ownership held by the company, and its group companies, and is governed by a financial lease agreement. The qualification of a financial lease agreement is based on the contract duration, cumulative amounts of lease payments and other contract specific conditions that indicate economic ownership. The commitment arising from the financial lease agreement is accounted for as a liability. The interest included in the future lease instalments is charged to the result over the term of the financial lease agreement.

Periodical major maintenance is capitalised according to the components approach, with which the aggregate expenditures are allocated to the component parts.

Participating interests and prepaid expenses

Participating interests in which significant influence can be exercised are valued based on the equity method by applying the Byzantium Acquisition MidCo 2 B.V. valuation and accounting policies. It is presumed that significant influence can be exercised when Byzantium Acquisition MidCo 2 B.V. has 20% or more of the voting rights in the General Meeting of Shareholders.

2 Significant accounting policies (continued)

If the valuation according to the equity method of a participating interest comes out negative, this is valued at zero. A provision is recognised if and in so far as, in this situation, Byzantium Acquisition MidCo 2 B.V. is fully or partially liable for the debts of the participating interest or has the firm intention to guarantee its participating interest's liabilities. The first valuation of acquired participating interests is based on the fair value of the identifiable assets and liabilities at the moment of acquisition.

Participating interests on which no significant influence can be exercised are classified as financial instrument and stated at fair value.

The prepaid expenses are valued at amortised cost.

Deferred tax assets

Deferred tax assets with respect to tax-deductible losses and temporary valuation differences are recognised and are valued at the tax rates expected to apply to the results in the future. Deferred tax assets are only recognised if and to the extent that sufficient fiscal benefit is expected as compensation or if sufficient deferred tax liabilities arising from temporary taxable differences are available.

Deferred tax assets and liabilities will be offset against each other if these fall within a tax group for corporate tax and as far as the periods in which settlement is expected coincide.

Receivables

Upon initial recognition, receivables are valued at fair value and then valued at amortised cost. The fair value and amortised cost equal the face value. Provisions deemed necessary for possible bad debt losses are deducted. These provisions are determined by individual assessment of the receivables.

Cash

Cash is valued at face value. If cash is not freely disposable, then this has been taken into account upon valuation.

Provisions

Provisions are made if Byzantium Acquisition MidCo 2 B.V. has a present obligation (contractual or actual) resulting from a past event. A provision is only recognised in so far as a reliable estimate of the liability can be made and it is probable that such a liability will have to be paid. However, the exact size and timing of the outgoing cash flow is uncertain. The expenses associated with a provision are recognised in the income statement. If the effect of the time value of money is significant, the provisions will be discounted at the market rate of high-quality corporate bonds as at balance sheet date.

Onerous contracts

A provision for onerous contracts is recognised for contracts in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs reflect the least net costs of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. As the time value of money is material to the provision it is discounted at the market rate of high-quality corporate bonds.

2 Significant accounting policies (continued)

Deferred tax liabilities

The deferred tax liabilities with respect to temporary differences between the tax base and commercial valuation of assets and liabilities are stated at nominal value and based on the tax rates against which these differences are expected to be settled in the future.

Pensions

In relation to pension benefits the Group makes use of the provision to (integrally) apply the IFRS standards on pension benefits. Within the Group there are a variety of pension schemes in accordance with the conditions and practices prevailing in the countries in which the Group operates. The schemes qualify as defined contribution plans under which contributions are paid into pension funds or to insurance companies on a contractual basis. Except for paying these contributions the Group has no other obligations to pay further contributions by virtue of these plans.

Premium liabilities are charged to the result at the moment the liability arises and no provisions are made for future increases of pension premiums.

Non-current liabilities

Lease obligations

Long-term liabilities arising from financial lease contracts are stated in the balance sheet at the discounted value, only in so far as they are fixed, irreversible liabilities. This discounted value is determined based on the effective interest rate for these liabilities. The interest expenses related to these liabilities are recognised in the income statement.

Loans

Upon initial recognition, the loans are stated at fair value and then valued at amortised cost. The costs of concluding loans, prepaid interest charges and financing charges are deducted from the loan and are charged to the result according to the effective interest method over the duration of the loans. The effective interest method is a method of calculating the amortised costs of a debt instrument and allocating the interest income over the relevant period. Repayments within a year after balance sheet date are presented as a separate item as part of the current liabilities.

Financial instruments

Byzantium Acquisition MidCo 2 B.V. uses derivative financial instruments (derivatives) such as interest rate swaps (IRS) and interest rate caps (IRC) to hedge against the risk of changing interest rates.

Financial derivatives are initially recognised in the balance sheet at fair value and are valued at their fair value at every subsequent balance sheet date. Hedges relate to the risk of possible variability of cash flows attributable to a recognised asset, or obligation, or an expected transaction, or the currency risk of an off-balance obligation for which a contract has been undertaken. Movements in the fair value of financial instruments are recognised in the income statement as part of the line item ‘financial result’.

Current liabilities

Upon initial recognition, the current liabilities are stated at fair value and then valued at amortised cost (which is usually in line with the nominal amount).

2 Significant accounting policies (continued)

Determining the result

Costs are determined in accordance with the accounting policies defined and are allocated to the appropriate reporting year. Profits are reported in the year in which the services are provided. Losses are recognised in the year in which they are known.

Revenue recognition

Net revenue represents amounts invoiced for services provided during the financial year, net of discounts and value added taxes. The costs of providing these services are allocated to the same period. The revenue recognised consists of:

- Parking revenues: parking revenues (short-stay parking and season tickets) from parking facilities operated by the Group.
- Control fees: income arising from enforcement of paid parking (parking fines) on or in parking facilities owned by the Group and/or by third parties.
- Management and consultancy fees: concerns the fixed and variable allowance for operating parking facilities for third parties.
- Rental income: rental income from parking facilities owned by the Group but operated by third parties, as well as income from renting specific areas in parking facilities to third parties.
- Other income: concerns all other income not included in the categories above.

Financial result

The financial result consists of both the financial expenses as well as the financial income. Interest costs on loans and interest rate derivatives, as well as amortised refinancing costs are accounted for under financial expenses.

Interest income on outstanding cash and cash equivalents is accounted for under financial income.

Taxes

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period including changes regarding taxes to be paid in respect of previous years.

Cash flow statement

The cash flow statement has been prepared using the indirect method.

The funds in the cash flow statement consist of cash and cash equivalents. Cash equivalents can be considered to be highly liquid investments.

Cash flows in foreign currencies are translated at an estimated average rate. Exchange rate differences concerning finances are shown separately in the cash flow statement.

Corporate income taxes, interest received and dividends received are presented under the cash flow from operating activities. Interest paid and dividends paid are presented under the cash flow from financing activities.

2 Significant accounting policies (continued)

The cost of Group companies acquired is presented under the cash flow from investment activities, as far as payment has been made with cash and cash equivalents. The cash and cash equivalents of Group companies acquired is presented separately in the reconciliation of the net cash flow and in the balance sheet movement of the cash position.

Issuance of share capital is presented under the cash flow from financing activities.

Transactions that do not result in exchange of cash and cash equivalents, such as financial lease, are not presented in the cash flow statement. The lease instalments payments for financial lease contracts are presented as debt redemption for the redemption component and as interest paid for the interest component.

3 Acquisitions

Q-Park B.V.

On 11 October 2017, Byzantium Acquisition MidCo 2 B.V. acquired 100% of the shares in Q-Park B.V., via its subsidiary Byzantium Acquisition B.V.

The estimated fair value of the identifiable assets and liabilities on the acquisition date was as follows:

(x EUR million)			
NON-CURRENT ASSETS		**TOTAL EQUITY**	**1,165.7**
Intangible fixed assets	748.6		
Tangible fixed assets	3,090.8	**NON-CURRENT LIABILITIES**	
Participating interests and prepaid expenses	3.3	Provisions	33.5
Deferred tax assets	40.6	Deferred tax liabilities	452.4
Financial instruments	3.1	Lease obligations	1,034.3
		Loans	1,109.4
		Other long-term liabilities	60.3
CURRENT ASSETS		**CURRENT LIABILITIES**	
Receivables	113.2	Liabilities	196.3
Cash and cash equivalents	52.3		
TOTAL ASSETS	**4,051.9**	**TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES**	**4,051.9**

The acquisition price of the shares in Q-Park B.V. (including acquisition costs) amounted to EUR 1,822.3 million (in cash only). The acquisition in Q-Park is accounted for based on the 'purchase accounting' method. The initial recognition of the acquisition is provisional in relation to the final measurement of the identifiable assets and liabilities acquired. The preliminary amount of goodwill resulting from the transaction amounts EUR 656.6 million, see note '4 Goodwill and other intangible fixed assets'.

In 2017, Q-Park B.V. (and its underlying subsidiaries) contributed a revenue of EUR 231.6 million and an operating result before depreciation of EUR 76.9 million to the result of Byzantium Acquisition MidCo 2 B.V. If Q-Park B.V. had been acquired as of the beginning of the annual reporting period, the combined revenue contribution would have been EUR 854.5 million with an operating result before depreciation of EUR 147.9 million.

4 Intangible fixed assets

Movements in the goodwill and other intangible fixed assets are shown in the table.

(x EUR million)	Goodwill	Concessions	Other intangible fixed assets	Total intangible fixed assets
Cost price	–	–	–	–
Amortisation	–	–	–	–
Impairments	–	–	–	–
Balance as per 22 May	**–**	**–**	**–**	**–**
Changes in book value:				
– Acquisitions	–	281.7	466.9	748.6
– Investments	656.6	8.0	3.2	667.8
– Amortisation	-8.2	-4.9	-8.8	-21.9
– Disposals	–	-1.8	–	-1.8
– Foreign exchange rate differences	–	–	-3.9	-3.9
Cost price	656.6	287.9	466.2	1,410.7
Amortisation	-8.2	-4.9	-8.8	-21.9
Impairments	–	–	–	–
Balance as per 31 December	**648.4**	**283.0**	**457.4**	**1,388.8**

Goodwill

The acquisition of the Q-Park Group resulted in a goodwill addition of EUR 656.6 million being the difference between the acquisition price and the fair value of the acquired assets and liabilities. The goodwill is amortised on a straight line basis over its a useful life time. Based on the profile of the company and the long-term cash flow profile of the operational contracts, the useful life is estimated at 20 years. Amortisation charges are recognised as part of the total depreciation and amortisation expenses.

Concessions

The concessions relate to the cost price (fair value at acquisition date) of the concession contracts in France. Investments in concession contracts are amortised on a straight line basis according to the duration of the underlying concession contracts. The book value of the concessions includes all capital expenditure related to the underlying parking facilities.

Other intangible fixed assets

The other intangible fixed assets include the Q-Park trade name, operating rights of leased parking facilities, as well as software and can be summarised as follows:

(x EUR million)	Other intangible fixed assets
Trade name	73.4
Software	16.0
Right of operation of leased parking facilities	368.0
Balance as per 31 December	**457.4**

5 Tangible fixed assets

Movements in tangible fixed assets are shown in the table.

(x EUR million)	Land and buildings	Leasehold improvements	Equipment and installations	Assets under construction	Other tangible fixed assets	Total tangible fixed assets
Cost price	–	–	–	–	–	–
Depreciation	–	–	–	–	–	–
Balance as per 22 May	**–**	**–**	**–**	**–**	**–**	**–**
Changes in book value:						
– Acquisitions	2,815.0	139.6	95.6	27.0	13.6	3,090.8
– Investments	9.3	1.7	4.4	8.4	2.0	25.8
– Disposals	–	-0.5	-0.3	-0.4	–	-1.2
– Relocation tangible fixed assets	13.2	2.8	5.9	-21.7	-0.6	-0.4
– Depreciation	-22.3	-4.5	-6.4	–	-1.3	-34.5
– Foreign exchange rate differences	-4.4	-0.2	-0.6	–	-0.1	-5.3
Cost price	2,941.5	194.4	198.7	13.3	46.2	3,394.1
Depreciation	-130.7	-55.5	-100.1	–	-32.6	-318.9
Balance as per 31 December	**2,810.8**	**138.9**	**98.6**	**13.3**	**13.6**	**3,075.2**

As a result of the acquisition of the Q-Park Group tangible fixed assets were acquired for an amount of EUR 3,090.8 million, primarily consisting of parking facilities (owned and leased), parking equipment and installations.

The land and buildings include assets with a carrying amount of EUR 1,028.8 million, financed by means of financial lease. The Group does not hold legal title of these assets.

As part of the refinancing, the majority of the corporate assets have been pledged either by mortgage or share pledges. The guarantee reaches the majority of the Group with exemption of the assets located in Denmark and Finland.

As per 31 December 2017 there are no assets identified as held for sale.

6 Participating interests and prepaid expenses

Movements in participating interests and prepaid expenses are shown in the table.

(x EUR million)	Participating interests	Prepaid expenses	Total
Balance as per 22 May	**–**	**–**	**–**
Acquisitions	0.1	3.2	3.3
Additions	–	0.9	0.9
Amortisation	–	–	–
Other movements	–	–	–
Balance as per 31 December	**0.1**	**4.1**	**4.2**

For a specification of the minority interests in the previous table please refer to the note on group companies and participating interests. Insofar as participating interests represent a

6 Participating interests and prepaid expenses (continued)

negative balance at balance sheet date, these are recognised if and insofar as the company is liable for its share in the liabilities of the participating interests concerned.

7 Receivables

The specification of receivables is shown in the table.

(x EUR million)	2017
Trade debtors	55.1
Taxes and social insurance contributions	6.2
Other receivables and prepayments	57.6
Balance as per 31 December	**118.9**

Details of trade debtors are shown in the following table.

(x EUR million)	2017
Trade debtors	59.0
Provision for doubtful debts	-3.9
Balance as per 31 December	**55.1**

The following table shows an analysis of the age of the trade debtors item after provisions taken for doubtful debts have been deducted.

(x EUR million)	2017
< 30 days	49.4
between 30 and 60 days	2.8
between 61 and 90 days	1.1
between 91 and 180 days	2.3
> 180 days	-0.5
Total	**55.1**

The net receivables balance consists of receivables amounting to EUR 49.4 million (89.6%) for which there are no payment arrears.

The receivables balance of EUR 9.6 million concerns trade debtors with payment arrears, for which a provision of EUR -3.9 million is recognised.

Movements in the provision for bad debts are shown in the following table.

(x EUR million)	2017
Balance as per 22 May	–
Acquisitions	-3.5
Additions	-0.6
Usage and/or releases	0.2
Balance as per 31 December	**-3.9**

The other receivables, prepayments and accrued income are shown in the following table.

7 Receivables (continued)

(x EUR million)	2017
Prepaid lease expenses	34.4
Amounts to be invoiced	9.1
Other receivables, prepayments and accrued income	14.1
Balance as per 31 December	**57.6**

8 Cash

The specification of cash is shown in the table.

(x EUR million)	2017
Bank	85.4
Payment machines	3.6
Cash in transit	9.2
Balance as per 31 December	**98.2**

Of the total bank balance of EUR 85.4 million an amount of EUR 3.9 million is blocked and not freely disposable.

9 Shareholders' equity

The shareholders' equity amounts to EUR 1,210.5 million. For an explanation of the individual items in the shareholders' equity, please refer to the note on the Shareholders' equity in the company annual accounts.

The issued share capital consists of 100 shares with a nominal value of EUR 1 per share. All shares have been issued.

(x EUR million)	2017	
Balance as per 22 May		–
Capital contribution from shareholder		1,236.9
Consolidated net result for the year	-20.4	
Direct equity movements:		
Foreign exchange differences on foreign investments	-6.0	
Total result of the Group		-26.4
Balance as per 31 December		**1,210.5**

10 Provisions

The composition of the Group's provisions is shown in the following tables.

(x EUR million)	2017
Provisions > 1 year	33.1
Provisions < 1 year	1.1
Balance as per 31 December	**34.2**

10 Provisions (continued)

(x EUR million)	2017
Provisions for participating interests	0.4
Provisions for onerous contracts	32.2
Provisions other	1.6
Balance as per 31 December	**34.2**

Movements in the provisions for participating interests are shown in the following table.

(x EUR million)	2017
Balance as per 22 May	–
Acquisitions	0.4
Movements	–
Balance as per 31 December	**0.4**

Movements in the provisions for onerous contracts are shown in the following table.

(x EUR million)	2017
Balance as per 22 May	–
Acquisitions	31.3
Additions charged to the result	–
Withdrawals	–
Foreign exchange rate differences	0.9
Balance as per 31 December	**32.2**

Movements in the provisions other are shown in the following table.

(x EUR million)	2017
Balance as per 22 May	–
Acquisitions	1.8
Additions charged to the result	-0.2
Withdrawals	–
Balance as per 31 December	**1.6**

11 Non-current liabilities

Lease obligations

The Group has agreed financial lease contracts of which the discounted value of the minimum lease obligations included in these lease contracts amounts to EUR 1,032.5 million at the end of 2017.

The minimum lease obligations are based on the most recent estimates of the minimum fixed lease obligations. The composition of the lease obligations is shown in the following table.

(x EUR million)	2017
Lease obligations under non-current liabilities in the balance sheet	976.1
Lease obligations under current liabilities in the balance sheet	56.4
Balance as per 31 December	**1,032.5**

11 Non-current liabilities (continued)

Movements in the lease obligations are shown in the following table.

(x EUR million)	2017
Balance as per 22 May	–
Acquisitions	1,034.3
Interest addition on lease obligation	8.9
New contracts	6.8
Paid lease obligation	-14.2
Foreign exchange rate differences	-3.3
Balance as per 31 December	**1,032.5**

The minimum lease obligations as recognised on the balance sheet are further specified in the following table.

	2017	
	Lease obligation	
(x EUR million)	Discounted value	Nominal value
Period < 1 year	56.4	58.3
1 year < period < 5 years	157.9	175.0
Period => 5 years	818.2	1,511.6
Total	**1,032.5**	**1,744.9**

Loans

At the end of 2017, the total amount of the interest-bearing monetary loans recognised under the current and long-term liabilities was EUR 1,728.5 million, from which the capitalised transaction costs of EUR 26.9 million have been deducted.

The composition of the Group's monetary loans is shown in the following table.

(x EUR million)	2017
Monetary loans under non-current liabilities in the balance sheet	1,696.5
Monetary loans under current liabilities in the balance sheet	5.1
Monetary loans recognised in the balance sheet	**1,701.6**
Capitalised transaction costs	26.9
Total monetary loans excluding capitalised transaction costs[1]	**1,728.5**
Corporate term loan	1,147.0
Loan from shareholder	527.9
Other loans	53.6
Total monetary loans	**1,728.5**

1 Basis for further notes and tables in this note. Further referred to as 'total monetary loans'.

11 Non-current liabilities (continued)

The changes are shown in the following table.

(x EUR million)	2017
Balance as per 22 May	–
Acquired loans	1,118.3
New loans – external	307.9
New loans – shareholder	527.9
Redeemed loans	-225.6
Foreign exchange rate differences	–
Balance as per 31 December	**1,728.5**

The main part of the loan balance consists of a term loan of 1,147 million and a Revolving Credit Facility (RCF) which has a limit of EUR 250 million and matures in 2022. At the end of 2017 the term loan is fully drawn and the RCF is unused. Byzantium Acquisition MidCo 2 B.V. may borrow and repay amounts at will within the limit of the RCF. The financing ratios as agreed for this loan are the 'interest coverage ratio' (ICR) and the 'Net bank debt / EBITDA' ratio. Further reference is also made to note 20 Risk management regarding financial instruments.

At the end of 2017, the unutilised portion of the total financing amounted to EUR 250 million. Of this unutilised portion, EUR 20.0 million is blocked for bank guarantees and overdraft facilities.

In the coming years, the loans will be repaid according to the schedule shown in the following table.

(x EUR million)	2017
Period < 1 year	5.1
1 year < period < 5 years	1,195.5
Period => 5 years	527.9
Total	**1,728.5**

The average interest percentage on bank loans, including the effect of interest rates swaps, amounted to 2.4%. As the majority of the loans are based on variable interest rates, the average interest percentage rate is dependent on the Euribor rate. The volatility in interest expenses is hedged by means of interest rate swaps and interest caps as further explained in note 20 Risk management regarding financial instruments.

The interest due on the shareholder loan is fixed at 7%.

As part of the refinancing, the majority of the corporate assets have been pledged either by mortgage or share pledges. The company and the majority of the Group with exemption of the entities located in Denmark and Finland have reciprocally accepted joint and several liability for everything they, or any one of them, are, or shall be, liable for in respect of debts in connection with RCF and term loan

Other long-term liabilities

The composition of the other long-term liabilities is shown in the following table.

(x EUR million)	2017
Financial derivatives	35.9
Other long-term liabilities	17.9
Balance as per 31 December	**53.8**

11 Non-current liabilities (continued)

For further notes on the financial derivatives, please refer to the note on risk management with regard to financial instruments.

The other long-term liabilities primarily relate to prepaid long-term parking revenues which will be recognised in the income statement over the remaining duration of the underlying contracts.

12 Current liabilities

Other liabilities, accruals and deferred income

The specification of the other liabilities, accruals and deferred income is shown in the following table.

(x EUR million)	2017
Staff costs	15.6
Lease costs	21.2
Interest and bank costs	14.1
Accruals	2.2
Revenue invoiced in advance	51.4
Other liabilities	42.1
Balance as per 31 December	**146.6**

13 Contingencies and liabilities not included in the balance sheet

The Group operates parking facilities under operational lease agreements. The total nominal fixed lease obligation relating to these operational lease agreements amounts to EUR 1,456.0 million. Of this amount EUR 130.7 million is due within one year, EUR 442.4 million between 1 to 5 years and EUR 883.0 million is due after five or more years.

In addition the Group has committed itself to the lease of small equipment, offices and cars amounting to EUR 19.4 million. These lease commitments have a a duration of less than 5 years.

Securities are submitted to third parties by means of bank and other guarantees amounting EUR 261.3 million.

The Group has committed itself to investment obligations related to new business opportunities (owned and leased parking facilities) amounting to EUR 155.9 million.

At the end of 2017, Byzantium Acquisition MidCo 2 B.V., including its group companies, was involved in various legal proceedings and disputes. Based on an assessment of financial risk for the claims received, provisions have been taken or the financial consequences have been accounted for in the annual accounts, as far as is deemed necessary. In relation to the legal proceedings and disputes that are not included in the balance sheet, the risk of a cash outflow is assessed as highly remote.

14 Events after balance sheet date

As of the date of preparation of the annual accounts no significant events have occurred after the balance date which require additional disclosures in the consolidated annual accounts.

15 Net revenue

The specification of net revenue is shown in the following table.

(x EUR million)	2017
Parking revenues	205.9
Control fees	10.3
Management and consultancy fees	4.5
Rental income	3.0
Other income	7.9
Net revenue	**231.6**

The different countries in which the Group operates are divided into regions. This regional structure can be summarised as follows:

- Region 'Mid' – Netherlands and Germany;
- Region 'West' – United Kingdom and Ireland;
- Region 'South' – France and Belgium;
- Region 'North' – Sweden, Denmark, Norway and Finland.

The net revenue per region is further specified in the following table:

(x EUR million)	2017
Region 'Mid'	78.6
Region 'West'	34.7
Region 'South'	47.7
Region 'North'	70.6
Net revenue	**231.6**

16 Financial result

The specification of the financial result is shown in the following table.

(x EUR million)	2017
Interest costs bank debt	-6.9
Interest on shareholder loan	-8.3
Interest on financial lease obligation	-8.9
Fair value movement of derivatives	-4.5
Other bank and interest costs	-7.1
Foreign exchange results	1.1
Financial result	**-34.6**

The other bank and interest costs of EUR -7.1 million primarily relate to a penalty (EUR -5.7 million) for the early redemption of loans as a consequence of the acquisition-related refinancing of the Q-Park Group and depreciation of capitalised bank costs (EUR -1.4 million).

17 Taxes

The tax component of the total income after taxes amounts to EUR -6.6 million, the details are shown in the following table.

	2017	
(x EUR million)	%	EUR
Taxes on direct result based on domestic tax rates	25%	3.5
Adjustments:		
Adjustments for actual Group companies rate	-14%	-2.0
Non-taxable goodwill depreciation	-15%	-2.1
Permanent difference related to financial leasing	-7%	-0.9
Other permanent differences	-25%	-3.4
Other adjustments	-12%	-1.7
Total tax expense	**-48%**	**-6.6**

The other permanent differences mainly relate to adjustments regarding non-deductible interest expenses and non-deductible other expenses which are driven by non-deductible lease expenses for German trade tax.

The other adjustments mainly concern true-ups of tax positions based on the latest tax declarations and adjustments of deferred tax assets related to fiscal losses as a result of a planned merger of entities.

The deferred tax balances recognised in the balance sheet are detailed in the following table.

(x EUR million)	2017
Available tax losses carried forward	25.6
Other temporary taxable differences	14.1
Total deferred tax assets	**39.7**
Other temporary taxable differences	447.9
Total deferred tax liabilities	**447.9**

The total deferred tax assets mainly relate to available tax-deductible losses in the Netherlands, France and Belgium. The recoverability of the tax-deductible losses and the notional interest deduction facility included in the deferred tax assets has been assessed in the light of the recent business plan and prevailing tax regulations.

The other deferred taxable differences included in the deferred tax assets primarily relate to temporary valuation differences and stalled interest deduction positions.

The deferred tax liabilities mainly comprise of the temporary valuation differences between the fiscal and commercial valuation of parking facilities and the operating rights. The value is largely driven (> 70%) by the fair value step-up of assets as a result of the purchase accounting of the acquisition of the Q-Park Group.

17 Taxes (continued)

Movements in the deferred tax assets and liabilities are shown in the following table.

(x EUR million)	2017 Deferred tax assets	2017 Deferred tax liabilities
Balance as per 22 May	–	–
Acquisitions	40.6	452.4
Exchange rate result	-0.1	-1.0
Movements via income statement	-0.8	-3.5
Movements via shareholders' equity	–	–
Balance as per 31 December	**39.7**	**447.9**

18 Employee information

Employees

At the end of 2017 there were 2,546 employees corresponding to 2,214 full-time equivalents (FTEs). The number of employees and the number of FTEs is further specified as follows:

Head count	2017
Head office	48
Region 'Mid'	642
Region 'West'	470
Region 'South'	513
Region 'North'	873
Total	**2,546**

Average number of FTE	2017
Head office	44
Region 'Mid'	562
Region 'West'	441
Region 'South'	472
Region 'North'	695
Total	**2,214**

Of the total employees, 2,063 work outside the Netherlands (1,795 FTEs).

Remuneration of the Executive Board of Byzantium Acquisition MidCo 2 B.V.

The Executive Board of Byzantium Acquisition MidCo 2 B.V. has four members. The compensation to board members is paid as a service fee and amounts EUR 0.1 million for the year 2017.

19 Related parties

There have not been any significant transactions with related parties in the financial year under review that are outside the normal course of business or not based on arm's length principles.

20 Risk management regarding financial instruments

Policy concerning financial risk management

The policy regarding managing financial risks is determined by the Executive Board. The key financial risks to which Byzantium Acquisition MidCo 2 B.V. is exposed are market risk, liquidity

20 Risk management regarding financial instruments (continued)

risk, and credit risk. Market risk can be further split into interest exposure and currency risk; these risks are closely monitored internally. Instruments for managing these risks include financial derivatives. The company does not take speculative positions with financial instruments.

Interest exposure

Interest rate fluctuations influence the direct result of Byzantium Acquisition MidCo 2 B.V. The Group interest policy is designed to limit risks and can be explained as follows:

- interest-bearing debts have a fixed-interest component and a variable-interest component, where the interest from the variable-interest component is hedged by means of interest rate swaps (IRS) and caps;
- overall, at least 70% of the term loan should be protected from interest rate fluctuations.

At the end of 2017, loan positions were hedged, by means of interest rate swaps (IRS) and interest rate caps (IRC), for an amount of EUR 840.0 million. As a result of the hedging positions, 73% of the total term loan of EUR 1,147.0 million is therefore insensitive to interest rate fluctuations. The following table shows the hedging of the loan positions further specified by time to maturity of the interest rate derivatives.

	2017	
Time to maturity	**Number of contracts**	**Hedged value (x EUR million)**
Period < 5 years	2	730.0
5 years < period < 10 years	1	110.0
10 years < period < 15 years	–	–
Period > 15 year	–	–
Total	**3**	**840.0**

Currency risk

Byzantium Acquisition MidCo 2 B.V. is exposed to exchange rate fluctuations with respect to its activities in the United Kingdom, Sweden, Norway and Denmark. This risk is partly hedged by concluding part of the term loan in foreign currencies. The part that is hedged communicates with the total loan amount submitted to these countries as part of the financing of past acquisitions. The equity part of the currency exposure is not hedged.

Liquidity risk

Byzantium Acquisition MidCo 2 B.V. endeavours to limit the liquidity risk by ensuring the availability of sufficient credit facilities to support the operating activities and meet financial obligations. Given the solid cash flows and balance sheet positions, Byzantium Acquisition MidCo 2 B.V. has sufficient access to these facilities. In addition, Q-Park aims to minimise the refinancing risk through staggered repayment schedules.

20 Risk management regarding financial instruments (continued)

The following tables indicate the time to maturity of the contractual liabilities at the close of 2017.

2017 (x EUR million)	< 1 year	1 to 5 years	> 5 years	Total
Liabilities arising from loans	5.1	1,195.5	527.9	1,728.5
Lease obligations	58.3	175.0	1,511.6	1,744.9
Financial derivatives	–	–	35.9	35.9
Other long-term liabilities	–	–	17.9	17.9
Provisions	1.1	–	33.1	34.2
Trade payables	66.1	–	–	66.1
Other liabilities, accruals and deferred income	181.0	–	–	181.0
Total	**311.6**	**1,370.5**	**2,126.4**	**3,808.5**

With the exception of the financial instruments, which are recognised at fair value, all items in the table are stated at face value, taking the moment of settlement into account.

Liabilities arising from loans – with the exception of the local bilateral loans – will be refinanced.

All other liabilities stated in the table are financed from working capital and operating cash flows. At balance sheet date, the financial lease obligations have an average time to maturity of more than ten years.

Credit risk

Credit risk is the risk that a counterparty fails to meet its obligations arising from a financial instrument or contract with a client, causing financial damage. Byzantium Acquisition MidCo 2 B.V. is exposed to credit risk in connection with its operating activities (trade receivables in particular) and in connection with its financing activities, including deposits at banks and financial institutions, currency transactions, and other financial instruments.

At the reporting date, the maximum exposure to credit risk is the book value of the receivables and cash and cash equivalents as explained in the respective notes. Byzantium Acquisition MidCo 2 B.V. considers the credit risk to be limited. The concentration of risks concerning trade receivables is low, as the customers are widely dispersed. Assets held at the bank concern only assets at reputable banks.

Fair value change of interest derivatives

The fair value of the financial instruments is calculated by discounting the future cash flows. Relevant variables applicable to the valuation of these interest rate derivatives are the present value of interest payments and the expected interest rate curves.

The total market value of the interest derivatives amounts to EUR -33.3 million consisting of interest rate caps (IRC) with a positive market value of EUR 2.6 million and interest rate swaps (IRS) with a negative market value of EUR -35.9 million. The following table shows an overview of the book value and movements of the financial derivatives, subdivided per type.

	2017	
(x EUR million)	Assets	Liabilities
Book value as per 22 May 2017	–	–
Acquisitions	3.1	-42.2
Settled derivatives	–	10.3
Movements in fair value	-0.5	-4.0
Book value as per 31 December	**2.6**	**-35.9**

20 Risk management regarding financial instruments (continued)

Capital management

The primary objective of group capital management is to maintain good creditworthiness and to ensure that the operating activities are optimally supported, so that these operating activities can be conducted effectively, efficiently and profitably and so that shareholder value is created. Byzantium Acquisition MidCo 2 B.V. manages its capital structure and adjusts this to changes in economic circumstances. In order to maintain or modify the capital structure, Byzantium Acquisition MidCo 2 B.V. may adjust dividend payments to shareholders, repay capital or issue new shares.

The primary financing risks, as stated in the senior facilities agreement, are the ‘interest coverage ratio’ (ICR) and the ‘net bank debt / EBITDA’ ratio. The first measurement period of the covenants is set at 31 December 2018. The minimum ICR required for the first testing period is set at 4.75 whereas the requirement of the ‘net bank debt / EBITDA’ ratio is set at 8.75. If, and in so far as, the Group is unable to comply with the ratios set, repayment of the facility is to be made up to an amount which brings the ratios back into the ranges set in the period concerned. Based on the current results and plans it is expected that on the first measurement period the covenants will be well within the required ranges.

COMPANY BALANCE SHEET AS PER 31 DECEMBER

(x EUR million, before result appropriation)	Notes	December 31, 2017	May 22, 2017
Financial fixed assets			
Participating interests	23	1,210.5	–
Intercompany receivables	24	527.9	–
		1,738.4	**–**
Current assets			
Intercompany receivables	24	8.3	–
Other receivables, prepayments and accrued income		–	–
		8.3	**–**
Cash		–	–
TOTAL ASSETS		**1,746.7**	**–**
Shareholders' equity			
Paid-up and called-up capital	25	–	–
Share premium reserve	25	1,236.9	–
Translation reserve	25	-6.0	–
Other reserve	25	–	–
Result financial year	25	-20.4	–
		1,210.5	–
NON-CURRENT LIABILITIES			
Shareholder loan	26	527.9	
		527.9	–
Current liabilities			
Liabilities to shareholder	26	8.3	–
		8.3	–
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**1,746.7**	–

COMPANY PROFIT AND LOSS ACCOUNT

(x EUR million)	Notes	2017
Company result		–
Share in result of participating interests	23	-20.4
Result after taxes		**-20.4**

NOTES TO THE COMPANY ANNUAL ACCOUNTS

21 General information

Byzantium Acquisition MidCo 2 B.V. (chamber of commerce number: 68805934) has issued notices of liability in respect of all consolidated Dutch legal entities pursuant to Book 2, Article 403 of the Dutch Civil Code. Furthermore, a similar parent guarantee has been submitted for legal entities in the United Kingdom. A statement of the legal entities for which a parent guarantee is submitted is stated in the note on group companies and participating interests.

22 Accounting policies observed when preparing the company annual accounts

General

The company-only financial statements have been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code.

The accounting policies used for the company annual accounts are identical to those for the consolidated annual accounts. For the general principles for the preparation of the financial statements, the principles for valuation of assets and liabilities and determination of the result, as well as for the notes to the specific assets and liabilities and the results, reference is made to the notes to the consolidated financial statements, if not presented otherwise hereinafter.

Participating interests

Participating interests in group companies and other entities where the company may exercise control or where it has the central management are stated initially and at balance sheet date at net asset value. The value of these participating interests is corrected for the company's share in the results of the participating interest, based on the accounting policies as these are applied in the consolidated annual accounts and for the share in the other movements in the shareholders' equity of the participating interest attributable to the company after the acquisition date. The net asset value is determined by stating assets, provisions, liabilities and result using the accounting policies applied in the consolidated annual accounts.

23 Participating interests

Movements in the participating interests are shown in the following table.

(x EUR million)	2017
Balance as per 22 May	–
Acquisitions	1,236.9
Result from participating interests	-20.4
Other Movements	-6.0
Balance as per 31 December	**1,210.5**

24 Intercompany receivables

The intercompany receivables recognised under financial fixed assets concern an interest-bearing loan and borrowings issued to group companies as part of the group financing. The interest rate for the loan is set at 7% with a term of 10 years. There are no repayment obligations during the term of the loan only on the final repayment date.

The intercompany receivables recognised under current assets mainly concern current account positions with group companies for which no further agreements have been made about the term to maturity or repayment.

NOTES TO THE COMPANY ANNUAL ACCOUNTS (CONTINUED)

25 Shareholders' equity

Movements in the shareholders' equity are shown in the following table.

(x EUR million)	Share capital	Share premium	Translation reserve	Other reserve	Net result	Total
Balance as per 22 May	–	–	–	–	–	–
Capital contribution	–	1,236.9	–	–	–	1,236.9
Result for the financial year	–	–	–	–	-20.4	-20.4
Movement exchange rate difference	–	–	-6.0	–	–	-6.0
Other movements	–	–	–	–	–	–
Balance as per 31 December	**–**	**1,236.9**	**-6.0**	**–**	**-20.4**	**1,210.5**

In the totals, the company does not recognise any difference between the shareholders' equity according to the consolidated annual accounts and the shareholders' equity according to the company annual accounts. The statutory reserve (exchange rate differences reserve) is a legal reserve and therefore not freely distributable.

Share capital

The issued share capital consists of 100 shares with a nominal value of EUR 1 per share. All shares have been issued.

Statutory translation reserve

The statutory translation reserve is a legal reserve and comprises the foreign exchange rate differences arising from the translation of foreign operations.

Proposed appropriation of loss for the financial year 2017

By virtue of law, the loss over 2017 has been deducted from the shareholders' equity, with due regard to the necessary movements in the statutory reserves.

26 Shareholder loan

The shareholder loan concerns an interest-bearing loan issued by the shareholder of the company. The interest for the loan is set at 7% with a term of 10 years. There are no repayment obligations during the term of the loan only on the final repayment date.

The accrued interest on the shareholder loan is recognised in the current liabilities.

27 Contingencies and liabilities not included in the balance sheet

The company and its subsidiary Byzantium Acquisition B.V. have reciprocally accepted joint and several liability for everything they, or any one of the borrowers, are, or shall be, liable for in respect of debts in connection with RCF and term loan.

In connection with this guarantee the company pledged the shares it holds in Byzantium Acquisition B.V. and pledged all intercompany receivables on Byzantium Acquisition B.V.

From 22 May 2017 onwards the company forms a fiscal unity for Dutch corporate income tax purposes together with its direct subsidiary Byzantium Acquisition B.V. and parent companies Byzantium Acquisition MidCo 1 B.V. and Byzantium Acquisition TopCo B.V. As of acquisition date the Dutch Q-Park subsidiaries as included in note 31 Group companies and participating interests are included in this fiscal unity. As a result thereof the company is, together with the other members of the fiscal unity, jointly and severally liable for the corporate income tax liabilities of the fiscal unity as a whole.

NOTES TO THE COMPANY ANNUAL ACCOUNTS (CONTINUED)

28 Employee information

There are no people employed by the company.

29 Auditor fees paid to the company auditors

The full year audit fees charged by Deloitte Accountants in the financial year under review are shown in the following table.

(x EUR million)	2017
Deloitte Accountants BV:	
Audit activities annual accounts	0.4
Other audit services	0.1
Deloitte Network:	
Audit activities annual accounts	0.7
Other audit services	–
Total fees	**1.2**

30 Events after balance sheet date

As of the date of preparation of the annual accounts no significant events have occurred after the balance sheet date which require additional disclosures in the annual accounts.

31 Group companies and participating interests

The consolidated annual accounts include the financial data of Byzantium Acquisition MidCo 2 B.V. and of the group companies listed in the following table (unless otherwise stated, participating interests are 100%).

NETHERLANDS

- Byzantium Acquisition B.V., Amsterdam
- Q-Park B.V., Amsterdam
- Q-Park Operations Holding B.V., Amsterdam
- Q-Park Real Estate Holding B.V., Amsterdam
- Q-Park Real Estate France B.V., Maastricht
- Q-Park België B.V., Amsterdam
- Q-Park Duitsland B.V., Amsterdam
- Q-Park Operations B.V., Amsterdam
- Q-Park Real Estate Netherlands I B.V., Maastricht
- Q-Park Real Estate Netherlands II B.V., Maastricht
- Q-Park Operations Netherlands I B.V., Maastricht
- Q-Park Parkeergarage Operations B.V., Amsterdam
- Q-Park Beheer B.V., Maastricht
- Q-Park Operations Netherlands II B.V., Amsterdam

NOTES TO THE COMPANY ANNUAL ACCOUNTS (CONTINUED)

31 Group companies and participating interests (continued)

- Q-Park Operations Netherlands III B.V., Maastricht
- Q-Park ‘t Loon B.V., Maastricht
- Q-Park Operations Netherlands IV B.V., Heerlen

GERMANY

- Q-Park Operations Germany GmbH & Co KG, Grevenbroich
- Q-Park Saarbrücken GmbH, Saarbrücken
- Q-Park Verwaltungs GmbH, Grevenbroich
- Q-Park Real Estate Germany GmbH, Grevenbroich

BELGIUM

- City Parking SA, Brussels
- Parketing NV, Brussels
- Q-Park Sint Martinuskerk NV, Brussels
- Q-Park Deurne NV, Brussels
- Q-Park Belgium NV, Brussels
- Q-Park Belgium Holding NV, Brussels
- Q-Park Meir NV, Brussels
- Q-Park Julianus Tongeren NV, Tongeren
- Q-Park Real Estate Belgium NV, Brussels
- Q-Park Financial Services NV, Maasmechelen
- Park-INN NV, Hasselt
- Parkilim NV, Hasselt
- Eural Parking NV, Hasselt (83%)
- Genk Park NV, Hasselt
- DusartPark NV, Hasselt
- HassPark NV, Hasselt

UNITED KINGDOM

- Q-Park UK Limited, Leeds
- Universal Parking Limited, Leeds
- Q-Park Developments Limited, Leeds
- Q-Park (Liverpool) Limited, Leeds
- Q-Park (Glasgow) Limited, Leeds

NOTES TO THE COMPANY ANNUAL ACCOUNTS (CONTINUED)

31 Group companies and participating interests (continued)

- Airparks (Glasgow) Limited, Leeds
- Q-Park Limited, Leeds
- QT Partnership Limited, Leeds
- Q-Park Heathrow Limited, Leeds
- Q-Park Employment Services Limited, Leeds
- Q-Park (NI) Limited, Leeds
- Q-Park & Fly Limited, Leeds
- Ringway Air Park Limited, Leeds
- Q-Park Finance Limited, Leeds
- Q-Park Taunton Limited, Leeds
- Q-Park Securities Limited, Leeds
- Surrey Street Car Park Limited, Leeds
- Q-Park Kingston (No.1) Limited, Leeds
- Q-Park Real Estate Holding UK Limited, Leeds
- Q-Park Real Estate UK I Limited, Leeds
- Q-Park Crawley Limited, Leeds
- Q-Park Real Estate UK II Limited, Leeds
- Q-Park Real Estate UK III Limited, Leeds
- Promenade Car Parks Limited, Leeds

FRANCE

- Q-Park France Holding SASU, Issy les Moulineaux
- Q-Park France SASU, Issy les Moulineaux
- Société Marseillaise de Stationnement, Marseille
- Société Rouenaise de Stationnement SASU, Rouen
- Q-Park Marseille HDV SASU, Issy les Moulineaux
- Q-Park Île de France, Issy les Moulineaux
- Q-Park Toulon SASU, Issy les Moulineaux
- Société Valentinoise de Stationnnement SASU, Valence
- Nîmes Stationnement SASU, Issy les Moulineaux
- Société Chalon Stationnement SASU, Chalon sur Saone
- Société Grenobloise de Stationnement SASU, Issy les Moulineaux
- Société les Parkings de Savoie SASU, Issy les Moulineaux

31 Group companies and participating interests (continued)

- Chartres Stationnement SASU, Issy les Moulineaux
- Saint Germain Stationnement SASU, Issy les Moulineaux
- Q-Park Boulogne SASU, Issy les Moulineaux
- Q-Park Chambéry SASU, Issy les Moulineaux
- Société du parc Coislin SNC, Issy les Moulineaux
- Q-Park France SASU, Issy les Moulineaux
- Q-Park CORSE SASU, Ajaccio
- SEPA – Saint Etienne Parc Auto SASU, Saint Etienne
- Patrimoniale Omniparc SNC, Issy les Moulineaux
- Société du Parking Puget SARL, Issy les Moulineaux
- SCI Q-Park Real Estate France I
- SCI Q-Park Real Estate France II
- SCI Q-Park Real Estate France III
- SCI Q-Park Real Estate France IV
- SCI Q-Park Real Estate France V
- SCI Q-Park Real Estate France VI
- SCI Q-Park Real Estate France VII
- SCI Q-Park Real Estate France VIII
- SCI Q-Park Real Estate France IX
- SCI Q-Park Real Estate France X
- SCI Q-Park Real Estate France XI

IRELAND

- Q-Park Ireland Ltd, Dublin
- Q-Park Management Ltd, Dublin
- Strongale Ltd, Dublin
- Northridge Ltd, Dublin
- Q-Park Properties Ltd, Dublin
- Q-Park Real Estate Ltd, Dublin
- Rushvard Ltd, Dublin
- Fenpark Ltd, Dublin
- Shudehill Ltd, Dublin
- Cornmarket Properties Ltd, Dublin

NOTES TO THE COMPANY ANNUAL ACCOUNTS (CONTINUED)

31 Group companies and participating interests (continued)

- Q-Park Real Estate Ireland Ltd, Dublin
- Accaway Ltd, Dublin
- Blarebrook Ltd, Dublin

DENMARK

- Q-Park Operations Denmark A/S, Søborg
- I/S Nørregardsvej, Kopenhagen
- Q-Park Real Estate Denmark ApS, Kopenhagen

SWEDEN

- Mobil Park AB, Uppsala
- Q-Park AB, Stockholm
- Q-Park Bevakning AB, Stockholm

NORWAY

- Q-Park AS, Oslo

FINLAND

- Q-Park Operations Finland Oy, Helsinki
- Q-Park Finland Oy, Helsinki

LUXEMBOURG

- Q-Park Real Estate Luxembourg S.à.r.l., Luxemburg

MINORITY INTERESTS

- NV Parkeergarage Deventer (1%), Deventer
- SOPAC NIORT (2.6%), Niort
- SEM de Vence (0.003%), Vence
- Transurbain (2%), Evreux
- Société du Parking Vallier (49%), Marseille

LIST OF WHERE GUARANTEES HAVE BEEN EXTENDED

The company has issued notices of liability in respect of the legal entities listed in the following table pursuant to Book 2, Article 403 of the Dutch Civil Code and section 479A of the United Kingdom Companies Act 2006. :

- Byzantium Acquisition B.V., Amsterdam
- Q-Park B.V., Amsterdam
- Q-Park Operations Holding B.V., Amsterdam

NOTES TO THE COMPANY ANNUAL ACCOUNTS (CONTINUED)

31 Group companies and participating interests (continued)

- Q-Park Real Estate Holding B.V., Amsterdam
- Q-Park Real Estate France B.V., Maastricht
- Q-Park België B.V., Amsterdam
- Q-Park Duitsland B.V., Amsterdam
- Q-Park Operations B.V., Amsterdam
- Q-Park Real Estate Netherlands I B.V., Maastricht
- Q-Park Real Estate Netherlands II B.V., Maastricht
- Q-Park Operations Netherlands I B.V., Maastricht
- Q-Park Parkeergarage Operations B.V., Amsterdam
- Q-Park Beheer B.V., Maastricht
- Q-Park Operations Netherlands II B.V., Amsterdam
- Q-Park Operations Netherlands III B.V., Maastricht
- Q-Park 't Loon B.V., Maastricht
- Q-Park Operations Netherlands IV B.V., Heerlen
- Q-Park UK Limited, Leeds
- Universal Parking Limited, Leeds
- Q-Park Limited, Leeds
- Q-Park Securities Limited, Leeds
- Q-Park Taunton Limited, Leeds
- Q-Park (NI) Limited, Leeds
- Q-Park Real Estate Holding UK Limited, Leeds
- Q-Park Real Estate UK I Limited, Leeds
- Q-Park Real Estate UK II Limited, Leeds
- Q-Park Real Estate UK III Limited, Leeds
- Promenade Car Parks Limited, Leeds

Signed

Amsterdam, 12 April 2018

The Executive Board:

- V.O. Policard
- R. Miller
- A.J.A. Gabriels
- M. Yasar

OTHER INFORMATION

Provisions from the articles of association concerning profit appropriation

Article 21

1. The General Meeting is at liberty to appropriate profits which are determined based on the approved annual accounts and to approve distributions to the extend the shareholders' equity exceeds the reserves that must be retained according to the law. By way of derogation from the preceding sentence and in compliance with article 21.4, the Executive Board is authorised to execute interim profit distributions.
2. The profit is at free disposal of the General Meeting. When calculating the amount of profit to be distributed for each share the nominal amount of the shares will be eligible regardless the amount against which the shares have been issued.
3. Distributions of profit occurs after approval of the annual accounts. Profit distributions are paid within two weeks after approval of the Executive Board as specified in article 21.6, unless the Executive Board decides otherwise in the event of exceptional circumstances.
4. The Executive Board is at liberty, in compliance with article 21.1, to authorise interim distributions. The Executive Board shall not authorise interim distributions if they are aware or reasonably should be aware that the company can not continue to pay their debts after payment of these distributions.
5. The General Meeting is at liberty to full or partial distribution of reserves.
6. A resolution to distribute profits or reserves can not be executed without approval of the Executive Board. The Executive Board only refuses the approval of distributions if they are aware or reasonably should be aware that the company can not continue to pay their debts after payment of these distributions.
7. Shareholder claims for payment of distributions expires five years after approval of the distribution.
8. In calculating the amount of any distribution, any shares held by the company shall not be included.

Independent auditor's report

To the shareholders of Byzantium Acquisition MidCo 2 B.V.

Report on the audit of the annual accounts 2017 included in the annual report

Our opinion

We have audited the accompanying annual accounts 2017 of Byzantium Acquisition MidCo 2 B.V., based in Amsterdam.

In our opinion the accompanying annual accounts give a true and fair view of the financial position of Byzantium Acquisition MidCo 2 B.V. as at December 31st, 2017, and of its result for the period May 22nd 2017 to December 31st, 2017 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The annual accounts comprise:

1. The consolidated and company balance sheet as at December 31st, 2017.
2. The consolidated income statement and company profit and loss account for the period May 22nd 2017 to December 31st, 2017.
3. The notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

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

We are independent of Byzantium Acquisition MidCo 2 B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands.

Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

Report on the other information included in the annual report

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

- Directors report.
- Other Information as required by Part 9 Book 2 of the Dutch Civil Code.

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

- Is consistent with the annual accounts and does not contain material misstatements.
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

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

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

Management is responsible for the preparation of the other information, including the Directors report in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the annual accounts

Responsibilities of management for the annual accounts

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

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

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

Our responsibilities for the audit of the annual accounts

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

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

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

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

- Identifying and assessing the risks of material misstatement of the annual accounts, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists

related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluating the overall presentation, structure and content of the annual accounts, including the disclosures.
- Evaluating whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

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 findings in internal control that we identify during our audit.

Amsterdam, April 12, 2018
Deloitte Accountants B.V.
As originally signed J. Dalhuisen

CONTENTS

EXECUTIVE BOARD REPORT, CORPORATE GOVERNANCE AND SUPERVISORY BOARD REPORT

The other information included in the Q-Park N.V. 2016 Annual Accounts is not included in these annual accounts. The other information consists of:

- *Executive Board Report*
- Corporate Governance
- *Supervisory Board Report*

The other information is incorporated by reference in this Offering Memorandum. The other information is available for review and can be obtained from the Chamber of Commerce in The Netherlands.

CONSOLIDATED BALANCE SHEET AS PER 31 DECEMBER

(x EUR million, before result appropriation)	Notes	2016	2015
NON-CURRENT ASSETS			
Goodwill	5	88.5	85.8
Other intangible fixed assets	5	12.3	10.2
Investment property	6	5,671.2	5,642.6
Tangible fixed assets	7	35.3	35.8
Participating interests and prepaid expenses	8	2.6	2.6
Deferred tax assets	22	84.1	112.7
Financial instruments	25	4.2	–
		5,898.2	**5,889.7**
CURRENT ASSETS			
Fixed assets held for sale	9	16.0	–
Receivables	10	131.7	140.6
Cash and cash equivalents	11	24.6	48.8
		172.3	**189.4**
TOTAL ASSETS		**6,070.5**	**6,079.1**
Shareholders' equity	12	**1,351.5**	**1,285.6**
Non-controlling interests		**1.7**	**–**
TOTAL EQUITY		**1,353.2**	**1,285.6**
NON-CURRENT LIABILITIES			
Deferred tax liabilities freehold property	22	375.2	339.8
Other deferred tax liabilities	22	116.6	106.0
Lease obligations	14	2,603.6	2,664.5
Loans	14	1,108.8	1,190.5
Other long-term liabilities	14	60.0	72.0
		4,264.2	**4,372.8**
CURRENT LIABILITIES			
Provisions	13	0.9	1.0
Trade payables		48.7	51.9
Debt credit institutions	14	11.6	10.8
Lease obligations	14	199.6	204.4
Taxes and social insurance contributions		33.0	29.3
Other liabilities, accruals and deferred income	15	159.3	123.3
		453.1	**420.7**
TOTAL EQUITY AND LIABILITIES		**6,070.5**	**6,079.1**

CONSOLIDATED INCOME STATEMENT

(x EUR million)	Notes	2016	2015
Net revenue	18	**825.0**	**809.1**
Variable rent component		-156.3	-148.9
Interest expenses related to rent obligations	14	-169.5	-153.6
Movement rent obligo component in leased properties	6	-45.4	-63.3
Expenses investment property operational and financial lease		**-371.2**	**-365.8**
Other operating expenses investment property		-113.7	-115.9
Wages and salaries		-100.4	-98.5
Social security premiums		-19.2	-19.4
General expenses		-25.6	-24.5
Operational result before depreciation		**194.9**	**185.0**
Depreciation and amortisation		-11.1	-10.1
Operational result		**183.8**	**174.9**
Financial result	19	-44.3	-63.3
Result from participating interests		-0.2	-0.1
Direct result before taxes		**139.3**	**111.5**
Taxes	22	-53.9	-20.7
Direct result after taxes		**85.4**	**90.8**
Revaluation result investment property	6	61.9	4.2
Impairment other intangible fixed assets		–	-0.6
Movement in fair value of interest derivatives		10.3	22.7
Amortisation hedging reserve interest derivatives		-10.1	-31.0
Other valuation results	21	2.7	4.5
Indirect result before taxes		**64.8**	**-0.2**
Taxes	22	-21.3	0.3
Indirect result after taxes		**43.5**	**0.1**
NET RESULT		**128.9**	**90.9**
Attributable to:			
Equity holders of the Company		**128.9**	**90.9**
Non-controlling interests		–	–
NET RESULT		**128.9**	**90.9**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(x EUR million)	Notes	2016	2015
NET RESULT		**128.9**	**90.9**
Foreign exchange differences on translation of foreign operations and net movement of currency derivatives		-50.5	20.4
Amortisation hedging reserve interest derivatives		10.1	31.0
Other direct movements		–	0.2
Items that are or will be transferred to the profit and loss statement - before taxes		**-40.4**	**51.6**
Taxes on foreign exchange differences on translation of foreign operations and net movement of currency derivatives		6.7	-4.0
Taxes related to interest derivatives		-3.3	-8.0
Items that are or will be transferred to the profit and loss statement - after taxes		**-37.0**	**39.6**
TOTAL COMPREHENSIVE INCOME AFTER TAXES		**91.9**	**130.5**
Attributable to:			
Equity holders of the Company		**91.9**	**130.5**
Non-controlling interests		–	–
TOTAL COMPREHENSIVE INCOME AFTER TAXES		**91.9**	**130.5**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(x EUR million)	Share capital	Share premium	Hedging and translation reserve	Other reserves	Net result	Shareholders' equity	Non-controlling interests	Total equity
1 January 2015	**499.3**	**626.7**	**-82.5**	**339.3**	**-227.7**	**1,155.1**	**–**	**1,155.1**
Direct result after taxes	–	–	–	–	90.8	**90.8**	–	**90.8**
Indirect result after taxes	–	–	–	–	0.1	**0.1**	–	**0.1**
Movements in hedging reserve	–	–	23.0	–	–	**23.0**	–	**23.0**
Movements in translation reserve	–	–	16.4	–	–	**16.4**	–	**16.4**
Allocation result previous year	–	–	–	-227.7	227.7	–	–	–
Other movements	–	–	–	0.2	–	**0.2**	–	**0.2**
Comprehensive income	**–**	**–**	**39.4**	**-227.5**	**318.6**	**130.5**	**–**	**130.5**
31 December 2015	**499.3**	**626.7**	**-43.1**	**111.8**	**90.9**	**1,285.6**	**–**	**1,285.6**
Direct result after taxes	–	–	–	–	85.4	**85.4**	–	**85.4**
Indirect result after taxes	–	–	–	–	43.5	**43.5**	–	**43.5**
Movements in hedging reserve	–	–	6.8	–	–	**6.8**	–	**6.8**
Movements in translation reserve	–	–	-43.8	–	–	**-43.8**	–	**-43.8**
Allocation result previous year	–	–	–	90.9	-90.9	**–**	–	**–**
Acquisitions	–	–	–	–	–	**–**	1.7	**1.7**
Comprehensive income	**–**	**–**	**-37.0**	**90.9**	**38.0**	**91.9**	**1.7**	**93.6**
Stock dividend	2.2	-2.2	–	–	–	**–**	–	**–**
Cash dividend	–	-26.0	–	–	–	**-26.0**	–	**-26.0**
31 December 2016	**501.5**	**598.5**	**-80.1**	**202.7**	**128.9**	**1,351.5**	**1.7**	**1,353.2**

CONSOLIDATED STATEMENT OF CASH FLOWS

(x EUR million)	Notes	2016	2015
Cash flow from operating activities			
Operational result		183.8	174.9
Adjustment for:			
Capitalised costs		-1.4	-1.5
Depreciation and amortisation		11.1	10.1
Other indirect result		4.1	-0.9
Taxes paid		-5.3	-2.0
Movements in working capital		10.5	13.3
		202.8	**193.9**
Cash flow from investment activities			
Investments in existing facilities		-37.7	-42.4
Expansion investments		-38.0	-24.9
Divestments		1.2	8.2
		-74.5	**-59.1**
Cash flow from financing activities			
New loans		–	860.0
Repayments		-77.9	-987.8
Purchased/settled derivatives		-4.8	-19.2
Capitalised transaction costs refinancing		–	-6.2
Interest paid		-46.7	-57.7
Dividends paid		-26.0	–
		-155.4	**-210.9**
Movement in cash and cash equivalents		**-27.1**	**-76.1**
Cash balance at 1 January		48.8	124.9
Acquisitions		2.9	–
Movement in cash and cash equivalents financial year		-27.1	-76.1
Cash balance at 31 December	11	**24.6**	**48.8**

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS

1 General information

Q-Park NV (the company) is a public limited company whose registered office and principal place of business is in the Netherlands. Neither the company's shares nor liabilities are listed on any stock exchange.

The consolidated annual accounts drawn up by the Executive Board for the year 2016 and approved for publication on 8 March 2017 will be submitted for adoption to the General Meeting of the Shareholders to be held on 5 April 2017.

All amounts are in EUR millions unless otherwise stated. Q-Park NV's consolidated annual accounts have been prepared in compliance with the International Financial Reporting Standards (IFRS) as adopted by the European Union up to and including 31 December 2016. In addition, the Q-Park NV annual accounts comply with the articles set out in Title 9, Book 2, Dutch Civil Code. By virtue of Title 9, Book 2, Article 402, Dutch Civil Code the company annual accounts contain an abridged profit and loss account.

2 New and amended standards per 1 January 2016

The accounting policies for financial reporting applied are consistent with those applied in the previous financial year, with the exception of the new and changed IFRS standards and IFRIC interpretations. The following new and changed IFRS standards and IFRIC interpretations are applicable to the 2016 financial year:

- IFRS 11 – Joint Arrangements – adjustment to clarify that the acquisition of an interest in a joint business activity must be processed in accordance with IFRS 3 – Business combinations, if this business activity meets the definition of a company such as defined in IFRS 3. Q-Park's acquisitions do not qualify as joint arrangement whereby this change does not impact the consolidated annual accounts.

- IAS 16 and IAS 38 – Tangible Fixed Assets and Intangible Assets – gives additional guidelines for depreciation of tangible fixed assets and intangible assets. These amendments clarify that a revenue-based method of depreciation or amortisation is generally not appropriate. Q-Park does not apply this method, as such these amendments do not impact the consolidated annual accounts.

- IAS 1 – Presentation of Financial Statements – gives additional guidelines that further clarify the materiality concept that is used in the explanatory notes.

- Annual improvements to IFRS cycle 2012-2014:

  - IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations – when an asset (or disposal group) is reclassified from 'held for sale' to 'held for distribution' or vice versa, this does not constitute a change to a plan of sale or distribution and does not have to be accounted for as such.

  - IFRS 7 – Financial Instruments: Disclosures – specific guidance for transferred financial assets to help management determine whether the terms of a servicing arrangement constitute 'continuing involvement' and, therefore, whether the asset qualifies for derecognition.

  - IFRS 7 – Financial Instruments: Disclosures – that the additional disclosures relating to the offsetting of financial assets and financial liabilities only need to be included in interim reports if required by IAS 34.

  - IAS 19 – Employee Benefits – that when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important and not the country where they arise.

2 New and amended standards per 1 January 2016 (continued)

The adoptions of these annual improvements to IFRS did not have any impact on the current period or any past period and is not likely to affect future periods.

Standards published but not yet in force

The following standards, relevant to Q-Park, were not yet in force on the publication date of the Q-Park annual accounts. Here, the standards and interpretations are only summarised if there is a reasonable expectation that in future application these may have an impact on the disclosures, financial position or the results of Q-Park. These standards and interpretations will be applied as soon as they come into force:

- IFRS 9 – Financial Instruments – introduction of a new framework for classification and valuation of financial fixed assets, in force as per 1 January 2018.
- IFRS 15 – Revenue from Contracts with Customers – introduction of a new model for the recognition of revenue, which applies to all contracts with customers except for those which fall under other IFRS standards such as leasing, insurance contracts and financial instruments, in force as per 1 January 2018.
- IFRS 16 – Leases – introduction of a new model for recognition of lease agreements, in force as per 1 January 2019. I IAS 12 – Income Taxes – amendments made to clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base, in force as per 1 January 2017.
- IAS 7 – Statement of Cash Flows – going forward, entities will be required to explain changes in their liabilities arising from financing activities, in force as per 1 January 2017.
- IFRS 10 – Consolidated Financial Statements and IAS 28 –Investments in Associates (2003) – the amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. The effective date is not yet determined.

The company does not expect that these amendments will materially affect the annual accounts.

3 Significant accounting policies

General

The consolidated annual accounts and company annual accounts are presented in euros. The euro is the presentation currency as well as the functional currency of Q-Park NV. Each entity within the group recognises transactions and balance sheet items in its own functional currency.

Consolidation

Financial information relating to group companies and other legal entities controlled by Q-Park NV or where central management is conducted has been consolidated in the financial statements of Q-Park NV. A statement of the group companies and the company's other participating interests is set out in the note on group companies and participating interests.

Financial information relating to the group companies and the other legal entities and companies included in the consolidation is fully included in the consolidated financial statements, eliminating the intercompany relationships and transactions. The results of newly acquired group companies and the other legal entities and companies included in the consolidation are consolidated as from the acquisition date.

3 Significant accounting policies (continued)

Foreign currencies

Other receivables, liabilities and cash and cash equivalents in foreign currency are converted at the prevailing exchange rates as per balance sheet date. Foreign exchange rate differences arising are incorporated in the consolidated statement of comprehensive income.

The income statements from the group companies registered abroad are converted at the average exchange rate for the period for the consolidated statement of comprehensive income. The net result from these group companies is converted at the exchange rate prevailing at balance sheet date. The difference between these two conversions is accounted for in the shareholders' equity (statutory exchange rate differences reserve).

Assets and liabilities of a group company incorporated abroad are converted at the foreign exchange rates prevailing at the balance sheet date for the purposes of consolidation. Foreign exchange rate differences that arise are directly deducted from or added, after deduction of deferred tax assets, to group equity and recognised in the translation differences reserve. Likewise this also applies to the translation differences on loans that form part of the net investment in the business operations abroad.

Overview of the exchange rates used for drawing up the annual accounts:

	2016		2015	
	Average	End	Average	End
British pound (GBP)	1.2321	1.1680	1.3772	1.3625
Danish crown (DKK)	0.1343	0.1345	0.1341	0.1340
Swedish crown (SEK)	0.1058	0.1047	0.1069	0.1088
Norwegian crown (NOK)	0.1077	0.1101	0.1119	0.1041

Estimates in the annual accounts

In application of the group's accounting policies, it is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The most important of these estimates are explained as follows.

At least once a year Q-Park determines whether goodwill is impaired. This requires an estimate of the recoverable amount of the cash-generating units to which the goodwill is allocated. Additionally, for its other intangible fixed assets as well as tangible fixed assets, Q-Park determines to what extent there are impairments in value at balance sheet date. This requires an estimation of the recoverable amount of these fixed assets.

The fair value of the investment property is based on the basic principles set down by Q-Park as well as on the estimates and calculations provided by external valuation experts. The estimates and calculations made by external valuation experts mainly concern the discount rate and net initial yield to be used, the determination of the 'exit yield' and the development of the expected revenue and expenses based on the specific circumstances of each location.

The fair value of the interest rate derivatives recognised in the balance sheet is based on internal assumptions and calculations on the one hand, and on the providers of the derivatives on the

3 Significant accounting policies (continued)

other. The calculations and statements include estimates of interest rate developments, as well as estimates concerning modifications for 'debit valuation adjustments' and 'credit valuation adjustments'.

There is some uncertainty regarding the explanation of complex tax regulations. Considering the wide range of international business relationships and the long-running and complex nature of existing contractual agreements, differences may arise between the assumptions made and the actual results, or future changes in such assumptions may influence the actual results.

Deferred tax assets related to unused tax losses are recognised in so far as it is probable that profit for tax purposes will be available to which this can be offset. In order to determine the value of the deferred tax assets arising from tax losses not offset, a management assessment is required regarding the probable timing and level of the future taxable profits, combined with future fiscal planning strategies.

Business combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group;
- fair value of any asset or liability resulting from a contingent consideration arrangement;
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, adjusted for any non-controlling interest in the acquired entity, and the fair value of the net identifiable assets acquired and the liabilities assumed. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase. Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

3 Significant accounting policies (continued)

Goodwill

Goodwill is measured as described in the note 'Business combination'. After this initial valuation, goodwill is stated at cost price less any accumulated impairments. When testing for impairments, goodwill arising from a business combination is allocated to the cash-generating unit that is expected to derive benefit from the synergy in the business combination. Q-Park has defined its cash-generating units at region level, the goodwill is also determined at this level.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. The goodwill arising from the acquisition of business combinations concerning the adjustment of the deferred tax liabilities from face value to fair value is not part of the goodwill included in the impairment test. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata, based on the carrying amount of each asset in the unit. Goodwill impairments are recognised directly in the profit and loss account and may not be reversed in future periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included when determining the profit or loss on disposal.

Other intangible fixed assets

The other intangible fixed assets consist of costs associated with investments in software and with the development of new ICT systems. Depreciation is based on the expected useful economic life. A depreciation period of 3 – 5 years is applied for the other intangible fixed assets.

Investment property

Investment property is property held to generate rental income and/or for capital appreciation. Investment property is considered to be all legally owned property, concessions and ground lease constructions, financial lease contracts and operational lease contracts in which parking activities are conducted. Classification is determined as follows:

- Legally owned property is all investment property which is fully owned by Q-Park (including the land).
- Ground lease constructions are all investment property involving a (finite) ground lease or a similar construction (e.g. right of superficies/building rights).
- Concessions are all French objects involving a (finite) concession for the use of the ground.
- Lease contracts include all investment property which is leased for a predetermined period. Lease contracts can be subdivided into contracts with and without protective constructions.

Investment properties are measured initially at their cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. All of the group's property interest held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model. This fair value of investment property is determined annually by independent external valuers, with the exception of the lease contracts with an initial term to maturity of less than 15 years and contracts added to the portfolio during the financial year. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

3 Significant accounting policies (continued)

An investment property is derecognised upon disposal, contract termination or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Due to the nature of the investment property and the lack of sufficient comparable market information, the fair value is not determined based on observable market transactions. Instead, the independent external valuers use a model in accordance with international valuation guidelines. A rental value capitalisation calculation is performed for all legally owned property and ground lease constructions to determine the 'property' element in the fair value. Additionally, for each property investment, the operational element included in the fair value is determined based on the future revenues, expenses (excluding ground rents) and capital expenditure directly attributable to the property investment, which are discounted based on an object-specific discount rate. With respect to the lease contracts, the minimum lease obligations are added to the valuation to determine the fair value recognised. In this model, the contract duration is maximised at 15 years, supplemented with a residual value. Where the actual remaining contract period is less than 15 years, this actual remaining contract period is processed in the model. Lease contracts with an initial duration of less than 15 years are valued internally based on a similar discounted value model.

Investment property under construction is also stated at fair value. If an estimate of future cash flow for investment property under construction cannot be estimated reliably, the fair value is determined to be equal to the cumulative acquisition costs incurred as per balance sheet date.

Interest on building finance charges incurred during the construction phase is capitalised. Investment property is not depreciated.

Tangible fixed assets

Tangible fixed assets are stated at the cost price less linear depreciation based on the expected useful economic life and taking the expected residual value into account. A depreciation period of 5 – 15 years is applied for the tangible fixed assets.

Participating interests and prepaid expenses

Participating interests in which significant influence can be exercised are valued based on the equity method by applying the Q-Park valuation and accounting policies. It is presumed that significant influence can be exercised when Q-Park has 20% or more of the voting rights in the general meeting of shareholders.

If the valuation according to the equity method of a participating interest comes out negative, this is valued at zero. A provision is formed if and in so far as Q-Park NV in this situation is fully or partially liable for the debts of the participating interest or has the firm intention to guarantee its participating interest's liabilities. The first valuation of acquired participating interests is based on the fair value of the identifiable assets and liabilities at the moment of acquisition.

Participating interests on which no significant influence can be exercised are classified as financial instrument and stated at fair value.

The prepaid expenses are valued at amortised cost.

3 Significant accounting policies (continued)

Deferred tax assets

Receivables with respect to tax-deductible losses are recognised and are valued at the tax rates expected to apply to the results in the future. Receivables with respect to tax-deductible losses are only recognised if and to the extent that sufficient fiscal benefit is expected as compensation of the deferred tax assets or if sufficient deferred tax liabilities arising from temporary taxable differences are available.

Deferred tax assets and liabilities will be offset against each other if these fall within a tax group for corporate tax and as far as the periods in which settlement is expected coincide.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same taxable entity and the same tax authority.

Fixed assets held for sale

In so far as fixed assets are formally indicated as 'held for sale', these are shown separately in the balance sheet as part of the current assets. Investment property held for sale is valued based on fair value less transaction costs. Other fixed assets held for sale are valued at the lower value of the book value and the fair value after deduction of transaction costs.

Receivables

On initial recognition, receivables are valued at fair value and then valued at amortised cost. The fair value and amortised cost equal the face value. Provisions deemed necessary for possible bad debt losses are deducted. These provisions are determined by individual assessment of the receivables.

Cash and cash equivalents

Cash and cash equivalents include cash balances and freely callable deposits. Cash equivalents are highly liquid short-term instruments that can be converted immediately into certain cash amounts for which there is no risk.

Shareholders' equity

General

Shares are deemed shareholders' equity. External costs that can be directly allocated to the issuance of new shares are deducted from the other reserves.

Hedging reserve

Changes in the fair value of the interest rate derivatives up to and including 2013 which were identified as cash flow hedges and that met the hedge accounting criteria, were recognised directly in the shareholders' equity (hedging reserve) in so far as the hedge was effective. In line with the company's decision (from 2014) to no longer apply hedge accounting on interest rate derivatives, the cumulative hedging reserve as per 31 December 2013 will be amortised at the expense of the indirect result from the 2014 financial year based on the remaining duration of the related interest rate derivatives.

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS (CONTINUED)

3 Significant accounting policies (continued)

Exchange rate differences reserve

The foreign exchange rate differences arising from the conversion of the annual accounts of foreign subsidiaries are accounted for in the translation reserve. In addition, the results not yet realised on old currency derivatives are recognised in the translation reserve.

Non-current liabilities

Provisions

Provisions are made if Q-Park has a present obligation (contractual or actual) resulting from a past event. A provision is only recognised in so far as a reliable estimate of the liability can be made and it is probable that such a liability will have to be paid. However, the exact size and timing of the outgoing cash flow is uncertain. The expenses associated with a provision are recognised in the comprehensive income statement. If the effect of the time value of money is significant, the provisions will be discounted at a discount rate (pre-tax). The increase in a discounted provision due to the passage of time is recognised as financial result.

Deferred tax liabilities

The deferred tax liabilities with respect to temporary differences between the tax base and commercial valuation of assets and liabilities are stated at the tax rates against which these differences are expected to be settled in the future.

Lease obligations

Long-term liabilities arising from ground leases and/or lease obligations for investment property are stated in the balance sheet at the discounted value, only in so far as they are fixed, irreversible liabilities. This discounted value is determined based on the effective interest rate for these liabilities. The interest expenses related to these liabilities are recognised in the direct result as part of investment property costs arising from operational and financial lease.

The minimum lease obligations recognised in the balance sheet are based on the most up-to-date estimates of these future lease obligations, taking annual changes due to inflation into account.

The variable (revenue-related) component of the lease obligations is not accounted for in the balance sheet according to the aforementioned method, but is accounted for directly in the statement of comprehensive income in the year that this obligation is due.

Loans

Loans are stated at their amortised cost price. The costs of concluding loans, prepaid interest charges and financing charges are deducted from the loan and are charged to the result according to the effective interest method over the duration of the loans. The effective interest method is a method of calculating the amortised costs of a debt instrument and allocating the interest income over the relevant period. Repayments within a year after balance sheet date are presented as a separate item as part of the current liabilities.

Financial instruments

Q-Park uses derivative financial instruments (derivatives) such as interest rate swaps (IRS) and interest rate caps (IRC) to hedge against the risk of changing interest rates.

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS (CONTINUED)

3 Significant accounting policies (continued)

Financial derivatives are initially recognised on the balance sheet at fair value and are valued at their fair value at every subsequent balance sheet date. Hedges relate to the risk of possible variability of cash flows attributable to a recognised asset, or obligation, or an expected transaction, or the currency risk of an off-balance obligation for which a contract has been undertaken.

Current liabilities

Current liabilities are recognised at amortised cost. This is usually in line with the nominal amount.

Direct and indirect result

In the consolidated statement of comprehensive income Q-Park makes a distinction between direct and indirect result.

The direct result before taxes concerns the result calculated as the net revenue minus operating expenses (including investment property costs arising from operational and financial lease) and financial income and expenses.

The indirect result before taxes mainly comprises revaluation results of investment property, results from divestments, results related to the termination of property investments (concessions, lease contracts), goodwill impairments, changes in the fair value of interest rate derivatives, and the effect of amortisation of the cumulative accrued hedging reserve.

Determining the result

Costs are determined by reference to the accounting policies set out before and are allocated to the appropriate reporting year. Profits are reported in the year in which the services are provided. Losses are recognised in the year in which they are known.

Revenue recognition

Net revenue represents amounts invoiced for services provided during the financial year, net of discounts and value added taxes. The revenue recognised consists of:

- Parking revenues: parking revenues (short-stay parking and season tickets) from parking facilities operated by Q-Park.
- Control fees: income in favour of Q-Park arising from enforcement of paid parking (parking fines) on or in parking facilities owned by Q-Park and/or third parties.
- Management and consultancy fees: concerns the fixed and variable allowance for the operational management of parking facilities for third parties.
- Rental income: rental income from parking facilities owned by Q-Park but operated by third parties, as well as income from renting specific areas in car parks.
- Other income: concerns all other income not included in the aforementioned categories.

Depreciation

Depreciation is performed proportionately based on the expected useful economic life of the assets concerned.

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS (CONTINUED)

3 Significant accounting policies (continued)

Financial result

The financial result consists of both the financial expenses as well as the financial income. Interest costs on loans and interest rate derivatives, as well as amortised refinancing costs are accounted for under financial expenses.

Interest income on outstanding cash and cash equivalents is accounted for under financial income.

Taxes

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period including changes regarding taxes to be paid in respect of previous years.

Cash flow statement

The cash flow statement has been prepared using the indirect method, whereby the basis after deriving movements in cash and cash equivalents is based on the operational result. Asset/liability transactions are stated as acquisitions and divestments in the year of payment. As a consequence, the cash flows stated do not correspond to the movements as stated in the consolidated balance sheet.

Compared to the presentation in the previous annual accounts, the cash flow statement starts with 'operational result' instead of 'net result'. Accordingly, the cash flows for 'tax paid' and 'interest paid' are presented separately in the cash flow statement. The comparative figures have been adjusted accordingly.

4 Acquisitions

Massilia Park

In 2016, Q-Park acquired 100% of the shares in Massilia Park, a parking company in France, via its French subsidiary on 17 June 2016. Under IFRS 3 Business combinations, this acquisition is classified as a 'business combination'. 'Control' is obtained through the acquisition of the entire share capital as of 17 June 2016. As a result of this acquisition, Q-Park has expanded its market share in France and expects to realise economies of scale and efficiency benefits. The legal entities included in Massilia Park are presented in the following table, including the percentage of shares acquired by Q-Park. Q-Park already owned part of the shares of the subsidiaries of Massilia Park.

Legal entity	% owned by Q-Park	% acquired by Q-Park	% owned after acquisition
Massilia Park	0%	100%	100%
Société de Gestion des Parkings	0%	100%	100%
Société du Parking Puget	0%	100%	100%
Société Marseillaise de Stationnement	51%	49%	100%

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS (CONTINUED)

4 Acquisitions (continued)

The fair value of the identifiable assets and liabilities on the acquisition date was as follows:

(x EUR million)			
FIXED ASSETS		**SHAREHOLDERS' EQUITY**	**3.9**
Investment property	5.1	**NON-CURRENT LIABILITIES**	
Financial fixed assets	0.5	Deferred tax liabilities	1.0
	5.6		**1.0**
CURRENT ASSETS		**SHORT-TERM LIABILITIES**	
Receivables	0.8	Trade payables and other short-term liabilities	1.5
Cash and cash equivalents	–		1.5
	0.8		
TOTAL ASSETS	**6.4**	**TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES**	**6.4**

The book value of assets and liabilities acquired before adjustments for fair value amounted to EUR 1.4 million. The acquisition price for Massilia Park amounted to EUR 3.9 million (in cash only). In 2016, Massilia Park made a contribution of EUR 2.9 million revenue and EUR 1.1 million operational result to the result of Q-Park N.V. If Massilia Park had been acquired as of the beginning of the annual reporting period the combined revenue would have been EUR 3.8 million with an operational result of EUR1.9 million.

Hasselt

On 1 December 2016 Q-Park acquired the majority of the shares in a family-owned Belgian parking company in Hasselt. As a result of this acquisition, Q-Park has expanded its market share in Belgium and expects to realise economies of scale and efficiency benefits. The legal entities included are presented in the following table, including the percentage of shares acquired by Q-Park in these legal entities.

Legal entity	% acquired by Q-Park
Park-INN NV	100.00%
DusartPark NV	100.00%
Genkpark NV	100.00%
HassPark NV	93.55%
Parkilim NV	80.25%
Eural Parking Hasselt NV	65.51%

Under IFRS 3 Business combinations, this acquisition is classified as a 'business combination' as 'control' over these entities is obtained.

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS (CONTINUED)

4 Acquisitions (continued)

The fair value of the identifiable assets and liabilities of the consolidated group (100%) as per acquisition date was as follows:

(x EUR million)			
FIXED ASSETS		**SHAREHOLDERS' EQUITY**	**27.4**
Investment property	39.5	**NON-CURRENT LIABILITIES**	
	39.5	Long-term loans and other liabilities	1.9
CURRENT ASSETS		Deferred tax liabilities	12.8
Receivables	1.3		**14.7**
Cash and cash equivalents	2.9	**SHORT-TERM LIABILITIES**	
	4.2	Trade payables and other short-term liabilities	1.5
			1.5
TOTAL ASSETS	**43.7**	**TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES**	**43.7**

The book value of assets and liabilities acquired before adjustments for fair value amounted to EUR 2.5 million. The acquisition price for the majority of the shares amounted to EUR 30.7 million to be paid in January 2017 (in cash only). The acquisition results in a non-controlling interest of EUR 1.7 million and the recognition of EUR 4.9 million goodwill. The provisional purchase price allocation will be finalised within 1 year. In 2016, the acquisition made a contribution of EUR 0.9 million revenue and EUR 0.4 million net result to the result of Q-Park N.V. If the business had been acquired as of the beginning of the annual reporting period the combined revenue would have been EUR 7.0 million with a net result of EUR 2.3 million.

5 Goodwill and other intangible fixed assets

Movements in the goodwill and other intangible fixed assets are shown in the table.

(x EUR million)	Goodwill	Other intangible fixed assets	Total intangible fixed assets
Cost price	488.3	42.5	530.8
Depreciation	–	-29.1	-29.1
Impairments	-403.7	-5.2	-408.9
Book value as per 1 January 2015	**84.6**	**8.2**	**92.8**
Changes in book value:			
– Investments	–	4.5	4.5
– Acquisitions	–	–	–
– Depreciation	–	-2.0	-2.0
– Impairment	–	-0.6	-0.6
– Foreign exchange rate differences	1.2	0.1	1.3
Cost price	489.5	47.1	536.6
Depreciation	–	-31.1	-31.1
Impairments	-403.7	-5.8	-409.5
Book value as per 31 December 2015	**85.8**	**10.2**	**96.0**

5 Goodwill and other intangible fixed assets (continued)

(x EUR million)	Goodwill	Other intangible fixed assets	Total intangible fixed assets
Changes in book value:			
– Investments	–	6.0	6.0
– Acquisitions	4.9	–	4.9
– Depreciation	–	-3.8	-3.8
– Foreign exchange rate differences	-2.2	-0.1	-2.3
Cost price	492.2	53.0	545.2
Depreciation	–	-34.9	-34.9
Impairments	-403.7	-5.8	-409.5
Book value as per 31 December 2016	**88.5**	**12.3**	**100.8**

Goodwill

Cash-generating unit

In its structure, Q-Park has divided the various countries in which it is active into regions. The regions are managed by the responsible regional management team consisting of a general regional director and a financial regional director. The country directors are managed by, report to, and are appraised by the regional management teams. These teams report over the regions and the Executive Board bases its decisions on this regional reporting. Consequently, Q-Park identifies its cash-generating units at regional level.

The regional structure is defined as follows:

- I Region 'Mid' – Netherlands and Germany;
- I Region 'West' – United Kingdom and Ireland;
- I Region 'South' – France and Belgium;
- I Region 'North' – Denmark, Sweden, Norway, and Finland.

Impairment calculations

Goodwill impairment calculations are conducted annually in accordance with IAS 36. Per cash-generating unit (region), the net book value (carrying amount) is compared with the recoverable amount. This recoverable amount is defined as the greater of the net recoverable amount according to the 'value in use' (VIU) methodology and net recoverable amount according to the 'fair value less costs of disposal' (FVLCD) methodology. For the goodwill impairment test calculations of Q-Park's CGUs, the FVLCD methodology is applied. The detailed FVLCD calculation is performed by an external expert. Additionally, the FVLCD outcome is benchmarked in the market.

In accordance with IFRS 13, the FVLCD calculation used classifies as a 'level 3' valuation method.

In the impairment calculations, the future operational cash flows and investment cash flows used in the business plan calculations are discounted. The calculations can be divided into the following components:

- I the cash flows in the first 5 years are based on the most recent business plans;
- I for the years after the explicit forecast period, inflationary revenue growth and stable margins have been assumed;

5 Goodwill and other intangible fixed assets (continued)

- I the level of capital expenditures and depreciation has been brought towards a steady state based on the asset intensity of the cash-generating unit;
- I the terminal value is calculated by dividing the cash flow in the final years by the weighted average cost of capital (WACC) minus the growth included in the calculation (WACC –/– g). The growth in the residual value is calculated on the basis of the Gordon growth formula.

The present value of these components is determined on the basis of a CGU-specific WACC.

Book value and goodwill impairment results

The goodwill impairment test conducted in 2016 confirms the book value of the cash-generating units and did not result in impairment of the goodwill at the close of 2016 (2015 impairment: EUR 0 million). The book value of the goodwill at the end of the financial year and the change in the course of the financial year are shown in the table.

(x EUR million)	Region 'Mid'	Region 'West'	Region 'South'	Region 'North'	Total
Goodwill per 1 January	–	–	27.8	58.0	85.8
Additions	–	–	4.9	–	4.9
Impairment result	–	–	–	–	–
Foreign exchange rate differences	–	–	–	-2.2	-2.2
Goodwill per 31 December	**–**	**–**	**32.7**	**55.8**	**88.5**

The goodwill arising from the acquisition of business combinations concerning inclusion of the deferred tax liabilities from fair value correction of the identifiable assets is not part of the goodwill included in the impairment test. At the end of the financial year this goodwill amounted to EUR 25.5 million (2015: EUR 24.7 million). The amount of EUR 25.5 million is fully attributable to 'South'.

Assumptions and sensitivity analysis

The primary assumptions as applied in the goodwill impairment calculation are shown in the table.

Cash-generating unit	Pre-tax WACC		Growth residual value	
	2016	2015	2016	2015
Region 'South'	8.9%	8.9%	2.0%	2.0%
Region 'North'	8.5%	8.8%	1.9%	2.0%

The break-even point for impairment lies in an adjustment of the WACC and growth of the residual value as shown in the following table:

(x EUR million)	Region 'South'	Region 'North'
Adjustment WACC	0.50%	0.60%
Adjustment residual value growth	-0.40%	-0.70%

When determining the impact as shown in the table, we have not incorporated the possible effect that the adjustments might have on the value of the investment properties. As a result of the level of goodwill in 'South' that is excluded in the impairment test (see previous paragraph) an adjustment below the break-even point would only have a limited impact on the goodwill of the region South.

5 Goodwill and other intangible fixed assets (continued)

Other intangible fixed assets

The investments in other intangible fixed assets are mainly related to the investments in software associated with the development and implementation of a new digital platform.

6 Investment property

Movements in the value of investment property are explained in the following table.

(x EUR million)	Investment property market value	Investment properties held for sale	Investment property under construction	Minimal lease obligations	Total investment property
Book value as per 1 January 2015	**2,689.0**	**–**	**6.1**	**2,598.8**	**5,293.9**
Changes in book value:					
– Maintenance investments in investment property	32.7	–	5.5	–	38.2
– New business investments in investment property	4.1	–	–	–	4.1
– Acquisitions through business combinations	14.9	–	–	–	14.9
– Divestments in investment property	-2.4	–	-1.2	–	-3.6
– Movement in capitalised lease obligations due to time effect	–	–	–	-63.3	-63.3
– Lease obligations new contracts	–	–	–	76.1	76.1
– Revaluation financial year	4.2	–	–	–	4.2
– Relocation from/to fixed assets	1.3	–	-2.0	–	-0.7
– Foreign exchange rate differences	21.5	–	–	46.4	67.9
– Other	–	–	–	210.9	210.9
Book value as per 31 December 2015	**2,765.3**	**–**	**8.4**	**2,868.9**	**5,642.6**

6 Investment property (continued)

(x EUR million)	Investment property market value	Investment properties held for sale	Investment property under construction	Minimal lease obligations	Total investment property
Book value as per 31 December 2015	**2,765.3**	**–**	**8.4**	**2,868.9**	**5,642.6**
Changes in book value:					
– Maintenance investments in investment property	28.7	–	–	–	28.7
– New business investments in investment property	23.9	–	9.1	–	33.0
– Acquisitions through business combinations	44.3	–	–	–	44.3
– Divestments in investment property	-2.7	–	–	–	-2.7
– Movement in capitalised lease obligations due to time effect	–	–	–	-45.4	-45.4
– Lease obligations new contracts	–	–	–	73.6	73.6
- Revaluation financial year	61.9	–	–	–	61.9
– Relocation from/to fixed assets	5.9	-16.0	-5.1	–	-15.2
– Foreign exchange rate differences	-54.7	–	-0.1	-133.3	-188.1
– Other	–	–	-0.9	39.4	38.5
Book value as per 31 December 2016	**2,872.6**	**-16.0**	**11.4**	**2,803.2**	**5,671.2**

6 Investment property (continued)

Market value

The table shows the market value of objects valued internally and externally as well as per object type. The market value of externally valued investment property stated in the table corresponds to the total market value as determined in the valuations made by the external valuer.

(x EUR million)	2016	2015
Market value of investment property valued externally	2,745.1	2,690.4
Market value of investment property valued internally	127.5	74.9
Total market value	**2,872.6**	**2,765.3**
Of which legally owned property	1,300.5	1,253.0
Of which concessions	422.7	440.6
Of which ground lease constructions	382.6	331.0
Of which lease contracts with protective constructions	208.8	201.0
Of which other lease contracts	558.0	539.7
Total market value	**2,872.6**	**2,765.3**

Valuation method

In accordance with IFRS 13, the market value calculation used classifies as a 'level 3' revaluation method for the whole portfolio.

The investment property part of all legally owned and ground lease facilities is calculated based on the rental value capitalisation method. The main drivers for these objects are the net initial yield (which is a derivative of the price that will be paid in the market) and the estimated rental income.

The operational part of all legally owned and ground lease facilities, as well as all long-term lease and concession contracts, are calculated based on the discounted cash flow model.

The incoming and outgoing cash flows included in the valuation of the investment property are based on the revenue, costs related to operational and financial lease, other operating expenses and maintenance investments.

The discount rate consists of the risk free interest rate per country, plus – if applicable – an object-specific surcharge that depends on several aspects:

- type of the contract (Freehold/Leasehold);
- nature of the object (parking lot, garage above ground, garage underground);
- location;
- maintenance status;
- uncertainties in the future cash flows.

The table shows the weighted average discount rate and the net initial yield per region.

	Discount rate		Net initial yield	
	2016	2015	2016	2015
Region 'Mid'	9.5%	9.3%	6.3%	6.4%
Region 'West'	11.6%	10.1%	6.4%	6.4%
Region 'South'	7.3%	7.7%	5.7%	5.7%
Region 'North'	10.1%	9.3%	5.7%	5.7%
Total	**9.2%**	**8.8%**	**6.2%**	**6.2%**

6 Investment property (continued)

The weighted average discount rate showed a slight increase of 0.4%, whereas the weighted average net initial yield remained stable compared to the previous financial year.

Revaluation result

The revaluation result for 2016 is EUR 61.9 million (2015: EUR 4.2 million). The 2016 revaluation result is the consequence of a stable growth in cash flow and the aforementioned discount rate and initial yield. The table gives insight into the revaluation result per region.

	Revaluation	
(x EUR million)	**2016**	**2015**
Region 'Mid'	88.0	17.1
Region 'West'	-28.8	-16.0
Region 'South'	-25.4	-8.7
Region 'North'	28.1	11.8
Total	**61.9**	**4.2**

Sensitivities

A sensitivity analysis which gives insight into the impact of changes to the discount rate and initial yield on the fair value of the investment property is shown in the table.

(x EUR million)	**Discount rate**		**Net initial yield**	
	-0.5%	+0,5%	-0.5%	+0,5%
Region 'Mid'	22.8	-21.5	71.2	-60.4
Region 'West'	9.0	-8.5	10.5	-9.0
Region 'South'	20.3	-19.2	25.5	-21.3
Region 'North'	10.7	-10.1	5.4	-4.6
Total	**62.8**	**-59.3**	**112.6**	**-95.3**

Other notes

Regarding the movements in the minimum lease obligations, please refer to the notes on the lease obligations explained as part of the 'non-current liabilities'.

The total market value of the investment property sold in the financial year amounted to EUR1.2 million. At the close of 2015, these property investments were part of the regular property investments and were not marked as fixed assets held for sale.

The total market value of the investment property includes contracts with a negative market value recognised for an amount of EUR 79.3 million (2015: EUR 85.9 million).

7 Tangible fixed assets

Movements in tangible fixed assets are shown in the table.

(x EUR million)	2016	2015
Book value as per 1 January		
Cost price	119.5	113.6
Depreciation	-83.7	-76.9
Changes in book value:		
– Investments	6.7	5.5
– Acquisitions	0.6	–
– Divestments	-0.4	-0.5
– Relocation tangible fixed assets	-1.0	0.7
– Depreciation	-6.1	-6.8
– Foreign exchange rate differences	-0.3	0.2
Book value as per 31 December		
Cost price	125.1	119.5
Depreciation	-89.8	-83.7
Book value as per 31 December	**35.3**	**35.8**

8 Participating interests and prepaid expenses

Movements in participating interests and prepaid expenses are shown in the table.

(x EUR million)	Participating interests	Prepaid expenses	Total
Book value as per 1 January 2015	**0.4**	**2.7**	**3.1**
Result from participating interests	–	–	–
Amounts paid	–	–	–
Amortisation	–	-0.2	-0.2
Other Movements	-0.3	–	-0.3
Book value as per 31 December 2015	**0.1**	**2.5**	**2.6**
Result from participating interests	–	–	–
Amounts paid	–	0.3	0.3
Amortisation	–	-0.3	-0.3
Other movements	–	–	–
Book value as per 31 December 2016	**0.1**	**2.5**	**2.6**

For a specification of the minority interests in the previous table please refer to the note on group companies and participating interests. Insofar as participating interests represent a negative balance at balance sheet date, these are recognised if and insofar as Q-Park is liable for its share in the liabilities of the participating interests concerned.

9 Fixed assets held for sale

The fixed assets held for sale recognised per balance sheet date relate to investment property in the Netherlands and the United Kingdom. The sales transactions are expected to be settled within one year.

10 Receivables

The specification of receivables is shown in the table.

10 Receivables (continued)

(x EUR million)	2016	2015
Trade debtors	61.3	69.5
Taxes and social insurance contributions	6.7	5.9
Other receivables and prepayments	63.7	65.2
Book value as per 31 December	**131.7**	**140.6**

Details of trade debtors are shown in the following table.

(x EUR million)	2016	2015
Trade debtors	64.5	72.6
Provision for doubtful debts	-3.2	-3.1
Book value as per 31 December	**61.3**	**69.5**

The following table shows an analysis of the age of the trade debtors item after provisions taken for doubtful debts have been deducted.

(x EUR million)	2016	2015
< 30 days	54.9	61.3
between 30 and 60 days	2.4	2.3
between 61 and 90 days	0.5	0.9
between 91 and 180 days	2.0	1.6
> 180 days	1.5	3.4
Total	**61.3**	**69.5**

The net receivables balance consists of receivables amounting to EUR 54.9 million (89.6%) for which there are no payment arrears (2015: EUR 61.3 million, 88.2%).

The receivables balance of EUR 9.6 million concerns trade debtors with payment arrears (2015: EUR 11.3 million), for which a provision of EUR 3.2 million (2015: EUR 3.1 million) is recognised.

Movements in the provision for bad debts are shown in the following table.

(x EUR million)	2016	2015
Balance at 1 January	**3.1**	**2.9**
Additions	0.7	1.3
Usage and/ or releases	-0.6	-1.1
Balance at 31 December	**3.2**	**3.1**

The other receivables, prepayments and accrued income are shown in the following table.

(x EUR million)	2016	2015
Prepaid lease expenses	38.7	41.0
Amounts to be invoiced	9.9	9.3
Other receivables, prepayments and accrued income	15.1	14.9
Book value as per 31 December	**63.7**	**65.2**

11 Cash and cash equivalents

The specification of cash and cash equivalents is shown in the table.

(x EUR million)	2016	2015
Bank	20.3	46.0
Payment machines	4.3	2.8
Book value as per 31 December	**24.6**	**48.8**

Of the cash and cash equivalents mentioned, EUR 1.0 million (2015: EUR 1.0 million) is not freely disposable.

12 Shareholders' equity

The shareholders' equity amounts to EUR 1,351.5 million (2015: EUR 1,285.6 million). For an explanation of the individual items in the shareholders' equity, please refer to the note on the shareholders' equity in the company annual accounts.

The company's authorised share capital amounts to EUR 1,589.0 million and is divided into 3.5 million shares, each with a nominal value of EUR 454.0, of which 1,104,462 (2015: 1,099,682) shares are issued.

The number of shares issued increased by 4,780 shares in 2016 as a result of the 2015 dividend distributed in 2016, for which shareholders could opt for cash or stock dividend. The dividend distributed amounted to EUR 29.10 per share, where those opting for stock dividend received a bonus of 3%. The total cash dividend distributed over 2015 amounted to EUR 26.0 million.

13 Provisions

Details of provisions are shown in the following table.

(x EUR million)	2016	2015
Provisions	0.9	1.0
Book value as per 31 December	**0.9**	**1.0**

The current provisions will be settled within 12 months and the time value of money is assumed to have no influence on the balance sheet position.

The provision of EUR 0.9 million (2015: EUR 1.0 million) concerns provisions for financial claims regarding (legal) disputes.

Movements in the provisions are shown in the following table.

(x EUR million)	2016	2015
Balance at 1 January	**1.0**	**0.7**
Additions charged to the result	0.3	1.0
Withdrawals	-0.3	-0.7
Balance at 31 December	**0.9**	**1.0**

14 Non-current liabilities

Lease obligations

The group has agreed financial and operational lease contracts which qualify as property investments in the context of IAS 40. At the end of 2016, the discounted value of the minimum lease obligations included in these lease contracts was EUR 2,803.2 million (2015: EUR 2,868.9 million).

14 Non-current liabilities (continued)

The composition of the lease obligations is shown in the following table.

(x EUR million)	2016	2015
Lease obligations under current liabilities in the balance sheet	199.6	204.4
Lease obligations under non-current liabilities in the balance sheet	2,603.6	2,664.5
Balance at 31 December	**2,803.2**	**2,868.9**

Movements in the lease obligations are shown in the following table.

(x EUR million)	2016	2015
Balance at 1 January	**2,868.9**	**2,598.8**
Lease obligation new contracts	73.6	76.1
Interest addition on lease obligation	169.5	153.6
Paid lease obligation	-214.9	-216.9
Foreign exchange rate differences	-133.3	46.4
Other movements	39.4	210.9
Balance at 31 December	**2,803.2**	**2,868.9**

The minimum lease obligations are based on the most recent estimates of the lease obligations. The minimum lease obligations as recognised on the balance sheet are further specified in the following table.

	2016		2015	
	Lease obligation		Lease obligation	
(x EUR million)	Discounted value	Nominal value	Discounted value	Nominal value
Period < 1 year	199.6	205.7	204.4	210.7
1 year < period < 5 years	684.8	817.1	697.2	832.8
Period => 5 years	1,918.8	5,751.3	1,967.3	5,928.8
Total	**2,803.2**	**6,774.1**	**2,868.9**	**6,972.3**

Loans

At the end of 2016, the total amount of the interest-bearing monetary loans recognised under the current and long-term liabilities was EUR 1,126.5 million (2015: EUR 1,208.8 million), from which the capitalised transaction costs of EUR 6.1 million (2015: EUR 7.5 million) have been deducted.

The composition of the group's monetary loans is shown in the following table.

(x EUR million)	2016	2015
Monetary loans under non-current liabilities in the balance sheet	1,108.8	1,190.5
Monetary loans under current liabilities in the balance sheet	11.6	10.8
Monetary loans recognised in the balance sheet	**1,120.4**	**1,201.3**
Capitalised transaction costs	6.1	7.5
Total monetary loans excluding capitalised transaction costs[1]	**1,126.5**	**1,208.8**
Bullet loans	849.0	905.2
Amortising loans	277.5	303.6
Total monetary loans	**1,126.5**	**1,208.8**

1 Basis for further notes and tables in this note. Further referred to as 'total monetary loans'.

14 Non-current liabilities (continued)

In 2016, the total monetary loans decreased by EUR -82.3 million. The changes are shown in the following table.

(x EUR million)	2016	2015
Balance at 1 January	**1,208.8**	**1,334.0**
Acquired loans	1.9	–
Withdrawals	–	860.0
Redeemed loans	-77.9	-987.8
Foreign exchange rate differences	-6.3	2.6
Balance at 31 December	**1,126.5**	**1,208.8**

The main part of the loan balance consists of the Revolving Credit Facility which has a limit of EUR 925.0 million and matures in 2021. Q-Park may borrow and repay amounts at will within the limit. The financing ratios as agreed for this loan are the ‘interest coverage ratio’ (ICR) and the ‘Net bank debt / EBITDA’ ratio. At the end of 2016, the unutilised portion of the total financing amounted to EUR 126.0 million (2015: EUR 90.0 million). Of this unutilised portion, EUR 20.0 million is blocked for bank guarantees and ancillary facilities.

Movements in 2015 mainly concern the early refinancing of the syndicated loan and the further reduction of loans drawn under this facility (standing credit facility).

In the coming years, the monetary loans will be repaid according to the schedule shown in the following table.

(x EUR million)	2016	2015
Period < 1 year	11.6	10.8
1 year < period < 5 years	1,075.6	1,149.3
Period => 5 years	39.3	48.7
Total	**1,126.5**	**1,208.8**

Taking the planned repayments and maturing interest rate swaps (IRS) into account, the interest costs to be paid in the coming five years are expected to average EUR 32.0 million per year.

The average effective interest rate percentage on the loans outstanding in 2016, including the financial instruments linked to these monetary loans, amounted to 3.7% (2015: 4.4%). Investment property with a balance sheet value of EUR 2,777.2 million (2015: EUR 2,599.7 million) has been pledged, either via mortgage or share pledge. Variable interest loans are partially hedged by means of interest rate swaps (IRS) in order to limit interest fluctuations to remain within the policy framework set by Q-Park. For a further explanation of the existing hedging and the Q-Park policy for managing its interest exposure and other financial risks, please refer to the note on risk management with regard to financial instruments.

Other long-term liabilities

The composition of the other long-term liabilities is shown in the following table.

(x EUR million)	2016	2015
Financial derivatives	56.6	67.7
Other long-term liabilities	3.4	4.3
Book value as per 31 December	**60.0**	**72.0**

For further notes on the financial derivatives, please refer to the note on risk management with regard to financial instruments.

14 Non-current liabilities (continued)

The other long-term liabilities have a remaining contract period between one and five years.

15 Other liabilities, accruals and deferred income

The specification of the other liabilities, accruals and deferred income is shown in the following table.

(x EUR million)	2016	2015
Staff costs	15.1	11.8
Lease costs	19.7	16.8
Interest and bank costs	5.8	7.6
Accruals	3.6	1.8
Revenue invoiced in advance	49.3	50.3
Other liabilities	65.8	35.0
Book value as per 31 December	**159.3**	**123.3**

16 Contingencies and liabilities not included in the balance sheet

The annual costs arising from existing lease obligations at the end of 2016 (other than liabilities with respect to lease contracts valued in the balance sheet regarding investment property) amounted to EUR 17.9 million (2015: EUR 8.8 million). In addition, the company and its subsidiaries have extended securities to third parties by means of bank and other guarantees to the sum of EUR 13.3 million (2015: EUR 36.2 million).

At the end of 2016, Q-Park NV, including its group companies, was involved in various legal proceedings and disputes. Based on an assessment of financial risk for the claims received, provisions have been taken or the financial consequences have been accounted for in the annual accounts, as far as is deemed necessary.

17 Events after balance sheet date

As of the date of preparation of the annual accounts no significant events have occurred after the balance date which require additional disclosures in the consolidated annual accounts.

18 Net revenue

The specification of net revenue is shown in the following table.

(x EUR million)	2016	2015
Parking revenues	731.9	717.4
Control fees	38.8	38.4
Management and consultancy fees	21.7	22.3
Rental income	13.4	13.5
Other income	19.2	17.5
Net revenue	**825.0**	**809.1**

19 Financial result

Movements in the financial result are shown in the following table.

(x EUR million)	2016	2015
Interest costs bank debt	-44.2	-56.4
Other bank and interest costs	-0.1	-6.9
Financial result	**-44.3**	**-63.3**

20 Investment property revaluation result

Each year the investment property is valued by independent external valuers. These valuations result in the fair value of the investment property at the end of the financial year. Increases and decreases in value compared to the fair value at the end of the previous year are recognised as 'investment property revaluation result' in the indirect result.

For further details of the investment property revaluation result, please refer to the notes given for investment property.

21 Other valuation results

The other valuation results concern incidental results related to investment property following the sale of investment properties and the premature termination of contracts.

22 Taxes

The tax component of the total comprehensive income after taxes amounts to EUR -71.8 million (2015: EUR -32.4 million), the details are shown in the following table.

(x EUR million)	2016	2015
Taxes on direct result based on domestic tax rates	-34.9	-27.90
Adjustments for actual group companies rate	-5.5	-3.70
Adjustments:		
– Notional interest deduction facility	0.2	2.60
– Adjustments local rates	-0.8	0.40
– Other permanent differences	-3.2	-2.20
– Other adjustments	-9.7	10.10
Tax expense on direct result	**-53.9**	**-20.7**
Deferred taxes on the indirect result based on the domestic tax rates	-16.2	0.1
Adjustment for actual group companies rate	-0.1	0.5
Other adjustments	-5.0	-0.3
Tax income on indirect result	**-21.3**	**0.3**
Foreign exchange rate differences on foreign activities	6.7	-4.0
Movements in the value of interest rate swaps	-3.3	-8.0
Tax expense direct on shareholders' equity	**3.4**	**-12.0**
Total tax income (expense) recognised in the comprehensive income	**-71.8**	**-32.4**

The permanent differences in the direct result concerns mainly adjustments regarding non-deductible interest expenses, non-deductible tax expenses and the corrections regarding the notional interest deduction facility in Belgium. The other adjustments in the direct result mainly concern the estimate of the future loss compensation as a result of a settlement with the tax authorities and the intended change in group structure. This negative one-off effect will be

22 Taxes (continued)

partly compensated in the coming years by a lower expected effective tax rate as result of this change in the group structure. The adjustment for permanent differences in the indirect result is the outcome of an in-depth analysis of the DTL calculation as well as changes in (future) tax rates. The local (future) tax rates changed during the financial year in the United Kingdom and France.

The reconciliation between the applicable tax rate and the effective tax rate (calculated over the direct result before taxes and the indirect result before taxes) is explained in the following table.

(x EUR million)	2016	2015
Domestic tax rate	25.0%	25.0%
Adjustment tax rates for group companies	4.0%	3.3%
Notional interest deduction	-0.1%	-2.3%
Adjustments local rates	0.6%	-0.3%
Other permanent differences	2.3%	1.9%
Other effects	6.9%	-9.0%
Effective tax rate direct result	**38.7%**	**18.6%**
Domestic tax rate	25.0%	25.0%
Adjustment tax rates for group companies	0.2%	263.1%
Other effects	7.7%	-151.5%
Effective tax rate indirect result	**32.9%**	**136.6%**

The deferred tax balances recognised in the balance sheet are detailed in the following table.

(x EUR million)	2016	2015
Deferred tax balances on value of derivatives and other temporary taxable differences	24.4	28.4
Available tax losses carried forward	59.7	84.3
Total deferred tax assets	**84.1**	**112.7**
Temporary taxable differences legal property, concessions, ground leases and leases with protection	375.2	339.8
Temporary taxable differences other leases	108.2	92.7
Other temporary taxable differences	8.4	13.3
Total deferred tax liabilities	**491.8**	**445.8**

Movements in the deferred tax assets and liabilities are shown in the following table.

	2016		2015	
(x EUR million)	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Book value as per 1 January	**112.7**	**445.8**	**112.5**	**416.2**
Exchange rate result	-0.5	-4.4	–	1.6
Movements via statement of comprehensive income	-31.5	36.6	12.2	28.0
Acquisitions and divestments	–	13.8	–	–
Movements via shareholders' equity	3.4	–	-12.0	–
Book value as per 31 December	**84.1**	**491.8**	**112.7**	**445.8**

22 Taxes (continued)

The total deferred tax assets mainly concern tax-deductible losses, the notional interest deduction facility in Belgium, and (temporary) taxation valuation differences of interest rate derivatives.

The recoverability of the tax-deductible losses and the notional interest deduction facility included in the deferred tax assets has been assessed in the light of the recent business plan and prevailing tax regulations. Based on this review, tax-deductible losses and tax credits amounting to EUR 49.9 million are no longer considered realisable and as such the related deferred tax assets amounting to EUR 16.0 million are not valued in the balance sheet.

23 Employee information

Employees and retirement benefit plans

At the end of 2016 there were 2,475 employees corresponding to 2,152 full-time equivalents (FTEs) (2015: 2,512 employees and 2,180 FTEs). The number of employees and the number of FTEs is further specified as follows:

Head count	2016	2015
Head office	54	52
Region 'Mid'	616	649
Region 'West'	450	483
Region 'South'	490	487
Region 'North'	865	841
Total	**2,475**	**2,512**

Average number of FTE	2016	2015
Head office	52	49
Region 'Mid'	545	571
Region 'West'	421	447
Region 'South'	458	463
Region 'North'	676	650
Total	**2,152**	**2,180**

Of the total employees, 2,016 work outside the Netherlands (1,747 FTEs), (2015: 2,033 employees and 1,761 FTEs).

Within the group there are a variety of pension schemes in accordance with the conditions and practices prevailing in the countries in which Q-Park operates. The schemes qualify as defined contribution plans. These schemes are financed by means of premiums paid to insurance companies. Premium liabilities are charged to the result at the moment the liability arises. Under wages and salaries, an amount of EUR 7.0 million has been recognised related to pension charges (2015: EUR 4.7 million).

Remuneration of the Q-Park NV Executive and Supervisory Boards and former members of these boards

Executive and Supervisory Board members own neither shares nor share options in Q-Park NV.

The company has not extended any loans, advance payments or guarantees to members of the Executive Board or Supervisory Board. The total remuneration of the Executive Board and former

23 Employee information (continued)

members of this board amounted to EUR 2.0 million (2015: EUR 1.7 million), and is specified as follows:

(x EUR million)	2016	2015
Regular remuneration	1.1	1.1
Pension costs	0.2	0.2
Reservation short-term bonuses	0.4	0.2
Reservation long-term bonuses	0.3	0.2
Total remuneration (former) directors	**2.0**	**1.7**

The five Supervisory Board members received remuneration totalling EUR 0.19 million (2015: EUR 0.15 million).

24 Related parties

For information about the remuneration of the Executive and Supervisory Board members, please refer to the note on employee information. There were no transactions with other related parties in the financial year under review nor in the previous financial year.

25 Risk management with regard to financial instruments

Policy concerning financial risk management

The policy regarding managing financial risks is determined by the Executive Board. The key financial risks to which Q-Park is exposed are market risk, liquidity risk and credit risk. Market risk can be further split into interest exposure and currency risk; these risks are closely monitored internally. Instruments for managing these risks include financial derivatives. The company does not take speculative positions with financial instruments.

Interest exposure

Interest rate fluctuations influence Q-Park's direct result and return on investment property. The group interest policy is designed to limit risks and can be explained as follows:

- interest-bearing debts have a fixed-interest-rate part and a variable-interest-rate part, where the interest from the variable-interest part is partly fixed by means of interest rate swaps (IRS);
- overall, at least 50% of the interest-bearing liabilities should be protected from interest rate fluctuations.

At the end of 2016, loan positions were hedged, by means of IRS, for an amount of EUR 389.3 million (2015: EUR 658.8 million). The following table shows the hedging of the loan positions further specified by time to maturity of the interest rate derivatives.

	2016		2015	
Time to maturity	Number of contracts	Hedged value (x EUR million)	Number of contracts	Hedged value (x EUR million)
Period < 5 years	11	282.3	13	524.9
5 years < period < 10 years	–	–	1	24.9
10 years < period < 15 years	–	–	–	–
Period > 15 year	1	107.0	1	109.0
Total	**12**	**389.3**	**15**	**658.8**

25 Risk management with regard to financial instruments (continued)

Of the total interest-bearing liabilities amounting to EUR 1,126.5 million (2015: EUR 1,208.8 million), EUR 587.2 million (2015: EUR 909.9 million) is insensitive to interest rate fluctuations because there is either fixed-interest financing (EUR 197.9 million; 2015: EUR 251.1 million), or because the interest exposure is hedged by means of IRS (EUR 389.3 million; 2015: EUR 658.8 million). This means that 52% (2015: 75%) of the total interest-bearing debts is protected from interest rate fluctuations.

Q-Park therefore runs an interest rate risk for loans amounting to EUR 539.3 million (2015: EUR 298.9 million). Please note that in early 2017 additional derivative contracts start, mitigating the interest rate risk in 2017 up to 2021. Including these contracts the percentage of the bank debt insensitive to interest rate fluctuations increases significantly (to approximately 80%) in the first quarter of 2017.

In addition, as a result of the current negative state of the Euribor, Q-Park runs an additional risk on the variable interest rate in the existing interest rate derivatives. In the sensitivity analysis for interest rate fluctuations, only a 1% rise or fall in interest rates is taken into account, all other factors are disregarded. Furthermore, a minimum interest rate of 0% (no negative interest) is assumed on the outstanding financing and a possible negative variable interest on the interest rate derivatives as a result of the current negative Euribor.

A summary of the exposure to interest rate fluctuations is given in the following table.

(x EUR million)	2016 Sensitivity to interest rate fluctuations		2015 Sensitivity to interest rate fluctuations	
	+1%	-1%	+1%	-1%
Effect on direct result	-2.4	-3.9	-2.2	-6.3
Net effect on shareholders’ equity	-1.7	-2.7	-1.5	-4.4

In previous sensitivity analyses, only the effect of interest rate fluctuations was simulated. Other variables were assumed to be constant.

Currency risk

Q-Park is exposed to exchange rate fluctuations with respect to its activities in the United Kingdom, Sweden, Norway and Denmark. This risk is not hedged, as it is agreed with shareholders that they will hedge on their part. In the sensitivity analysis (+1% and -1%) only the net effect of exchange rate fluctuations is taken into account, other factors are disregarded. The following table shows an analysis per currency of the sensitivity of the shareholders’ equity to fluctuations in exchange rates.

(x EUR million)	2016 Sensitivity to exchange rate fluctuations		2015 Sensitivity to exchange rate fluctuations	
	+1%	-1%	+1%	-1%
British pound (GBP)	2.3	-2.3	3.1	-3.1
Danish crown (DKK)	0.9	-0.9	0.6	-0.6
Swedish crown (SEK)	2.7	-2.7	2.5	-2.5
Norwegian crown (NOK)	0.3	-0.3	0.3	-0.3

25 Risk management with regard to financial instruments (continued)

Liquidity risk

Q-Park endeavours to limit the liquidity risk by ensuring the availability of sufficient credit facilities to support the operating activities and meet financial obligations. Given the solid cash flows and balance sheet positions, Q-Park has sufficient access to these facilities. In addition, Q-Park aims to minimise the refinancing risk through staggered repayment schedules.

The following tables indicate the time to maturity of the contractual liabilities at the close of 2016 and 2015.

2016 (x EUR million)	< 1 year	1 to 5 years	> 5 years	Total
Liabilities arising from loans	11.6	1,075.6	39.3	1,126.5
Lease obligations	205.7	817.1	5,751.3	6,774.1
Financial derivatives	0.1	18.8	37.7	56.6
Other long-term liabilities	–	3.4	–	3.4
Provisions	0.9	–	–	0.9
Trade payables	48.7	–	–	48.7
Other liabilities, accruals and deferred income	192.3	–	–	192.3
Total	**459.3**	**1,914.9**	**5,828.3**	**8,202.5**

2015 (x EUR million)	< 1 year	1 to 5 years	> 5 years	Total
Liabilities arising from loans	10.8	1,149.3	48.7	1,208.8
Lease obligations	210.7	832.8	5,928.8	6,972.3
Financial derivatives	2.9	22.4	42.4	67.7
Other long-term liabilities	–	4.3	–	4.3
Provisions	1.0	–	–	1.0
Trade payables	51.9	–	–	51.9
Other liabilities, accruals and deferred income	156.6	–	–	156.6
Total	**433.9**	**2,008.8**	**6,019.9**	**8,462.6**

With the exception of the financial instruments, which are recognised at fair value, all items stated in the previous tables are stated at face value, taking into account the moment of settlement.

Liabilities arising from loans – with the exception of the local bilateral loans – will be refinanced.

All other liabilities stated in the table are financed from working capital and operational cash flows. At balance sheet date, the lease obligations related to investment property have an average time to maturity of more than ten years.

Credit risk

Credit risk is the risk that a counterparty fails to meet its obligations arising from a financial instrument or contract with a client, causing financial damage. Q-Park is exposed to credit risk in connection with its operating activities (trade receivables in particular) and in connection with its financing activities, including deposits at banks and financial institutions, currency transactions and other financial instruments.

At the reporting date, the maximum exposure to credit risk is the book value of the receivables and cash and cash equivalents as explained in the respective notes. Q-Park considers the credit risk to be limited. The concentration of risks concerning trade receivables is low, as the customers are widely dispersed. Assets held at the bank concern only assets at reputable banks.

25 Risk management with regard to financial instruments (continued)

Fair value of financial instruments

Q-Park's financial instruments mainly consist of financial instruments (receivables, cash and cash equivalents, monetary loans from third parties, other long-term liabilities and current liabilities) and of derived financial instruments (interest derivatives).

Considering the short maturity of the current liabilities and the receivables and cash and cash equivalents stated under current assets, the book value is approximately equal to the fair value. The fair value of the other long-term liabilities is assumed to be equal to the book value. The fair value of the derivatives and monetary loans is based on (discounted value) calculations or third party quotations.

Given the aforementioned, in combination with the lack of an additional credit risk and the market conformity of interest charged, with the exception of the fixed-interest part of the monetary loans from third parties (EUR 197.9 million; 2015: EUR 251.1 million), the fair value at the end of the financial year can be considered equal to the book value. The fair value of the fixed-interest part of the monetary loans from third parties amounted to EUR 186.0 million (2015: EUR 232.7 million) and is determined by discounting the future cash flows using current market rates appropriate to market players similar to Q-Park. The determination of the fair value of the fixed-interest part of the monetary loans belongs to level 2 in the fair value hierarchy.

Hierarchy in fair values

As per 31 December 2016, Q-Park held the financial instruments at fair value as explained in the following table, whereby the following hierarchy is applied when stating and determining the financial instruments, distinguished by valuation method:

- Level 1: Listed (not revised) rates on active markets for identical assets or liabilities;
- Level 2: Other methods whereby all variables have a significant effect on the fair value recognised and are directly or indirectly observable;
- Level 3: Methods whereby variables are applied that have a significant effect on the fair value recognised, yet are not based on observable market information.

(x EUR million)	Level 1	Level 2	Level 3	Total
Assets, equity and liabilities recognised at fair value				
Interest rate derivatives	–	-52.4	–	-52.4
Total	**–**	**-52.4**	**–**	**-52.4**

The interest rate derivatives are placed in level 2 (not listed in an active market, but the key variables are observable, either directly or indirectly). In 2016, there were no transfers between valuations at fair value in level 1 and 2, nor were there transfers in or out of valuations at fair value in level 3.

The following table shows an overview of the book value of the financial derivatives, subdivided per type.

	2016		2015	
(x EUR million)	Other financial fixed assets	Other long-term liabilities	Other financial fixed assets	Other long-term liabilities
Interest derivatives (IRSs)	4.2	56.6	–	67.7
Book value as per 31 December	**4.2**	**56.6**	**–**	**67.7**

25 Risk management with regard to financial instruments (continued)

The fair value of the financial instruments is calculated by discounting the future cash flows. Relevant variables applicable to the valuation of these interest rate derivatives are the present value of interest payments and the expected interest rate curves.

The total market value of the interest derivatives amounts to EUR 52.4 million consisting of interest rate caps with a positive market value of EUR 4.2 million and interest rate swaps with a negative market value of EUR 56.6 million.

- In 2016 Q-Park acquired two portions of interest rate caps to ensure a solid hedging ratio and insensitivity to interest rate volatility in future years (2017 until 2021). The acquisition price (and first valuation) of these caps amounted EUR 4.8 million which decreased to a market value of EUR 4.2 million at 31 December 2016 as a result of a further decrease in Euribor interest rate expectation. The decrease in fair value of EUR -0.6 million is charged to the result.
- The movement in the negative market value of the interest rate swaps in 2016 amounted to EUR -11.1 million (2015: EUR -41.8 million). This movement is recognised in favour of the result as a consequence of changes in fair value.

Capital management

The primary objective of group capital management is to maintain good creditworthiness and to ensure that the operating activities are optimally supported, so that these operating activities can be conducted effectively, efficiently and profitably and so that shareholder value is created. Q-Park manages its capital structure and adjusts this to changes in economic circumstances. In order to maintain or modify the capital structure, Q-Park may adjust dividend payments to shareholders, repay capital or issue new shares.

The primary financing risks, as stated in the standing credit facility agreed in 2015, are the ‘interest coverage ratio’ (ICR) and the ‘net bank debt / EBITDA’ ratio. These ratios are monitored closely to support Q-Park’s activities and to maximise shareholder value.

The minimum ICR is set at 2.0 and was 4.3 at the end of 2016 (2015: 3.3). The ‘Net bank debt / EBITDA’, was 5.6 at the close of 2016 (2015: 6.1) compared to the upper limit set of 7.0. The decrease in this ratio to under 6.0 will result in a lower spread on the interest. If, and in so far as, Q-Park is unable to comply with the ratios set, repayment of the facility is to be made up to an amount which brings the ratios back into the ranges set in the period concerned.

The ICR over the years 2016 and 2015 is as shown in the following table.

(x EUR million)	**Notes**	**2016**	**2015**
Operational result		183.8	174.9
Depreciation		11.1	10.1
Incidental costs		0.3	3.0
Incidental gains		–	–
EBITDA[1]		**195.2**	**188.0**
Financial result	19	44.3	63.3
Depreciation capitalised transaction costs		-2.1	-6.7
Foreign exchange rate differences		2.7	0.6
Net finance costs		**44.9**	**57.2**
ICR (EBITDA / Net finance costs)		**4.3**	**3.3**

1 Refers to the regular EBITDA corrected for incidental costs and gains.

25 Risk management with regard to financial instruments (continued)

The 'Net bank debt / EBITDA' over 2016 and 2015 is shown in the following table.

(x EUR million)	Notes	2016	2015
Long-term liabilities concerning loans		1,108.8	1,190.5
Current portion of long-term liabilities		11.6	10.8
Cash and cash equivalents		-24.6	-48.8
Net bank debt		**1,095.8**	**1,152.5**
EBITDA[1]		**195.2**	**188.0**
Net bank debt / EBITDA		**5.6**	**6.1**

1 Refers to the regular EBITDA corrected for incidental costs and gains.

In addition to the aforementioned ratios associated with the standing credit facility, Q-Park has also agreed covenants in connection with two institutional loans for investment property in the Netherlands and United Kingdom. The primary ratios for both these loans are the 'Debt Service Coverage Ratio' (DSCR) and the 'Loan-to-Value' ratio (LTV).

The ratios for the institutional loan for investment property in the Netherlands are explained in the following table.

(x EUR million)	Notes	2016	2015
EBITDA		**26.1**	**27.1**
Financial result		7.1	7.4
Redemptions		3.6	3.6
		–	0.4
Debt Service		**10.7**	**11.4**
DSCR (EBITDA / Debt Service)		**2.4**	**2.4**

(x EUR million)	Notes	2016	2015
Institutional loan		228.3	231.9
Market value related investment property		419.5	412.8
LTV (institutional loan / market value)		**0.5**	**0.6**

The ratios for the institutional loan for investment property in the United Kingdom are explained in the following table.

(x GBP million)	Notes	2016	2015
EBITDA		**3.8**	**3.5**
Financial result		0.7	0.7
Redemptions		0.3	0.3
Debt Service		**1.0**	**1.0**
DSCR (EBITDA / Debt Service)		**3.8**	**3.5**

(x GBP million)	Notes	2016	2015
Institutional loan		32.7	33.2
Market value related investment property		90.5	92.5
LTV (institutional loan / market value)		**0.4**	**0.4**

25 Risk management with regard to financial instruments (continued)

The covenants agreed for both the institutional loans are identical. According to the covenants, the DSCR must be at least 1.5. The upper limit for the LTV ratio is 0.8 for both loans. The ratios for the institutional loan covenants for investment property in the Netherlands is calculated based on the previous 12 months. For the loan concerning investment property in the United Kingdom, this is the previous 6 months.

COMPANY BALANCE SHEET AS PER 31 DECEMBER

(x EUR million, before result appropriation)	Notes	2016	2015
Tangible fixed assets			
Other tangible fixed assets	28	0.8	0.7
Financial fixed assets			
Participating interests	29	490.6	411.3
Intercompany receivables	30	1,117.1	1,140.8
		1,607.7	**1,552.1**
Current assets			
Intercompany receivables	30	99.4	58.5
Other receivables, prepayments and accrued income		1.3	1.1
		100.7	**59.6**
Cash and cash equivalents		–	0.3
TOTAL ASSETS		**1,709.2**	**1,612.7**
Shareholders' equity	31		
Paid-up and called-up capital		501.5	499.3
Share premium reserve		598.5	626.7
Statutory revaluation reserve		813.4	775.8
Statutory hedging reserve		-19.2	-26.0
Statutory exchange rate differences reserve		-61.0	-17.2
Other reserves		-610.6	-663.9
Result financial year		128.9	90.9
		1,351.5	**1,285.6**
NON-CURRENT LIABILITIES			
Deferred tax liabilities		60.1	57.0
Loans		289.5	264.4
		349.6	**321.4**
Current liabilities			
Trade payables		2.2	1.7
Taxes and social insurance contributions		0.7	0.7
Other liabilities, accruals and deferred income		5.2	3.3
		8.1	**5.7**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**1,709.2**	**1,612.7**

COMPANY PROFIT AND LOSS ACCOUNT

(x EUR million)	Notes	2016	2015
Company result		12.6	10.8
Share in result of participating interests	30	116.3	80.1
Result after taxes		**128.9**	**90.9**

NOTES TO THE COMPANY ANNUAL ACCOUNTS

26 General information

Q-Park NV (chamber of commerce number: 27159273) has issued notices of liability in respect of a number of legal entities pursuant to Book 2, Article 403 of the Dutch Civil Code, a statement of which is given in the note about group companies and participating interests.

27 Accounting policies observed when preparing the company annual accounts

General

The company annual accounts have been prepared in compliance with the legal stipulations set out in Title 9, Book 2, Dutch Civil Code. Use has been made of the option extended under Book 2, Article 362, Section 8, Dutch Civil Code to apply the accounting policies used in the consolidated annual accounts to the company annual accounts (including the policies for presenting financial instruments as shareholders' equity or as loan capital). Reference is made to the notes appended to the consolidated annual accounts. In accordance with Title 9, Book 2, Article 402 of the Dutch Civil Code, the company annual accounts only contain an abridged profit and loss account.

Accounting policies

The accounting policies used for the company annual accounts are identical to those for the consolidated annual accounts. Provided no reference to additional accounting policies is made in the notes to the company annual accounts, reference is made to the accounting policies attached to the consolidated annual accounts.

Participating interests

Participating interests in group companies and other entities where the company may exercise control or where it has the central management are stated initially and at balance sheet date at net asset value. The value of these participating interests is corrected for the company's share in the results of the participating interest, based on the accounting policies as these are applied in the consolidated annual accounts and for the share in the other movements in the shareholders' equity of the participating interest attributable to the company after the acquisition date. The net asset value is determined by stating assets, provisions, liabilities and result using the accounting policies applied in the consolidated annual accounts.

Revaluation reserve

The revaluation reserve is held for positive unrealised movements in the fair value of the investment property. Movements in this reserve are made from the other reserves. When investment property is sold, the revaluations included in the revaluation reserve for the object concerned are released to the other reserves.

Pursuant to Title 9, Book 2 of the Dutch Civil Code the revaluations of investment property are booked to the revaluation reserve, in so far as the cumulative revaluations for each individual asset are positive. The revaluation per individual asset is determined by offsetting the market value against the historical cost price, where applicable, corrected for adjustments in the context of 'purchasing price accounting'. In the context of determining the revaluation reserve, depreciation on the historical cost price is abstracted.

Negative unrealised changes in the fair value of investment property are not processed through the revaluation reserve, but are taken from other reserves.

28 Tangible fixed assets

Movements in tangible fixed assets are shown in the following table.

(x EUR million)	2016	2015
Book value as per 1 January	**0.7**	**0.8**
Investments	0.2	–
Depreciations	-0.1	-0.1
Book value as per 31 December	**0.8**	**0.7**
Accumulated depreciation as per 31 December	0.9	0.8

29 Participating interests

Movements in the participating interests are shown in the following table.

(x EUR million)	2016	2015
Book value as per 1 January	**411.3**	**291.6**
Share in the result	116.3	80.1
Equity movements participating interests	-37.0	39.6
Book value as per 31 December	**490.6**	**411.3**

30 Intercompany receivables

The intercompany receivables recognised under financial fixed assets concern interest-bearing loans and borrowings issued to group companies as part of the group financing. The variable interest charged is based on Euribor including a margin of 230 basis points. The term to maturity of the loans is equal to the term to maturity of the standing credit facility agreed in 2015 and matures in 2021.

The intercompany receivables recognised under current assets mainly concern current account positions with group companies for which no further agreements have been made about the term to maturity or repayment.

NOTES TO THE COMPANY ANNUAL ACCOUNTS (CONTINUED)

31 Shareholders' equity

Movements in the shareholders' equity are shown in the following table.

(x EUR million)	Share capital	Share premium	Revaluation reserve	Hedging reserve	Translation reserve	Other reserve	Net result	Total
Book value as per 1 January 2015	**499.3**	**626.7**	**687.5**	**-49.0**	**-33.6**	**-348.1**	**-227.7**	**1,155.1**
Result for the financial year	–	–	–	–	–	–	90.9	90.9
Allocation result previous year	–	–	–	–	–	-227.7	227.7	–
Movement revaluation reserve	–	–	88.3	–	–	-88.3	–	–
Movement hedging reserve	–	–	–	23.0	–	–	–	23.0
Exchange rate difference	–	–	–	–	16.4	–	–	16.4
Other movements	–	–	–	–	–	0.2	–	0.2
Book value as per 31 December 2015	**499.3**	**626.7**	**775.8**	**-26.0**	**-17.2**	**-663.9**	**90.9**	**1,285.6**
Result for the financial year	–	–	–	–	–	–	128.9	128.9
Allocation result previous year	–	–	–	–	–	90.9	-90.9	–
Movement revaluation reserve	–	–	37.6	–	–	-37.6	–	–
Movement hedging reserve	–	–	–	6.8	–	–	–	6.8
Movement exchange rate difference	–	–	–	–	-43.8	–	–	-43.8
Dividend	2.2	-28.2	–	–	–	–	–	-26.0
Other movements	–	–	–	–	–	–	–	–
Book value as per 31 December 2016	**501.5**	**598.5**	**813.4**	**-19.2**	**-61.0**	**-610.6**	**128.9**	**1,351.5**

In the totals, the company does not recognise any difference between the shareholders' equity according to the consolidated annual accounts and the shareholders' equity according to the company annual accounts. The statutory reserves (revaluation reserve, hedging reserve and exchange rate differences reserve) are legal reserves and therefore not freely distributable.

Share capital

The company's authorised share capital amounts to EUR 1,589.0 million and is divided into 3.5 million shares, each with a nominal value of EUR 454.0. The number of outstanding and fully paid shares at the end of the financial year amounted to 1,104,462 shares (2015: 1,099,682).

The number of shares issued increased by 4,780 shares in 2016 as a result of the 2015 dividend distributed in 2016, for which shareholders could opt for cash or stock dividend. The dividend distributed amounted to EUR 29.10 per share, where those opting for stock dividend received a bonus of 3%. The total cash dividend distributed over 2015 amounted to EUR 26.0 million.

For a further explanation of the share capital please refer to the explanation on consolidated shareholders' equity, in the shareholders' equity section of the consolidated annual accounts.

NOTES TO THE COMPANY ANNUAL ACCOUNTS (CONTINUED)

31 Shareholders' equity (continued)

Statutory revaluation reserve

The revaluation reserve is formed after deduction of taxes, taking the prevailing tax rates in the various jurisdictions into account.

Statutory hedging reserve

In line with the company's decision, from the 2014 financial year, to no longer apply hedge accounting to the changes in the fair value of interest rate derivatives, the cumulative reserve accumulated up to and including 31 December 2013 will be amortised at the expense of the indirect result from the 2014 financial year based on the term to maturity of the interest rate derivatives.

Statutory translation reserve

The statutory exchange rate differences reserve comprises the foreign exchange rate differences arising from the translation of foreign operations, as well as the cumulative effective portion of movements in value arising from currency derivatives held in the past. The movement in the financial year relates entirely to foreign exchange rate differences arising from the translation of foreign activities.

32 Contingencies and liabilities not included in the balance sheet

The company and its participating interests have reciprocally accepted joint and several liability for everything they, or any one of them, are, or shall be, liable for in respect of debts owing to those financing it.

In respect of loans extended to subsidiaries by external parties, the company has accepted joint and several liability in the value of EUR 83.9 million (2015: EUR 65.4 million).

With respect to corporate tax, all Dutch consolidated participating interests, with the exception of Q-Park Netherlands Holding BV and Q-Park Operations Netherlands IV BV, are included in a tax group. As the head of the tax entity, the company is jointly and severally liable for all tax liabilities of the companies placed within this tax entity. Furthermore, the company has acted as guarantor for its subsidiaries in respect of third parties for purchase and lease contracts for an amount totalling EUR 141.7 million (2015: EUR 169.6 million).

33 Employee information

In 2016 there were an average of 45 people employed (2015: 43). In 2016, the corresponding number of full-time equivalents averaged 43 (2015: 41).

With regard to the remuneration of the directors and former directors, reference is made to the explanation given in the employee information note in the consolidated annual accounts.

34 Risk management with regard to financial instruments

With respect to risk management pertaining to financial instruments reference is made to the explanation given in the consolidated annual accounts.

35 Auditor fees paid to the company auditors

The audit fees charged by Deloitte Accountants in the financial year under review are shown in the following table.

(x EUR million)	2016	2015
Deloitte Accountants BV:		
Audit activities annual accounts	0.5	0.5
Other audit services	0.1	0.1
Deloitte Network:		
Audit activities annual accounts	0.6	0.6
Other audit services	–	–
Total fees	**1.2**	**1.2**

36 Events after balance sheet date

As of the date of preparation of the annual accounts no significant events have occurred after the balance date which require additional disclosures in the annual accounts.

37 Profit appropriation

Provisions from the articles of association concerning profit appropriation

Article 26

1. The General Meeting is at liberty to dispose of the distributable profit for the distribution of dividend, for a provision or for such other ends consistent the Company's objectives as that meeting shall decide. When calculating the amount of profit to be distributed for each share only the amount of the obligatory payments for the nominal amount of the shares qualifies.
2. The Company may make distributions from the profit available for distribution to shareholders and others that may be so entitled only in so far as the shareholders' equity exceeds the paid-up and called-up part of the share capital to which shall have been added the reserves that must be retained according to the law or the articles of association. When calculating the profit appropriation the shares held by the Company in its share capital shall not be included.
3. Profit may only be distributed after adoption and approval of the annual accounts showing that this is permissible.
4. The General Meeting is, in compliance with the provisions of the second section, authorised to distribute a single dividend or several interim dividends provided that the provisions of Book 2, Article 105, Section 4, Dutch Civil Code in respect of preparing an interim statement of assets and liabilities evidencing compliance with the provisions set out in section 2 are adhered to.
5. Unless the General Meeting determines another time, dividends are immediately eligible for payment after having been adopted.
6. Claims for the payment of dividend expire five years after adoption.

Profit appropriation

Appropriation of profits for the financial year 2015

The profit over 2015 has been added to the other reserves, with due regard to the necessary movements in the statutory reserves.

37 Profit appropriation (continued)

Proposed appropriation of profits for the financial year 2016

The results for 2016 will be added to the other reserves, with due regard to the necessary movements in the statutory reserves.

38 Group companies and participating interests

The consolidated annual accounts include the financial data of Q-Park NV and of the group companies listed in the following table (unless otherwise stated, participating interests are 100%).

NETHERLANDS

- Q-Park Operations Holding BV, Amsterdam
- Q-Park Real Estate Holding BV, Amsterdam
- Q-Park Real Estate France BV, Maastricht
- Q-Park België BV, Amsterdam
- Q-Park Duitsland BV, Amsterdam
- Q-Park Operations BV, Amsterdam
- Q-Park Real Estate Netherlands I BV, Maastricht
- Q-Park Real Estate Netherlands II BV, Maastricht
- Q-Park Operations Netherlands I BV, Maastricht
- Q-Park Parkeergarage Operations BV, Amsterdam
- Q-Park Beheer BV, Maastricht
- Q-Park Operations Netherlands II BV, Amsterdam
- Q-Park Operations Netherlands III BV, Maastricht
- Q-Park ‘t Loon BV, Maastricht
- Q-Park Operations Netherlands IV BV, Heerlen

GERMANY

- Q-Park Operations Germany GmbH & Co KG, Düsseldorf
- Q-Park Saarbrücken GmbH, Saarbrücken
- Q-Park Verwaltungs GmbH, Düsseldorf
- Q-Park Real Estate Germany GmbH, Düsseldorf

BELGIUM

- City Parking SA, Brussels
- Parketing NV, Brussels
- Q-Park Sint Martinuskerk NV, Brussels

38 Group companies and participating interests (continued)

- Q-Park Deurne NV, Brussels
- Q-Park Belgium NV, Brussels
- Q-Park Belgium Holding NV, Brussels
- Q-Park Meir NV, Brussels
- Q-Park Julianus Tongeren NV, Tongeren
- Q-Park Real Estate Belgium NV, Brussels
- Q-Park Financial Services NV, Maasmechelen
- Park-INN NV, Hasselt
- Parkilim NV, Hasselt (80.25%)
- Eural Parking NV, Hasselt (65.51%)
- Genk Park NV, Hasselt
- DusartPark NV, Hasselt
- HassPark NV, Hasselt (93.55%)

UNITED KINGDOM

- Q-Park (UK) Holding Limited, Leeds
- Universal Parking Limited, Leeds
- Q-Park Developments Limited, Leeds
- Q-Park (Liverpool) Limited, Leeds
- Q-Park (Glasgow) Limited, Leeds
- Airparks (Glasgow) Limited, Leeds
- Q-Park Limited, Leeds
- QT Partnership Limited, Leeds
- Q-Park Heathrow Limited, Leeds
- Q-Park Employment Services Limited, Leeds
- Q-Park (NI) Limited, Leeds
- Q-Park & Fly Limited, Leeds
- Ringway Air Park Limited, Leeds
- Q-Park Finance Limited, Leeds
- Q-Park Taunton Limited, Leeds
- Q-Park Securities Limited, Leeds
- Surrey Street Car Park Limited, Leeds
- Q-Park Kingston (No.1) Limited, Leeds

38 Group companies and participating interests (continued)

- Q-Park Real Estate Holding UK Limited, Leeds
- Q-Park Real Estate UK I Limited, Leeds
- Q-Park Crawley Limited, Leeds
- Q-Park Real Estate UK II Limited, Leeds
- Q-Park Real Estate UK III Limited, Leeds
- Q-Park Promenade Car Parks Limited, Leeds

FRANCE

- Q-Park France Holding SAS, Boulogne-Billancourt
- Q-Park Financement SAS, Boulogne-Billancourt
- Q-Park France Services SAS, Boulogne-Billancourt
- Société Marseillaise de Stationnement, Marseille
- Société Rouenaise de Stationnement SAS, Rouen
- Q-Park Marseille HDV SAS, Boulogne-Billancourt
- Q-Park Île de France, Boulogne-Billancourt
- Société Valentinoise de Stationnnement SAS, Valence
- Nîmes Stationnement SAS, Boulogne-Billancourt
- Société Chalon Stationnement SAS, Chalon sur Saone
- Société Grenobloise de Stationnement SAS, Boulogne-Billancourt
- Société les Parkings de Savoie SAS, Boulogne-Billancourt
- Chartres Stationnement SAS, Boulogne-Billancourt
- Sint Germain Stationnement SAS, Boulogne-Billancourt
- Q-Park Boulogne SAS, Boulogne-Billancourt
- Q-Park Participations SAS, Boulogne-Billancourt
- Société du parc Coislin SNC, Boulogne-Billancourt
- Q-Park France SAS, Boulogne-Billancourt
- Q-Park CORSE SAS, Ajaccio
- SEPA – Saint Etienne Parc Auto SAS, Saint Etienne
- Patrimoniale Omniparc SNC, Paris
- SPEP SA, Paris
- Parking Puget, Boulogne-Billancourt
- SCI Q-Park Real Estate France I
- SCI Q-Park Real Estate France II

38 Group companies and participating interests (continued)

- SCI Q-Park Real Estate France III
- SCI Q-Park Real Estate France IV
- SCI Q-Park Real Estate France V
- SCI Q-Park Real Estate France VI
- SCI Q-Park Real Estate France VII
- SCI Q-Park Real Estate France VIII
- SCI Q-Park Real Estate France IX
- SCI Q-Park Real Estate France X
- SCI Q-Park Real Estate France XI

IRELAND

- Q-Park Ireland Ltd, Dublin
- Q-Park Management Ltd, Dublin
- Strongale Ltd, Dublin
- Northridge Ltd, Dublin
- Q-Park Properties Ltd, Dublin
- Q-Park Real Estate Ltd, Dublin
- Rushvard Ltd, Dublin
- Fenpark Ltd, Dublin
- Shudehill Ltd, Dublin
- Cornmarket Properties Ltd, Dublin
- Q-Park Real Estate Ireland Ltd, Dublin
- Accaway Ltd, Dublin
- Blarebrook Ltd, Dublin

DENMARK

- Q-Park Operations Denmark A/S, Søborg
- I/S Nørregardsvej, Kopenhagen
- Q-Park Real Estate Denmark ApS, Kopenhagen

SWEDEN

- Mobil Park AB, Uppsala
- Q-Park AB, Stockholm
- Q-Park Bevakning AB, Stockholm

NOTES TO THE COMPANY ANNUAL ACCOUNTS (CONTINUED)

38 Group companies and participating interests (continued)

NORWAY

- Q-Park AS, Oslo

FINLAND

- Q-Park Operations Finland Oy, Helsinki
- Q-Park Finland Oy, Helsinki

LUXEMBOURG

- Q-Park Real Estate Luxembourg S.à.r.l., Luxemburg

MINORITY INTERESTS

- Mipark SPA (49 %), Milan
- NV Parkeergarage Deventer (1%), Deventer
- SOPAC NIORT (2.6%), Niort
- SEM de Vence (0.003%), Vence
- Transurbain (2%), Evreux
- Société du Parking Vallier (49%), Marseille

LIST OF WHERE GUARANTEES HAVE BEEN EXTENDED

The company has issued notices of liability in respect of the legal entities listed in the following table pursuant to Book 2, Article 403 of the Dutch Civil Code:

- Q-Park Operations Holding BV, Amsterdam
- Q-Park Real Estate Holding BV, Amsterdam
- Q-Park Real Estate France BV, Maastricht
- Q-Park België BV, Amsterdam
- Q-Park Duitsland BV, Amsterdam
- Q-Park Operations BV, Amsterdam
- Q-Park Netherlands Holding BV, Maastricht
- Q-Park Real Estate Netherlands I BV, Maastricht
- Q-Park Real Estate Netherlands II BV, Maastricht
- Q-Park Operations Netherlands I BV, Maastricht
- Q-Park Parkeergarage Operations BV, Amsterdam
- Q-Park Beheer BV, Maastricht
- Q-Park Operations Netherlands II BV, Amsterdam
- Q-Park Operations Netherlands III BV, Maastricht

38 Group companies and participating interests (continued)

- Q-Park ‘t Loon BV, Maastricht
- Q-Park Operations Netherlands IV BV, Heerlen

Signed

Maastricht, 8 March 2017

The Supervisory Board:

- H.H. Raué, chair
- N.H. van Halder
- J. van der Ende
- D. Meijer
- M. Schaeffer

The Executive Board:

- F.K. De Moor, chair
- M. Iacono

Independent auditor's report

To the shareholders and supervisory board of Q-Park N.V.

Report on the audit of the financial statements 2016

Our Opinion

We have audited the financial statements 2016 of Q-Park N.V., based in Amsterdam. The financial statements include the consolidated financial statements and the company financial statements.

In our opinion:

- The consolidated financial statements included in this annual report give a true and fair view of the financial position of Q-Park N.V. as at 31 December 2016, and of its result and its cash flows for 2016 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

- The company financial statements included in this annual report give a true and fair view of the financial position of Q-Park N.V. as at 31 December 2016, and of its result for 2016 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

1. The consolidated balance sheet as at 31 December 2016. The following statements for 2016:
2. the consolidated income statement, the consolidated statements of comprehensive income, changes in shareholders's equity and cash flows.
3. The notes comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

1. The company balance sheet as at 31 December 2016.
2. The company profit and loss account for 2016.
3. The notes comprising a summary of the significant accounting policies and other explanatory information.

Basis for our opinion

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

We are independent of Q-Park N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA).

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

Report on the other information included in the annual accounts

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

- Executive Board Report

- Other Information as required by Part 9 Book 2 of the Dutch Civil Code
- Any other information

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

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

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

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

Management is responsible for the preparation of other information, including the Executive Board Report and Other Information as required by, and in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities for the financial statements

Responsibilities of management and the supervisory board for the financial statements

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

As part of the preparation of the financial statements, management is responsible for assessing the company ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company financial reporting process.

Our responsibilities for the audit of the financial statements

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

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

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

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

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

Amsterdam, 8 March 2017
Deloitte Accountants B.V.
As originally signed J. Dalhuisen

THE ISSUER
Q-Park Holding I B.V.
Overschiestraat 61F, 1062XD
Amsterdam
The Netherlands

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The Netherlands

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Mellon SA/NV,
Luxembourg Branch
Vertigo Building – Polaris
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L-2453 Luxembourg

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United Kingdom

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47 Esplanade
St Helier
Jersey JE1 0BD

Q-Park Holding I B.V.

€1,455,000,000 Senior Secured Notes in combination of

€425,000,000 1.500% Senior Secured Fixed Rate Notes due 2025
€630,000,000 2.000% Senior Secured Fixed Rate Notes due 2027
€400,000,000 Senior Secured Floating Rate Notes due 2026

OFFERING MEMORANDUM

Joint Global Coordinators and Bookrunners

J.P. Morgan **BofA Securities** **KKR**

Joint Bookrunners

ABN AMRO **ING** **NatWest Markets** **Rabobank**

Co-Manager

ICBC

February 6, 2020

Donnelley Financial Solutions 870304

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