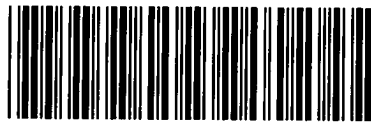


Company Registration No. 07665598 (England and Wales)

AE HOLDCO LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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AE HOLDCO LIMITED

COMPANY INFORMATION

Directors	P L Ford A A Koines
Secretary	I Lall
Company number	07665598
Registered office	Avis Budget House Park Road Bracknell United Kingdom RG12 2EW
Auditor	BDO LLP 55 Baker Street London United Kingdom W1U 7EU

AE HOLDCO LIMITED

CONTENTS

	Page
Strategic Report	1 - 8
Directors' Report	9 - 11
Independent Auditor's Report	12 - 14
Statement of Comprehensive Income	15
Statement of Financial Position	16
Statement of Changes in Equity	17
Notes to the Financial Statements	18 - 25

AE HOLDCO LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their Strategic Report for the Company for the year ended 31 December 2020.

Strategic Review and Future Developments

Strategic Review

The strategy of the Company and its subsidiaries are aligned to those of the Avis Budget Group, Inc. group of companies, which are as disclosed in the consolidated financial statements of Avis Budget Group, Inc. The year 2020 began with a focus of driving sustainable and profitable growth by leveraging differentiated brands and products, delivering margins from the Group's established businesses, and positioning itself as a global leader in the mobility sector. There were significant impacts on travel demand and the global economy from Coronavirus ("COVID-19"), the Group proactively managed the business with cost removal and mitigating actions. At the same time, prioritising health and safety, launched a coalition designed to enhance the cleanliness and disinfection of rental facilities and vehicles. The Group also increased the availability of its app-based products to provide customers with contactless, self-service rental transactions.

In executing the strategy, the Company and its subsidiaries will continue to position the distinct and well recognised global brands to focus on different segments of customer demand. While the brands address different use-cases and target customers, the Company and its subsidiaries achieve efficiencies by sharing the same operational and administrative infrastructure while providing differentiated value propositions tailored to each of the brands.

The Group's distinct and well-recognised global brands focus on different segments of customer demand. The Company continues to support and build the reputation of the Avis brand as an innovative, reliable and high-quality service provider. Investments in technology, including the Avis mobile application and websites, are key parts of the Group's efforts to enhance the Avis experience for customers. The Budget brand is a global leader among value-conscious vehicle rental consumers who are looking to "get more" from their vehicle rental provider.

The Company and its subsidiaries plan to drive incremental performance by continuing to improve customer experience by growing ancillary sales, including services such as providing discounted bundling of products, promoting vehicle class upgrades, piloting new customer vehicle choice models (through the mobile application) and new payment features.

The Company and its subsidiaries aim to provide a range of vehicles, products and services at competitive prices, to leverage various marketing channels and to maintain marketing affiliations and corporate account contracts that complement each brand's positioning. The Company and its subsidiaries continue to invest in the brands through a variety of efforts, including both on-line and off-line marketing.

The Company and its subsidiaries maintain a diverse rental fleet, in which no vehicle manufacturer represented more than 25% of fleet purchases, and regularly adjusts fleet levels to be consistent with demand, participating in a variety of vehicle purchase programs with major vehicle manufacturers.

To further support and strengthen the brands, the Company and its subsidiaries are committed to serving its customers and enhancing their rental experience through new organic offerings that optimise the brands, systems and employees. Customers are regularly surveyed to solicit feedback and to better understand their needs and drive actions to enhance the services.

The Company and its subsidiaries continue to further streamline its administrative and shared-services infrastructure that identifies and replicates best practices, leverages the scale and capabilities of third-party service providers and is designed to increase the global standardisation and consolidation of non-rental location functions over time.

AE HOLDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Future Developments and Going Concern

The Company is well-positioned as part of a global leading group in the evolving mobility marketplace. Mobility is more than providing a clean reliable vehicle of choice for a customer to use to get from point A to point B. Mobility means customers, using their smartphones or tablets, can customise their experiences with products, services, and employees, bypass the counter or change their minds about the make or model of a vehicle and review their options on their mobile device right up to the moment they exit the parking lot.

Consistent with other integral components of the global travel industry, the Group has and will continue to see significant impacts in its business around the world as a result of the COVID-19 outbreak. The COVID-19 outbreak has had, and the Company believes will continue to have, a significant adverse impact on the Company's trading subsidiaries' operations and vehicle rental volumes, and on financial results and liquidity, and such negative impact may continue well beyond the containment of the outbreak.

The Group cannot assure its assumptions used to estimate its liquidity requirements will be correct given there is no certainty to the length, severity and future mutations of the virus, fluctuations in the number of cases, the availability of the vaccine and the effectiveness of actions taken to contain the disease. During 2020, the Group liquidity position was impacted by COVID-19 as a result of significant volume declines. However, during the first nine months of 2021, travel advisories and restrictions were eased, which led to a significant increase in global travel demand, resulting in increased demand for rental vehicles and improved pricing across the industry. As of 30 September 2021, the Group had access to \$0.9 billion of available cash and cash equivalents and available borrowings under its revolving credit facility of approximately \$0.4 billion, providing the Group with access to an approximate \$1.3 billion of total liquidity. The Directors have received confirmation that Avis Budget Group Inc, the ultimate parent undertaking, will continue to provide adequate resources to enable the Company's operating subsidiaries to continue in operation for at least 12 months from date of approval of the Financial Statements. As a result, the Directors concluded that the Company will be able to continue generating sufficient liquidity to satisfy its obligations and remain in compliance with existing debt covenants for at least the next twelve months.

Key Performance Indicators

The Company made a \$nil profit or loss after taxation in the year (2019: Loss of \$294,181,000). The Directors expect the Company to continue to transact business as an intermediate holding company of the Avis Budget Group, Inc. group of companies ("the Group") in the coming year. The position of the Company at the year end is set out in the Statement of Financial Position and related notes on pages 18 to 25.

Given the straightforward nature of the Company, the Directors are of the opinion that analysis using other key performance indicators is not required in order to understand the development, performance or position of the business.

Corporate Social Responsibility

As a responsible corporate citizen, the Group is committed to the highest standards of ethics, integrity and compliance in all respects of the Group's business.

The Group's corporate social responsibility practices are aligned to those of Avis Budget Group, Inc. and the most recent Corporate Social Responsibility Report ("CSR") is publicly available at www.avisbudgetgroup.com.

AE HOLDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Principal Risks and Uncertainties

Risk mitigation is a key part of the management of the business and the Group has a consistent process to identify, manage and help mitigate exposure to issues that may have a negative impact on the business. The relative importance of identified risks is reviewed regularly and in respect of all such risks the Group continues to monitor and respond to the changing environment. Summarised below are some of the key risks that may affect the Company and its subsidiaries business.

Demand

The Group faces various risks associated with demand for its services, which in itself is subject to seasonal variations. An economic downturn, particularly sudden, poses challenges for the Group given its capital intensity and limited visibility of forward reservations.

Any significant airline capacity reductions, airfare or related fee increases, reduced flight schedules, or any events that disrupt or reduce business or leisure air travel or weaken travel demand and tourism, such as work stoppages, military conflicts, terrorist incidents, natural disasters, disease epidemics, or the response of governments to any such events, could have an adverse impact on the Group's results of operations. For instance, the ongoing Coronavirus outbreak has resulted in increased wider travel restrictions. In addition, any significant increases in fuel prices, a severe protracted disruption in fuel supplies or rationing of fuel could discourage customers from renting vehicles or reduce or disrupt air travel, which could also adversely impact the wider Group's results of operations.

The Company's subsidiaries have detailed management reporting systems that help to monitor daily rental patterns and future reservation trends. The Group maintains a flexible business model to allowing it to readily flex fleet and staff when required in response to changes in demand. The Company is dependent on the granting and renewal of concessionary arrangements at airports and railway stations. The Company and its subsidiaries seek to maintain strong relationships with all relevant authorities and have a strong track record of renewing such contracts on a regular basis.

Price

The Company and its subsidiaries are exposed to the risk of price movements in the market. The vehicle rental industry faces pressure from increased price competitiveness as a result of the growth of internet travel portals, other forms of ecommerce and rental brokers. This transparency has increased the prevalence and intensity of price competition. The business has a team and systems that review market prices and demand on a regular basis relative to fleet availability and adjusts prices accordingly.

Political Risk

The Group's operations expose it to risks related to international, national and local economic and political conditions and instability. For example, operations in the United Kingdom include a significant amount of cross-border business that could be negatively impacted by the withdrawal of the United Kingdom from the European Union. Given the lack of comparable precedent, it is unclear what financial, trade and legal implications the withdrawal of the United Kingdom from the European Union will have and how such withdrawal would affect the Group's operations. The withdrawal could lead to volatility in the global financial markets, adversely affect tax, legal and regulatory regimes and could impact the economy of the United Kingdom and other countries in which the Group operates, which could have a material adverse effect on the Company's results.

To mitigate these risks, the Group:

- Benefits from being part of a global group;
- Constantly monitors new and used vehicle market trends across all operations and adjusts fleet rotations, pricing and procurement accordingly. Vehicles are sourced from a wide range of manufacturers; and
- Maintains both internal and external legal and tax expertise to interpret, assess, and respond to potential changes in regulation, enabling it to adapt its model and processes to comply with changes in a seamless manner.

AE HOLDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Pandemic Risk

The COVID-19 pandemic has had, and is expected to continue to materially affect the Group's business, financial condition, results of operations and/or cash flows for an extended period. Government authorities have taken and continue to take measures to address the outbreak, including restrictions on travel and other orders, including partial shelter-in-place orders. The pandemic is a highly fluid and rapidly evolving situation, which cannot be anticipated with any certainty the length, scope or severity of such restrictions in each of the jurisdiction that the Group operates.

The full impact that COVID-19 will have on the business cannot be predicted at this time due to numerous uncertainties, including the duration and severity of the outbreak, future mutations in the virus that causes COVID-19, increases or spikes in the number of cases, the availability of vaccines and effectiveness of actions taken to contain the disease, the length of time it takes for rental volume and pricing to return and normal economic and operating conditions to resume, and other factors. This impact could include, but is not limited to, those discussed below.

The Group's revenues and profitability were materially impacted during 2020 compared to prior years, and are expected to continue to be adversely affected. Although the Group believes that renting a vehicle will continue to be a safe, clean and attractive transport alternative, it is unable to predict whether and when volumes will increase to historical levels. The Group typically generates approximately 64% of its revenues from on-airport locations and is highly dependent on travel from both commercial and leisure demand. In addition, the van rental business is affected by the housing, light commercial and consumer sectors, all of which have been adversely impacted by the COVID-19 pandemic and cannot predict the pace of recovery in those sectors.

To date the business has incurred, and expects to continue to incur, certain increased costs related to COVID-19, such as costs associated with sanitising vehicles and facilities. In addition, the industry may become subject to enhanced health and hygiene requirements in attempts to address future outbreaks, which may increase costs and take a significant amount of time to implement across global operations. These additional costs may be required by regulators or expected by consumers even after the effects of COVID-19 subside. In response to the COVID-19 outbreak, the Group has aimed to right-size the business for vehicle rental demand by reducing operating costs, in some cases by working with suppliers, landlords and other stakeholders.

The COVID-19 outbreak has caused the Group to reduce and furlough employees in order to keep costs in line with demand. These actions could create risks, including but not limited to, the Group's ability to manage the size of the workforce given uncertain future demand.

The Group has, and could continue to face disruptions in the supply of vehicles from vehicle manufacturers or supply chain, whether due to outbreaks of COVID-19 at their manufacturing facilities, measures they take in response to COVID-19 or otherwise. The business has faced, and may face additional, delays in receiving delivery of vehicles or other supplies that may make it difficult to meet consumer demand.

The wider Group has taken a number of actions as a result of COVID-19 that have increased its long-term debt. As the Group manages through the effects of the pandemic, the level of indebtedness may further increase. In addition, the Group has obtained covenant relief under the credit agreement governing the senior credit facilities through 30 June 2021. A default under the senior credit facilities would enable the lenders to terminate their commitments thereunder and could trigger a cross-default, acceleration or other consequences under the Group's other indebtedness or financial instruments. There is no guarantee that debt financing will be available in the future to fund obligations or will be available on terms consistent with the Group's expectations.

To date there have been significant increases in unemployment due to the adoption of social distancing and other policies to slow the spread of the virus, which are likely to continue to have a significant negative impact on consumer discretionary spending, including in the mobility industry and the travel industry.

To the extent COVID-19 adversely affects the Group's business, operations, financial condition and operating results, it may also have the effect of heightening many of the other risks described in within Principal Risks and Uncertainties of the Strategic Report.

AE HOLDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Fleet

Loss or material change in the terms on which the Company's trading subsidiaries can obtain fleet vehicles from major vehicle suppliers could harm the performance of the Company's subsidiaries. In the event that the Company's subsidiaries could not procure all of the required vehicles from current sources, vehicles could be obtained from other sources, such as dealers. Where difficulties are experienced in sourcing vehicles, or where prevailing economic conditions result in depressed used vehicle prices and reduced demand, these risks may be mitigated by extending the holding period of vehicles.

The Company's subsidiaries are starting to face pressure to ensure its fleet has both electric and hybrid vehicles both from consumer demand, and from purchase agreements with various vehicle manufacturers. The vehicle manufacturing industry is expected to continue to experience significant change in the coming years, in particular as it relates to vehicle electrification. Worldwide demand for electric and hybrid vehicles continues to increase, and manufacturers continue to invest more time and cost into producing these types of vehicles to reduce fuel consumption and greenhouse gas emissions, as mandated by various governmental standards and regulations.

Environmental Laws and Regulations

The Group is subject to a wide variety of environmental laws and regulations in connection with its operations. The Group will continue to comply with environmental laws and regulations. Environmental regulatory authorities are likely to continue to pursue measures related to climate change and greenhouse gas emissions, including vehicle emissions. Should rules establishing limitations on greenhouse gas or other emissions or rules imposing fees on entities deemed to be responsible for greenhouse gas emission, or rules establishing bans on diesel or fuel vehicles from entering certain locations become effective in the countries in which the Group operates, demand for Group's services could be affected, fleet and/or other costs could increase, and business could be adversely impacted.

The Company's subsidiaries are driving the efficiencies needed to reduce environmental impacts and enhance the sustainability of operations. These include improvements in vehicle preventive maintenance, the incorporation of green building practices and by complying with all environmental regulations. Customers also have the opportunity to choose from a wide variety of vehicles, including hybrids, electric or fuel efficient vehicles at almost all of locations. Given that the fleet consists primarily of vehicles from the current and immediately preceding model year, this ensures the highest possible standards of air emissions control.

Liability and Insurance

The nature of the Company's subsidiaries operations expose the business to several forms of liability, including claims for bodily injury, death and property damage related to the use of the Company vehicles, or for having our customers on our premises, as well as workers' compensation and other employment-related claims by our employees. The Company's subsidiaries insure most of such liability exposures through both related party captive insurance companies within the Avis Budget Group, Inc. group as well as through unaffiliated third-party insurers.

As the Company's subsidiaries retain a certain element of risk, it may become exposed to uninsured liability at levels in excess of historical levels resulting from unusually high losses or otherwise. In addition, liabilities in respect of existing or future claims may exceed the level of our provisions and/or our insurance, which could adversely impact our financial condition and results of operations. Furthermore, insurance with unaffiliated insurers may not continue to be available to us on economically reasonable terms or at all. Should the Company and its subsidiaries be subject to an adverse ruling or experience other significant liability for which the Group did not plan and are unable to adequately insure against such liability, our results of operations, financial position or cash flows could be negatively impacted.

Credit Risk

The Company and its subsidiaries manage credit risk by performing credit checks where considered appropriate on corporate customers. Respected credit agencies are used as part of an internal process for setting and reviewing credit lines.

Foreign Exchange Risk

The Group is exposed to a variety of market risks, including changes in currency exchange rates. Currency risk is managed, where deemed appropriate, through the use of derivative financial instruments, particularly currency forward contracts to manage and reduce currency exchange rate risk.

AE HOLDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Liquidity Risk

The Company's trading subsidiaries' primary liquidity needs include the procurement of rental vehicles to be used in its operations, servicing of corporate and vehicle-related debt and the payment of operating expenses. The primary sources of funding are operating revenue, cash received upon the sale of vehicles, borrowings under vehicle-backed borrowing arrangements, funding from other companies in the Avis Budget Group, Inc. group, and other financing activities. The nature of the car rental business model is such that operations have the ability to flex the size of the business and hence funding requirements as required. The Group is primarily funded by secured bank loans, finance lease facilities, and other group undertakings.

Financial Risk Management Objectives and Risk

The Directors consider that there is limited exposure to financial risk, as the majority of the Company's financial exposure is to other companies within the Avis Budget Group, Inc. group. As such the Directors have not implemented a policy for the Company. Instead, the Company's financial risk management objectives and policies are aligned to those of Avis Budget Group, Inc.

Fleet Residual Values

The Company's trading subsidiaries closely monitors residual values of its vehicles to ensure no impairment is required. Regular monitoring and analysis of market trends allow accurate forecasting of residual values limiting any gain or loss on sale at the end of the vehicle's life. Provisions are made should management see consistent downward trends in residuals values and the used car market. Management uses professional judgement in determining residual value provisions. The best possible information, data, and experience is available to enable informed decisions to be made. In addition, management exercises an element of prudence when valuing the rental fleet using the industry standard valuation model as the basis for measurement. Sensitivity analysis is performed on a regular basis.

Public Liability, Property Damage and Other Insurance Liabilities

Insurance liabilities on the Company's trading subsidiaries Balance Sheet include an element of public liability and property damage for which the subsidiaries are self-insured. The Group estimates the required liability of such claims on an undiscounted basis utilizing an actuarial method that is based upon various assumptions which include, but are not limited to, historical loss experience and projected loss development factors. The required liability is also subject to adjustment in the future based upon changes in claims experience, including changes in the number of incidents for which the Group is ultimately liable and changes in the cost per incident.

Research and Development

The Company has not undertaken any Research & Development activities itself during the year, but benefits from developments being undertaken across the wider Avis Budget Group, Inc. group.

AE HOLDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Section 172(1) Statement

Section 172 of the Companies Act 2006 requires each Director of the Company to act in the way he or she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing this, Section 172 requires a Director to have regard, among other matters to: the likely consequences of any decision in the long term; the interests of the Company's employees; the need to foster the Company's business relationships with customers, suppliers, licensees and others; the impact of the Company's operations on the community and environment; the desirability of the Company maintaining a reputation for high standards of business conduct; and the need to act fairly with members of the Company.

The Directors give careful consideration to the factors set out above in discharging their duties under Section 172. The stakeholders considered in this regard are the people who work for the Company and its subsidiaries, and rent vehicles from the Company's trading subsidiaries. The Directors recognise that building strong relationships with our stakeholders will help the Company deliver its strategy in line with its long-term values and operate the business in a sustainable way.

The Directors of the Company seek to understand the interests and views of the Company's stakeholders by engaging with them directly as appropriate. Some of the ways in which the Directors engaged directly with the stakeholders over the year are detailed below:

Customers

The Company's and its trading subsidiaries commitment to delivering a consistently high level of customer service across all of its brands is a critical element of the Company's success and business strategy. The Company and its subsidiaries focus on continually improving the overall customer experience based on research of customer service practices, improved customer insights, executing the customer relationship management strategy, delivering customer-centric employee training and leverage mobile applications technology and the enriched experience it provides to customers.

The employees at rental locations are trained and empowered to resolve most customer issues at the location level. The Company's trading subsidiaries also continuously track customer-satisfaction levels by sending location-specific ("Voice Of The Customer") surveys to recent customers and utilize detailed reports and tracking to assess and identify ways that the customer service delivery and the overall customer experience can be improved. These surveys ask customers to evaluate their overall satisfaction with their rental experience and the likelihood that they will recommend the brands, as well as key elements of the rental experience. Results are analysed in aggregate and by location to help further enhance service levels to customers. Customers' time is recognised as being valuable and the strategy is to increasingly offer rental options that provide customers with greater control and self-service capabilities. While mobile applications provide a fast customer experience, customers also know that an employee representative is always available to meet their needs. The survey platform includes specific questions to learn more about individual references and find innovative ways to better serve and anticipate customers' needs.

Employees

The Directors receive various metrics and feedback tools in relation to the Company's operating subsidiaries. The Company Directors and senior managers engage with employees in a number of ways. These include attending town halls and exchange sessions with employees, visiting rental locations, and meeting with employee representatives including as part of an overall Avis Budget Group European Employee Council. In addition, the Company's subsidiaries participate in the Avis Budget Group, Inc "Voice Of The Employee" survey to gain formal feedback on employee feelings and suggestions, and benchmark employee feelings across the group. More informal communication and feedback is also performed through interaction with the Avis Budget Group "Ngage" employee web-site and mobile application.

The health and safety of employees is of the highest priority. In response to COVID-19, the Company and its subsidiaries added work-from-home flexibility for employees who can work remotely; established new physical distancing procedures; provided additional personal protective equipment and cleaning supplies; modified certain work spaces with plexiglass dividers; implemented protocols to address actual and suspected COVID-19 cases and potential exposure; and required masks to be worn in all locations where allowed by local law.

AE HOLDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Suppliers

The Company, through its trading subsidiaries, maintains ongoing relationships with all major vehicle manufacturers globally, leveraging both global and local relationships with such manufacturers and dealers that have been built up over many years.

Relationships are also maintained with all major third-party distribution channels to generate a significant portion of vehicle rental reservations, including traditional and online travel agencies, airlines and hotel companies, marketing partners such as credit card companies and membership organisations and other entities that help the business attract customers and global distribution systems ("GDS"), such as Amadeus, Galileo/Apollo, Sabre and Worldspan, that connect travel agents, travel service providers and corporations to our reservation systems.

Leases and vehicle rental concessions are also maintained at locations across the territories where the Company's subsidiaries operate including airports and train stations, where vehicle rental companies are frequently required to bid periodically for space at these locations. The Avis Budget Group Inc group maintains a "Supplier Diversity Policy". Increased purchases from diverse suppliers is recognized to enhance the operational supply chain and assist in meeting and exceeding customer's expectations at on-airport locations and for major corporate customers.

Licensees

The Company's trading subsidiaries grant third party licensees the exclusive right to operate under one or more of the Company's brands in certain territories. Licensed locations are independently operated by the licensees and generally maintain separate independently owned and operated fleets. One-way vehicle rentals are facilitated between group-operated and licensed locations, which enables the Group to offer an integrated network of locations to customers. Royalty fees are generally structured to be a percentage of the licensee's gross rental income. Audits are performed as part of the licensee program to assure licensee compliance with brand quality standards and contract provisions. The Company and its subsidiaries' management generally enjoy a good relationship with its licensees and meet regularly with them at regional, national and international meetings.

Shareholders

The Company is a wholly owned subsidiary of AE Consolidation Limited, and the ultimate parent company is Avis Budget Group, Inc. The Company's Directors have day-to-day interaction with both the senior management of the Avis Budget Group - International division and regular dialogue with the senior executive management of Avis Budget Group, Inc. Given this direct dialogue, the Directors have a comprehensive understanding of the needs and expectations of its immediate shareholders.

At the Avis Budget Group, Inc level, senior executive management regularly engage in dialogue with the Group's stockholders regarding strategy and performance and are committed to acting in the best interests of all of the Group's stockholders. The wider Group has been, and may be in the future, subject to formal or informal actions or requests, including a proxy contest, from stockholders or other interested parties. As at 31 December 2020, SRS Investment Management, LLC ("SRS") disclosed ownership of 18,430,882 shares of the Group's common stock. Avis Budget Group, Inc entered into an updated cooperation Agreement with SRS on 12 August 2020. The terms of the agreement include the provision for the Board of Avis Budget Group, Inc to comprise nine Directors, of which two would be appointed by SRS.

On 15 September 2021, Avis Budget Group, Inc. entered into a second amendment to the Third Amended and Restated Cooperation Agreement, dated as of 23 February 2020, among Avis Budget Group Inc, SRS Investment Management, LLC and certain of its affiliates. The Amendment extends the Standstill Period for one year until 31 December 2022, or earlier if certain conditions are met.

Approved by the Board and signed on its behalf by:



P L Ford
Director
22 December 2021

AE HOLDCO LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their report and the Financial Statements of the Company for the year ended 31 December 2020.

Principal Activities

AE Holdco Limited is an intermediate holding company in the Avis Budget Group, Inc. group of companies.

The Directors expect the Company to continue as an intermediate holding company of the Avis Budget Group, Inc. group of companies ("the Group") in the coming year.

Results and Dividends

The Company made a \$nil profit or loss after taxation in the current year. In the prior year a loss of \$294,181,000 was recognised as a result of an impairment loss due to an update to the carrying value of the investment for fixed cost reductions in value in use calculation. No interim dividend was paid during the year (2019: \$nil). The Directors do not recommend the payment of a final dividend (2019: \$nil).

Future Developments

Details of future developments can be found in the Strategic Report on page 2.

Going Concern

At 31 December 2020 the Company had cash of \$nil (2019: \$nil), net assets of \$238,173,000 (2019: \$238,173,000) and continued to trade as an intermediate holding company. When preparing Financial Statements, the Directors assessed the Company's ability to continue as a going concern.

In response to the current unprecedented circumstances, the Group accessed surplus equity in vehicle fleet, analysed the cash flows and estimated the available credit under an undrawn revolving credit facility to provide the Company with adequate liquidity. Various actions were taken to reduce the fleet and right size operations (including the use of certain available Government COVID-19 initiatives) for the downturn in reservations.

The Group is also coordinating with car rental associations internationally and working to secure access to the various social plans being implemented in Europe. Although it cannot be predicted, disruption in the global economy beyond the required liquidity availability of twelve months from the date of issue of the Financial Statements is not expected at this time. The assets and liabilities of the Company at this date constitute balances with other group undertakings. The Directors have received confirmation that Avis Budget Group Inc., the ultimate parent undertaking, will continue to provide adequate resources to enable the Company's operating subsidiaries to continue in operation for at least 12 months from date of approval of the Financial Statements. Due to Group wide cost reduction and business rationalisation measures taken and the effectiveness of the vaccine rollout in 2021, Directors have a reasonable expectation that the Company has sufficient liquidity to operate through to December 2022 and beyond. The Directors have therefore adopted the going concern basis in preparing the Financial Statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in Note 2 of the Financial Statements.

Financial Risk Management Objectives and Policies

Details of financial risk management objectives and policies can be found in the Strategic Report on pages 1-8.

Directors

The Directors of the Company during the year and up to the date of signing the Financial Statements are set out below:

P L Ford

AA Koines

AE HOLDCO LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Qualifying Third Party Indemnity Provisions

The Group has made qualifying third party indemnity provisions for the benefit of its Directors during the year. These provisions remain in force at the reporting date.

Post balance sheet events

Subsequent to 31 December 2020, the Company signed a reorganisation deed with the Company's parent company, Avis Budget International Financing S.à.r.l. and other group undertakings, under which an outstanding intercompany receivable owed by group undertakings in the amount of \$542,488,000 was transferred from the parent company to the Company in exchange for 1 ordinary share in capital of the Company with a subscription price equal to the value of the receivable. Subsequently, the Company waived its right, title, interest and benefits of the receivable and the receivable was extinguished resulting in the amount and carrying value being reduced to nil. The net result of the transaction was an increase of equity contribution of \$542,488,000 and a reduction of Non distributable reserves of \$542,488,000.

Directors' Responsibilities Statement

The Directors are responsible for preparing the annual report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Disclosure of Information to Auditor

Each of the persons who are a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all the steps that ought to have been taken as Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

AE HOLDCO LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Auditor

BDO LLP were appointed during the year and will continue in office as permitted by Section 487 of the Companies Act 2006.

Approved by the Board and signed on its behalf by:



P L Ford
Director
22 December 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AE HOLDCO LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the Financial Statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial Statements of AE Holdco Limited (the 'Company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the Financial Statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the Financial Statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprise the information included in the Annual Report and Financial Statements, other than the Financial Statements and our auditor's report thereon. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF AE HOLDCO LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and Directors' report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors is necessary to enable the preparation of the Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF AE HOLDCO LIMITED

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Company, and determined that the most significant which are directly relevant to specific assertions in the Financial Statements are those related to the reporting framework (Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, and the Companies Act 2006);
- We determined how the entity is complying with these legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures, corroborating our enquiries through a review of board minutes;
- We used an engagement team with appropriate competence and capabilities to identify non-compliance with laws and regulations; and
- We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial position and management bias in accounting estimates. We considered the process controls that the company has established to address the risks identified, or that otherwise prevent, deter and detect fraud, and how senior management monitors those process controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals and challenging the assumptions made by management in their significant accounting estimates, in particular in relation to the impairment of investments.

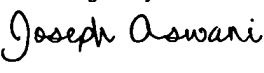
Our audit procedures were designed to respond to risks of material misstatement in the Financial Statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the Financial Statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



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Joseph Aswani (Senior Statutory Auditor)
for and on behalf of BDO LLP
Statutory Auditor
London
United Kingdom

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22 December 2021

AE HOLDCO LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 \$000	2019 \$000
Other operating income/(expense)	6	-	(294,181)
Loss before taxation		-	(294,181)
Taxation	7	-	-
Loss and total comprehensive income		-	(294,181)

All results derive from continuing operations.

There is no other comprehensive income recognised in the year (2019: £nil).

The accompanying Notes on pages 18 to 25 form an integral part of these Financial Statements.

AE HOLDCO LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 \$000	2019 \$000
Fixed assets			
Investments	8	238,173	238,173
Net assets		<u>238,173</u>	<u>238,173</u>
Equity			
Called up share capital	9	516,514	516,514
Share premium		15,840	15,840
Non distributable reserve		(294,181)	(294,181)
Total equity		<u>238,173</u>	<u>238,173</u>

The accompanying Notes on pages 18 to 25 form an integral part of these Financial Statements.

The Financial Statements were approved by the Board on 22 December 2021 and were signed on its behalf by:



P L Ford
Director
AE Holdco Limited
Company Registration No. 07665598

AE HOLDCO LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Called-up share capital	Share premium	Non distributable reserve	Total
	\$000	\$000	\$000	\$000
At 1 January 2019	516,514	15,840	-	532,354
Loss and other comprehensive income for the year	-	-	(294,181)	(294,181)
At 31 December 2019	<u>516,514</u>	<u>15,840</u>	<u>(294,181)</u>	<u>238,173</u>
At 1 January 2020	516,514	15,840	(294,181)	238,173
At 31 December 2020	<u>516,514</u>	<u>15,840</u>	<u>(294,181)</u>	<u>238,173</u>

The accompanying Notes on pages 18 to 25 form an integral part of these Financial Statements.

AE HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 General Information

The Company is an intermediate holding company in the Avis Budget Group, Inc. group of companies. The Company is a private company limited by shares and is incorporated in the United Kingdom under Companies Act 2006 and registered in England and Wales. The address of its registered office is Avis Budget House, Park Road, Bracknell RG12 2EW.

2 Accounting policies

2.1 Accounting convention

The Financial Statements have been prepared on the going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities measured at fair value through the statement of comprehensive income.

The Financial Statements have been prepared on the going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities measured at fair value through the Statement of Comprehensive Income. The Company is exempt under Section 401 of the Companies Act 2006 from the requirement to present group financial statements as it is a wholly owned subsidiary undertaking of Avis Budget Group, Inc., a company incorporated in the United States of America, which itself prepares consolidated financial statements.

The Financial Statements are prepared in 'US Dollars,' which is the functional currency of the Company. Monetary amounts in these Financial Statements are rounded to the nearest \$000.

The Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this Company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The Company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures': Not to disclose transactions with other entities within the same group.

The Financial Statements of the Company are consolidated in the Financial Statements of Avis Budget Group, Inc. These consolidated financial statements are available from its registered office, 6 Sylvan Way, Parsippany, NJ 075054 and www.avisbudgetgroup.com.

AE HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2 Accounting policies

(Continued)

2.2 Going concern

At 31 December 2020 the Company had cash of \$nil (2019: \$nil), net assets of \$238,173,000 (2019: \$238,173,000) and continued to trade as an intermediate holding company. When preparing Financial Statements, the Directors assessed the Company's ability to continue as a going concern.

In response to the current unprecedented circumstances, the Group accessed surplus equity in vehicle fleet, analysed the cash flows and estimated the available credit under an undrawn revolving credit facility to provide the Company with adequate liquidity. Various actions were taken to reduce the fleet and right size operations (including the use of certain available Government COVID-19 initiatives) for the downturn in reservations.

The Group is also coordinating with car rental associations internationally and working to secure access to the various social plans being implemented in Europe. Although it cannot be predicted, disruption in the global economy beyond the required liquidity availability of twelve months from the date of issue of the Financial Statements is not expected at this time. The assets and liabilities of the Company at this date constitute balances with other group undertakings. The Directors have received confirmation that Avis Budget Group Inc., the ultimate parent undertaking, will continue to provide adequate resources to enable the Company's operating subsidiaries to continue in operation for at least 12 months from date of approval of the Financial Statements. Due to Group wide cost reduction and business rationalisation measures taken and the effectiveness of the vaccine rollout in 2021, Directors have a reasonable expectation that the Company has sufficient liquidity to operate through to December 2022 and beyond. The Directors have therefore adopted the going concern basis in preparing the Financial Statements.

2.3 Investments

Investments are shown at cost less provision for any impairment where the recoverable amount is less than cost. Investments are initially stated at cost, being their purchase cost together with any incidental expenses of acquisitions. The carrying values of investments are reviewed at each year end if events or changes in circumstances indicate the carrying value may not be recoverable. Any impairment of investments is charged to the statement of comprehensive income in the year in which it arises. The reversal of any impairment loss is recognised where the recoverable amount increases because of a change in economic circumstances or in the expected use of the investment. The amount of any reversal recognised is restricted to increasing the value of the investment to the carrying value that would be recognised had the original impairment not occurred.

2.4 Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A deferred tax asset is only recognised when there are expected to be suitable future taxable profits within the tax group against which to reverse the underlying timing differences. Deferred tax balances are not discounted.

2.5 Foreign exchange

Foreign currency assets and liabilities are translated at the rates of exchange ruling at the year end. Transactions during the year are recorded at rates of exchange in effect when the transaction occurs. Profits and losses on exchange are dealt with in the statement of comprehensive income.

AE HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

3 Judgements and key sources of estimation uncertainty

The Directors are required to make judgements, estimates and assumptions about the carrying amount 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.

Critical judgements

The Directors believe that there are no critical judgements applied in the preparation of the Financial Statements that the Company is required to disclose apart from those involving estimations, which are dealt with separately below.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Impairment of investments

In determining value in use, the Directors calculate the present value of the estimated future cash flows expected to arise based on management's latest long term plans, with extrapolation thereafter. Estimates for value in use calculations include discount rates, long term growth rates and expected changes to future cash flows. Estimates are based on past experience and expectations of future changes in the market, including the prevailing economic climate and global economy, competitor activity, market dynamics, and ability to further leverage the Group's operational scale. Management estimates discount rates using a calculation of weighted average cost of capital. Risk free rates are based on government bond rates.

There were no impairment losses recognised during the year (2019: \$294,181,000).

4 Directors' emoluments and employees

The Directors received no emoluments in respect of their services to the Company during the year (2019: \$nil).

The average monthly number of Directors during the year was two (2019: one). There were no employees during the year (2019: nil).

5 Auditor's remuneration

The auditor's remuneration is borne by Avis Budget Services Limited, a fellow subsidiary undertaking. The fee payable to the Company's auditor for the audit of the Company's Financial Statements for the year ended 31 December 2020 was \$7,000.

6 Other operating income/(expense)

	2020 \$000	2019 \$000
Impairment of investment in subsidiary undertakings	-	(294,181)

AE HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

7 Taxation

The standard rate of tax applied to the reported profit/(loss) on ordinary activities is 19% (2019: 19%). The differences between the total tax charge/(credit) shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit/(loss) before tax is as follows:

	2020 \$000	2019 \$000
Loss before taxation	-	(294,181)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19% (2019: 19%)	-	(55,894)
(Income not taxable)/expenses not deductible for tax purposes	-	55,894
Taxation charge for the year	-	-

The Finance Act 2020 maintained the main rate of corporation tax at 19% from 1 April 2020. Legislation to increase the main rate of corporation tax to 25% from 1 April 2023 is included in Finance Act 2021 which was substantively enacted on 24 May 2021.

AE HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Investments

	Shares in subsidiary undertakings \$000
At 1 January 2020	532,354
Provision for impairment	
At 1 January 2020	(294,181)
Net book value	
At 31 December 2020	238,173
At 31 December 2019	238,173

Details of the Company's investments are given below:

Name	Address of the registered office	Activity	% of the Ordinary Share capital owned
AAA France Cars SAS	10, rue de Luyot – ZI – B, 59113 Seclin, France	Vehicle Rental	100
AB Fleetco	21 place de l'Hôtel Dieu, 60000, Beauvais, France	Finance	100
ABG Commerce Consultancy (Shanghai) Co., Ltd (China)	Rm1742, No. 533, Loushanguan Rd, Changning District, Shanghai	Management	100
AB Group Financial Services Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Finance	100
ABG Scandinavia Holdings AS	Ruseløkkvien 26, 0251 Oslo, Oslo, 0251, Norway	Holding Company	100
AE Consolidation Limited *	Avis Budget House, Park Road, Bracknell RG12 2EW	Holding Company	100
Aegis Motor Insurance Limited	PO Box 305, Rose House, 51-59 Circular Road, Douglas, Isle of Man IM99 2BB	Insurance	100
ACL Hire Limited	47 West Main Street, Blackburn, Bathgate, West Lothian, EH47 7LT	Vehicle Rental	100
Auto-Hall SA	9 Avenue d'Ostende, 98000 Monaco	Vehicle Rental	100
Avis (US) Holdings BV	Louis Armstrongweg 4, 1311 RK Almere, Netherlands	Holding Company	100
Avis Africa Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Investment	100
Avis Alquile un Coche SA	Avda.Manoteras, 32 Edificio C, 28050 Madrid, Spain	Vehicle Rental	100
Avis Asia Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Investment	100
Avis Autovermietung Beteiligungsgesellschaft mbH	Zimmersmühlenweg 21, 61440 Oberursel, Germany	Holding Company	100
Avis Autovermietung Gesellschaft mbH	Laaer Berg Straße 43, 1100 Vienna, Austria	Vehicle Rental	100
Avis Belgium SA	Rue Colonel Bourg 122, PO Box 7m 1140 Evere, Brussels, Belgium	Vehicle Rental	100

AE HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Investments

(Continued)

Name	Address of the registered office	Activity	% of the Ordinary Share capital owned
Avis Budget Autoverhuur BV	Louis Armstrongweg 4, 1311 RK Almere, Netherlands	Vehicle Rental	100
Avis Budget Autovermietung AG	Hofwisenstrasse 36, 8153 Rumlang, Switzerland	Vehicle Rental	100
Avis Budget Autovermietung GmbH & Co KG	Zimmersmuhlenweg 21, 61437, Oberursel, Germany	Vehicle Rental	100
Avis Budget Autovermietung Verwaltungsgesellschaft mbH	Zimmersmühlenweg 21, 61440 Oberursel, Germany	Management	100
Avis Budget Denmark A/S	Roskildevej14, 2620 Albertslund, Denmark	Vehicle Rental	100
Avis Budget EMEA Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Holding Company	100
Avis Budget Europe International Reinsurance Limited	1st Floor, Goldie House, 1-4 Goldie Terrace, Upper Church Street, Douglas, IM1 1EB, Isle Of Man	Insurance	100
Avis Budget Group Business Support Centre Kft	Kassak Lajos u. 19-25., 1134 Budapest, Hungary	Management	100
Avis Budget Group Contact Centre EMEA SA	World Trade Centre, Edificio Norte 5a Planta, Moll de Barcelona s/n, 08039 Barcelona, Spain	Management	100
Avis Budget Italia SpA	Via Roma n° 96 39100 Bolzano, Italy	Vehicle Rental	100
Avis Budget Italia SpA Fleetco SAPA	Via Roma n° 96 39100 Bolzano, Italy	Finance	75
Avis Budget Leasing Denmark A/S	Roskildevej14, 2620 Albertslund, Denmark	Vehicle Rental	100
Avis Budget Services Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Management	100
Avis Budget UK Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Vehicle Rental	100
Avis Europe and Middle East Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Investment	100
Avis Europe Group Holdings (BV)	Avis Budget House, Park Road, Bracknell RG12 2EW	Holding Company	100
Avis Europe Holdings Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Holding Company	100
Avis Europe Overseas Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Holding Company	100
Avis Europe Risk Management Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Insurance	100
Avis Finance Company (No.2) Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Holding Company	100
Avis Finance Company (No.3) Limited	44 Esplanade, St Helier, Jersey, JE4 9WG	Finance	100
Avis Finance Company Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Finance	100
Avis Financement Vehicules SAS	Immeuble Linea, 1 Rue du General Leclerc, 92800 Puteaux France	Finance	100
Avis India Investment Private Limited	807, New Delhi House, Barakhamba Road, New Delhi, 110001, India	Holding Company	100
Avis Investment Services Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Holding Company	100
Avis Location de Voitures Sarl	Aeroport de Findel, L-1110 Findel, Luxembourg	Vehicle Rental	100
Avis Location de Voitures SAS	Immeuble Linea, 1 Rue du General Leclerc, 92800 Puteaux France	Vehicle Rental	100
Avis Pension Trustees Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Management	100
Avis Rent A Car (Isle of Man) Limited	P.O. Box 227, Clinches House, Lord Street, Douglas, IM99 1RZ, Isle of Man	Dormant	100
Bell' Aria SpA	Viale Carmelo Bene no 70. 00139 Rome, Italy	Vehicle Registration	100
Business Rent a Car GmbH	Laaer Berg Strasse 43, 1100 Vienna, Austria	Dormant	100
Europe Leisure Holdings NV	Louis Armstrongweg 4, 1311 RK Almere, Netherlands	Holding Company	100
Garep AG	Hofwisenstrasse 36, 8153 Rumlang, Switzerland	Vehicle Maintenance	100
Gestlas-Gestao Automovel S.A.	Avenida Severiano Falcão, 9 2685-379 PRIOR VELHO, Portugal	Vehicle Rental	100

AE HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Investments

(Continued)

Name	Address of the registered office	Activity	% of the Ordinary Share capital owned
Jupol-Car sp. z.o.o.	Lopuszanska 12A, 02-220, Warsaw, Poland	Vehicle Rental	100
Maggiore Asset Management SRL	Viale Carmelo Bene no 70. 00139 Rome, Italy	Holding Company	100
Mercury Car Rentals Private Limited	L-10, Green Park Extension, New Delhi - 110 016, India	Vehicle Rental	60
Milton Location de Voitures SAS	Immeuble Linea, 1 Rue du General Leclerc, 92800 Puteaux France	Vehicle Rental	100
Morini SpA	Giacomo Antonini 20 - 20141 Milano, Italy	Vehicle Rental	100
National Car Rentals (Private) Limited	8 Marina Boulevard, 05-02 Marina Bay Financial Centre, Singapore	Vehicle Rental	100
Otokoç ABG Holland B.V	Herikerbergweg 238, 1101CM Amsterdam, Netherlands	Holding Company	40
RAC Norway AS	Drengsrudbekken 12, Oslo, Asker, 1383, Norway	Vehicle Rental	100
SCA SAS	99 Avenue du General de Gaulle, 92200, Neuilly sur Seine, France	Management	100
Sovial Sociedade de Viatures de Alguer Lda	Av Marechal Craveiro Lopes, No. 2,2/3 Pisos, 1700-284 Lisboa, Portugal	Vehicle Rental	100
Sovialma-Sociedade de Viatures de Alguer de Madeira Lda	Largo Antonio Nobre 164, 9000 Funchal, Madeira	Vehicle Rental	67
Sweden Rent A Car AB	P.O. Box 6050, 171 06, Solna, Sweden	Vehicle Rental	100
Transfercar4U AS	C/o Sveins Bilutleie AS, Vestre Strandgate 49, 4612 Kristiansand S, Norway	Vehicle Rental	100
Turiscar-Rent a-car S.A.	Avenida Severiano Falcão, 9 2685-379 PRIOR VELHO. Portugal	Vehicle Rental	100
Zodiac Europe Finance Company Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Finance	100
Zodiac Europe Investments Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Holding Company	100
Zodiac Europe Limited	Avis Budget House, Park Road, Bracknell RG12 2EW	Holding Company	100

* Shares held directly by the Company

In accordance with the requirements of FRS 102, the Directors review the carrying value of the investments in the Company's subsidiaries if events or changes in circumstances indicate that there has been an impairment, or a potential reversal of a prior impairment. This review is undertaken by reference to the recoverable amount of the Company's investment in subsidiaries, being an estimate of value in use.

In determining value in use, the Directors calculate the present value of the estimated future cash flows expected to arise based on Management's latest long term plans, with extrapolation thereafter. As a consequence of this review as at 31 December 2020, there were no impairment losses recognised during the year (2019: \$294,181,000).

9 Called-up share capital and reserves

	2020 \$000	2019 \$000
Allotted, issued and fully paid up share capital:		
384,533,637 (2019:384,533,637) Ordinary shares of £1 each	516,514	516,514

AE HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2020**

9 Called-up share capital and reserves

(Continued)

The capital of the Company comprises ordinary share capital participating equally as to dividends, voting rights and return of capital upon winding up.

The share premium reserve contains the premium arising on issue of equity shares, net of issued expenses.

The non-distributable reserves represents the cumulative unrealised profits or losses reclassified from retained earnings.

10 Commitments and contingencies

At 31 December 2020 and 31 December 2019, the Company had no financial commitments and no contingent liabilities.

11 Events after the reporting date

Subsequent to 31 December 2020, the Company signed a reorganisation deed with the Company's parent company, Avis Budget International Financing S.à.r.l. and other group undertakings, under which an outstanding intercompany receivable owed by group undertakings in the amount of \$542,488,000 was transferred from the parent company to the Company in exchange for 1 ordinary share in capital of the Company with a subscription price equal to the value of the receivable. Subsequently, the Company waived its right, title, interest and benefits of the receivable and the receivable was extinguished resulting in the amount and carrying value being reduced to nil. The net result of the transaction was an increase of equity contribution of \$542,488,000 and a reduction of Non distributable reserves of \$542,488,000.

12 Ultimate parent undertaking

The Company is a subsidiary undertaking of Avis Budget International Financing S.a.r.L., which is registered in Luxembourg. Avis Budget Group, Inc. is the Company's ultimate holding company and is the smallest and largest parent undertaking to consolidate the Financial Statements of the Company. Avis Budget Group, Inc., 6 Sylvan Way, Parsippany, NJ 075054, which is incorporated in the United States of America and registered on NASDAQ. The Financial Statements of Avis Budget Group, Inc. are publicly available at the registered office 6 Sylvan Way, Parsippany, NJ 075054 and www.avisbudgetgroup.com.