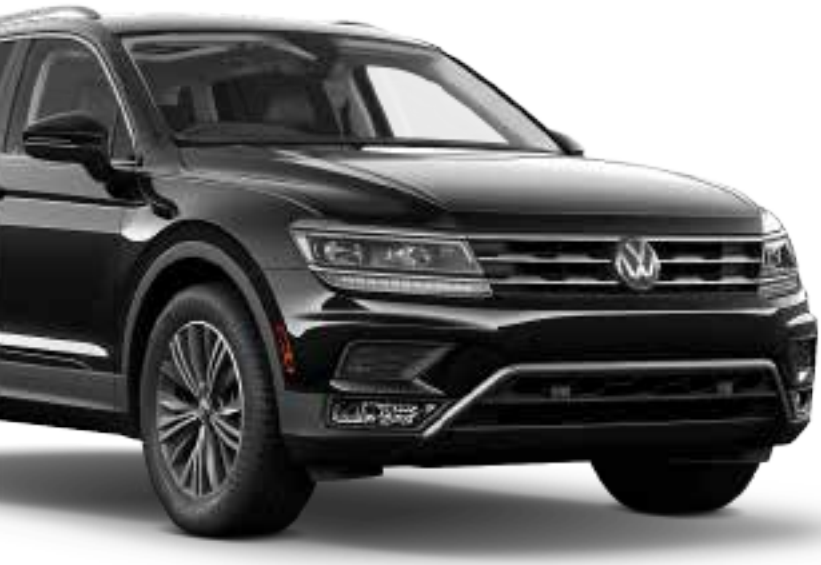
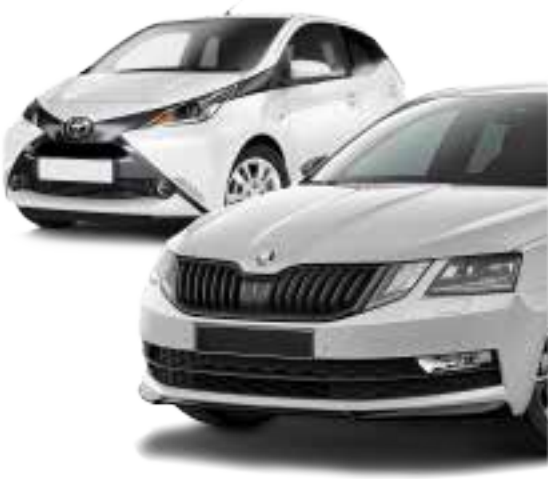
Autonom

Individual and Consolidated Director's Report for 2021

Autonom Services S.A.





** On January 1st, 2021, the merger with BTOL was completed. Therefore, the results of the financial year of 2021 and the financial position as of Dec 31st, 2021, from the consolidated financial statements is similar to the one in the individual financial statements as of Dec 31st, 2021.*

SEMESTRIAL REPORT ACCORDING TO	ANNEX NO. 14 FROM ASF REGULATION NR. 5/2018
FOR FINANCIAL PERIOD	01.01.2021 - 31.12.2021
REPORT DATE	19.04.2022
ISSUER NAME	AUTONOM SERVICES S.A.*
REGISTERED OFFICE	Fermelor St. no. 4, Piatra-Neamț, Neamț, Romania
TELEPHONE / FAX NUMBER	+40 233 22 96 16 / +40 233 206 143
UNIQUE REGISTRATION CODE	18433260
TRADE REGISTRY NUMBER	J27/280/2006
OBJECT OF ACTIVITY	RENTAL AND LEASING OF CARS AND LIGHT MOTOR VEHICLES (CAEN 7711)
MARKET ON WHICH THE SECURITIES ARE TRADED	BVB, MAIN SEGMENT, BONDS
SUBSCRIBED AND PAID-UP SHARE CAPITAL	20.000.000 RON
SYMBOL	AUT24E, AUT26E
MAIN CHARACTERISTICS OF THE SECURITIES ISSUED BY THE COMPANY	24.803 EURO-DENOMINATED CORPORATE BONDS
EMAIL	investors@autonom.ro

Autonom
Evolve. Daily.

Summary

Letter from the founders

Letter
from the founders

Dear Partners,

Few years ago when we discovered the concept of "V.U.C.A. World" (an increasingly volatile, uncertain and ambiguous world) we believed it to be adequate but we looked at it somehow detached. The past 2 years have shown us all what business means in the VUCA world: pandemic, successive sectoral crises, sudden changes in consumer behaviour, messed up supply chains, rampant inflation, an armed conflict in Europe... but also accelerated digitalization, increased productivity, new opportunities, resilience and surprising adaptability.

It is the ideal environment for agile companies, which easily separate from yesterday's successful formulas and successfully navigate the churning waters that create true seamen. Autonom once again showed that it has the structure, culture and vision adapted to accelerated changes, and our teams came out stronger (even if new scars appeared).

Today, we make available the annual report of Autonom, showing the financial results for 2021, **so far the best year in the company's history**. Last year, we recorded growth across all business lines and ended the financial year with revenues of RON 394.3 million (+16% growth compared to 2019 – our pre-pandemic benchmark year), an operating profit of RON 50.9 million (+24% growth compared to 2019) and a net profit of RON 22.5 million (+28% compared to 2019). Assets increased by 39% compared to 2019, reaching RON 914.5 million, with the cash position reaching RON 200.2 million as of December 31st, 2021 – an increase of 124% compared to December 31st, 2019.

Last year, we have recorded the highest figures in our business across all relevant performance indicators and we are confident that **the financial results in 2021 are just the natural consequences of our long-term business thinking, our organisation and risk management, and our organisational culture.** The most significant results of the key divisions are the following:

Autonom Lease – in 2021, the operating lease services generated **revenues in the amount of RON 185.6 million**, increasing by 17% compared to the 2019 results, in a challenging context, subject to semiconductors crisis effects. It was an atypical year, where the increasing demand brought more new contracts, of which many did not yet start to run due to delayed assets deliveries. Last year, especially in the second half of the year, the delivery deadlines for cars have doubled or tripled, frequently exceeding 9 or even 12 months. The prices of new cars have been indexed several times during the 12 months, and the volume discounts, traditionally offered by manufacturers and distributors, have evaporated.

Inflation has become present in several categories of costs that make up the monthly rate of full service operating leases: insurance, maintenance, tyres, replacement car, administration costs. Against this backdrop, our operating lease product has become increasingly attractive, as customers understand better than ever that a long-term fixed-cost contract is a form of inflation protection, that outsourcing done right has multiple benefits, and that their businesses can be more agile if they focus on core business.

Autonom Rent-a-Car – this division registered revenues in the amount of RON 68.7 million, increasing by 4% compared to 2019, following the continuous increase in demand, concomitantly with the increase in fees generated by the shortage of cars on the market. In 2021 we have reached an unlikely rate of fleet occupancy, of over 88%, for a constantly increasing fleet.

Autonom AutoRulate – within this division we have registered revenues in the amount of RON 78.7 million, record high, increasing by 77% in 2021, as compared with 2019. The results obtained are all the more significant considering that we had to partially postpone the sale of cars due to delays in production caused by the semiconductor crisis and high demand/occupancy rate per fleet. The steep increases in the sales values of used cars had an important contribution to results, especially to profitability.

We still live in unstable and unexpected times for a modern society - the pandemic is still present in our lives, and the war in Ukraine has shown us that geopolitical disputes are not just in the history books. The last two years have shown once again that the next crisis always comes from the least expected place. Since the establishment of the company, we have faced various crises that have led us to manage and develop the Autonom business in a volatile environment, characterized by uncertainty and frequent changes of direction from either the political, economic or social areas. Autonom has always prospered in times of crisis or shortly after and, similar to how we have evolved in the past, we want to take advantage of the opportunities that arise in the current market situation, to further accelerate our development and increase the impact we have around us.

Even in the current volatile context, we believe that we have a favourable position on the market, through the nature of the services offered: **cost efficiency and risk optimization**. As it happened at the beginning of COVID-19 pandemic, we have an excellent financial situation, after managing to attract a new financing round through the capital market at the end of 2021. This means that we are very well capitalized to take advantage of the opportunities that may arise in the next period on the market.

Such an opportunity has materialized again. Earlier this year, on January 25, **we announced the conclusion of an agreement for the acquisition of Țiriac Operating Lease** (Premium Leasing S.R.L.), the operating lease division of Țiriac Group, and on 15.04.2022 the acquisition was completed and the onboarding process of the new team, of the work processes and of the new portfolio of clients in the Autonom structure commenced.

Țiriac Operating Lease is **a business with annual revenues of RON 79.9 million** and assets amounting to over RON 240 million.

The company has been present on the local market since 2003, carrying out over time the operating lease and fleet management activity within Țiriac Group. At the time of takeover, Țiriac Operating Lease had a fleet of over 2,600 machines and a portfolio of 949 customers.

Țiriac Operating Lease is a company with a vision similar to ours: to offer Romanian customers customised and flexible services that help optimize business. The positioning is similar to ours, however the sales channels are complementary. Through the new partnership, Țiriac Operating Lease customers will have access to a wide range of mobility services, at national level. At the same time, we intend to build a long-term business partnership with the other companies within Țiriac Group - importers, car dealers and authorized service units - with beneficial synergies for local customers.

We believe that the mobility future will be defined by integrated, agile and sustainable companies, and by the Țiriac Operating Lease acquisition, we strengthen our position on the operating lease market in Romania and significantly exceed the threshold of 10,000 cars owned and managed.

Perhaps the most important success in the past year is represented by the attracted financing in the amount of EUR 48 million, through the capital market. Attracting these new funds is part of the first stage of corporate bond issue programme, a premiere for the Romanian capital market, which we intend to run in the next five years and through which we intend to attract up to EUR 250 million. A significant part of the capital attracted will be used for investment in the transition to green fleets, a key element for the company's sustainable development.

By issuing AUT26E bonds, we contributed to the development of the local capital market by bringing to BVB the first corporate bond issue in Romania correlated with sustainability objectives. To date, it is also the largest bond issue of a Romanian entrepreneurial company on the local capital market.

This bond issue is part of the sustainability strategy developed for the next years by Autonom, where the environmental component is the most important direction for the company's actions and decisions.

We aim to streamline mobility through the transition to green fleets and the sustainable development of Autonom. We want to reduce the average carbon emissions of the operational fleet by 25% by 2025 and by 51% by 2030. Our sustainability results for 2021 are published in a separate report dedicated exclusively to this topic. The success of the AUT26E corporate bond issue is complemented by the awarding from Fitch Ratings of the "B(EXP)/RR5" senior unsecured credit rating assigned to the entire bond issue programme proposed by Autonom. The Fitch rating continues to be an important indicator for us to meet the needs of global investors. Within the rating, Fitch specified that Autonom continues to expand and benefits from the increase in the penetration rate of operating lease in Romania. The rating agency also noted that Autonom reacted quickly to the coronavirus crisis and resumed growth in 2021 due to the renewal of operating leases and car rentals. Consequently, the rating also reflects the good profitability of the company over the years, the assets quality and the experienced management team, with an appropriate approach to leverage and liquidity.

Therefore, **in 2022**, we will continue our growth strategy, by **developing the current business lines**, but also by **developing new services and business divisions**. An example in this regard is the **Corporate Car Sharing service**. At the end of last year, we started an innovative project for one of our customers, meant to streamline the company's fleet usage through a car sharing service dedicated to the company, and this year we want to expand it and offer it to as many companies as possible. We believe **that the potential of this solution is high in Romania** as over 70% of the time the company cars are not used, and a more efficient use will have a cost-saving effect on the company, but also a **positive impact on the environment** through sustainable use. Also, the **integration of Țiriac Operating Lease** will be a **project of strategic importance** for Autonom in 2022, for which we expect a similar development as in the case of BT Operational Leasing integration in 2018.

We believe that **the future belongs to companies with valuable, transparent and responsible business models**, and the impact we have in the community remains a priority for us. That is why, with the outbreak of the war in Ukraine, we could not stand aside and we mobilized as we knew best, through transport solutions made available to NGOs and other entities that needed mobility in their actions **to help Ukrainian citizens** (transfer from the border, transport of food and other necessary resources). Thus, we would like to thank all our customers and partners who have joined in such a great number in our **Help initiative**, which is meant to support the Ukrainian refugees who were forced to leave the country because of the war. Within this initiative, we received over 100 requests and we managed to support over 50 of them. The true

character is revealed in the face of adversity, and we are proud of the involvement of our colleagues, individually and collectively, in managing this tragic situation by helping refugees, in the true spirit of Autonom.

In conclusion, we believe that **the results of Autonom are proof of the strength of the built business model and of the inclusive culture**. As we have done until now, we continue to work with several scenarios in this uncertain environment, in order to adapt and take advantage of opportunities for growth and development. Our priorities for the future remain the financial health of the company, the development of sustainable services in harmony with the environment, the maintenance of an organizational culture where people evolve every day and the development of impactful projects for the education of new generations. Thank you for joining us in this journey.

Marius Ștefan
Dan Ștefan

Short overview

Autonom in 2021

2021 overview

Autonom in 2021:

consolidated financial results* as of December 31st, 2021

- **Consolidated EBITDA: RON 166,074,036**
  - Total revenues from operating lease: **RON 185,643,456**
  - Total revenues from Rent-A-Car: **RON 68,703,939**
  - Total revenues from used car sales: **RON 78,658,071**
- **Profit for the period: RON 22,489,372**
- **Consolidated net financial debts: RON 527,741,803**
- **Consolidated revenues: + 21%** (compared to 2020)
- **Consolidated profit : +212%** (compared to 2020)

Consolidated debt sustainability indicators (December 31st, 2021):

- Net financial debt/EBITDA of **3.18**
- Interest coverage ratio of **8.77%**

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Fleet evolution on business activities

	31.12.2021	31.12.2020
Total number of vehicles in the fleet	9,672	8,656
Annual dynamics number of fleet vehicles	*11.74%*	*-4.50%*
Entry of new vehicles in the fleet	2,776	1,999
Exit of used vehicles from the fleet	1,760	2,407
Share of the operating lease vehicle fleet in the total fleet	*74.78%*	*77.61%*
Share of the rent-a-car fleet in the total fleet	*25.22%*	*22.39%*

At the end of 2021, Autonom operated a fleet of 9672 vehicles, compared to 8656 at the end of 2020 and compared to 9064 as of December 31st, 2019.

Regarding the diesel or petrol engine of the vehicles in the car park, it is noted that in the case of the fleet operated under operating lease regime, although in a downward trend in recent years, diesel engine predominates at a share of 60% of the car fleet.

	31.12.2021	31.12.2020
Diesel	60%	68%
Petrol	34%	28%
Hybrid	4%	2%
Electric	2%	7%
Total operating lease fleet (benchmark)	**7,233**	**6,718**

On the other hand, in the case of the rent-a-car fleet, there is a significantly more balanced distribution, with a share of petrol engines around 46%.

	31.12.2021	31.12.2020
Diesel	49%	45%
Petrol	46%	53%
Hybrid	5%	2%
Total rent-a-car fleet (benchmark)	**2,439**	**1,938**

Operating Lease

Operating lease is a tool for outsourcing vehicle fleets to optimise operational expenses, suitable for companies with large fleets as well as small entrepreneurial firms operating only a few vehicles.

Total revenues from operating lease: **RON 185.64 million**

Total cars: **7,233**

	31.12.2021	31.12.2020
Number of legal entities operating lease customers	1,641	1,448
Value of operating lease (RON mil)	429	352
Number of vehicles in the operating lease fleet	7,233	6,718
Annual dynamics number of vehicles	*7.67%*	*-5.6%*
New vehicle entries in the operating lease fleet	1,945	1,663
Vehicle exits from the operating lease fleet	1,430	2,063

In 2021, we kept on focusing on small and medium-sized fleets and once again managed to be one step ahead of the market, as we had the resources to provide services tailored to the context and in line with the needs and expectations of our customers.

The dynamics of the number of customers, the fleet and the revenues on this activity in the reported period, confirm the healthy development of the customer base and the strength of the business model of Autonom, as an integrated provider of mobility services.

The semiconductor crisis on the automotive market has led to an increase in delivery times for new cars by up to 12 months, and the effects are seen in a moderate increase in the number of new cars delivered. However, these delays have increased the demand for immediate mobility solutions, such as the medium-term rentals that Autonom makes available to its customers.

In 2021, 1945 new cars were delivered in operating lease compared to 1663 in 2020, and 1430 reached the end of the contract. Thus, the number of vehicles operated as of December 31st, 2021, exceeded the maximum registered at the end of 2019, reaching to 7,233 cars, while

the revenues of the business segment increased by 8% compared to the same period of 2020, to RON 185,643,456.

Also, on December 31st, 2021, the number of customers was 13% higher than last year, while the value of the portfolio of operating leases between the two reference dates increased by 22%, which fills in the overall favourable image of all indicators specific to this operational segment.

The dynamics of the operating lease business line is all the more noteworthy as a significant negative effect in 2020 and in the first half of 2021 was generated by the effect of terminating a number of operating leases of BTOL, which were not renewed by Autonom due to the different structure of the marketed product. On January 1st, 2021, the BTOL absorption process was completed.

One factor that influenced the positive result of the operating lease segment, but also of the other representative activities is the development of the partnership division and the increase of collaborations with entities from the banking sector and car dealers.

Also, an important indicator in the operating lease industry refers to the outsourced percentage of customer fleets, having as benchmark the total number of vehicles in customer fleets (Share of Wallet). The value of this indicator as of December 31st, 2021, in the case of Autonom reached the level of 47% (compared to 35% as of December 31st, 2020, and 37% as of December 31st, 2019), the calculation being made at the level of the entire customer base that is constantly expanding.

This indicates the potential of the Autonom to substantially increase in the medium term the volumes of business generated with current customers. Practically, based on the interpretation of this indicator, it appears that more than a doubling of the company's turnover in the operating lease segment could be possible in a certain period of time, even without attracting new customers, provided that the entire existing customer base is capitalised at its full potential, if they agreed to gradually operate the entire fleet in an operating lease regimen.

Rent-A-Car

Diversified range of short term car rental services (between one day and 12 months). More than 85% of the turnover of this business line was generated by legal entities.

Total revenues from Rent-A-Car: **RON 68.70 million**

Occupancy rate: **88%**

Number of cars as of December 31st, 2021: **2.439**

Number of agencies: **46** agencies in **33** cities

	31.12.2021	31.12.2020
Number of clients legal entities rent-a-car	3,075	2,079
Number of vehicles rent-a-car	2,439	1,938
Annual dynamics number of vehicles	*26%*	*-0,41%*
New vehicle entries in the rent-a-car fleet	831	336
Used vehicle exits from the rent-a-car fleet	330	344

Last year, a combination of factors such as the effects of decisions made in 2020 to reduce the losses caused by the implementation of movement restrictions, together with the semiconductor crisis that limited the production and delivery of new cars, and the relaxation of movement restrictions, led to a "perfect storm" on the car rental market worldwide, as experts call it.

Starting with April, demand has grown suddenly, and rental companies have been unable to adapt their fleets quickly to meet demand due to the semiconductor crisis, but in the autumn of 2020, Autonom correctly inferred that certain activities on the rent-a-car services market will gradually recover and thus made the decision to purchase vehicles especially in the fourth quarter of 2020. Thus, Autonom has remained competitive in terms of optimizing its fleet size and responding to growing demand, especially in the area of the corporate clientele of this market, which is less affected by COVID-19.

In the context of growing demand and the lack of availability adapted to it, prices began to rise gradually both internationally and in Romania, which was significantly reflected in the turnover dynamics and profitability of this business segment of Autonom Services.

Demand has grown on all three business lines of the division, both from companies and individuals.

In 2021, according to data published by CNAB, traffic on Henri Coandă Bucharest International Airport increased by 55.16% compared to 2020, registering 6,914,610 passengers and 72,190 aircraft movements, increasing by 38.06% compared to the previous year. This increase in traffic was also reflected in the increase in demand for short-term car rental services, this business segment representing at most 15% of the division's turnover

As a result of delivery delays of new cars, but also market uncertainties, companies have appreciated more the flexibility of short and medium term rental solutions to meet immediate mobility needs.

Thus, medium-term rental services were the ideal solution for companies that had immediate transport needs or needed temporary mobility until the delivery of their operationally leased cars.
The average occupancy rate of the fleet was unprecedented in the history of the Autonom, reaching 88% in 2021.

This is the result of the decisions to optimally apportion the fleet, but also to streamline the organization model, by creating regional fleets.

The average age of the Autonom car fleet for this activity, as of December 31st, 2021, was approx. 1.6 years, slightly higher than in previous years, as an impact of the changes induced by the COVID-19 pandemic, including the delays of deliveries of new vehicles from manufacturers.

Used Car Sales

Cars in the car rental and operating lease fleets, having reached the end of their depreciation period, become available for purchase by natural and legal entities customers.

Total revenues from Used car Sales: **RON 78.66 million**

Total cars sold in 2021: **1,760**

	31.12.2021	31.12.2020
Total number of cars sold	1,760	2,407

An evolution difficult to predict before the outbreak of the COVID-19 pandemic refers to the worldwide increase in prices of used cars, which was also reflected in the decrease in the risk of sale of used cars by Autonom at prices below the residual values in the accounting records. The explanation lies in the fact that the automotive industry has faced major challenges such as the semiconductor crisis, which has had a direct negative impact on the availability of new cars and an indirect positive impact on the growing demand for used cars.

In 2021, the revenues from the used car sales business line were similar to the results of 2020, because the market situation generated by the semiconductor crisis led us to postpone the sale of cars. At the same time, the increase in the activity of selling cars for export, a secondary business line of the division, had a positive effect by 276%, generating additional revenues in the amount of RON 37,207,159.

Significant events in 2021

1. In March, the merger by absorption of BTOL was approved by Autonom Services, on January 1st, 2021;

2. Autonom was designated Best Employer for the second time by Business Review in June;

3. Also in June, Fitch Ratings announced the maintenance of the rating "B+" IDR (Long-Term Issuer Default Rating) for Autonom Services. More importantly, Fitch has revised our perspective from negative to stable in the context of the good profitability of Autonom in 2020, supported by a business model with limited reliance on short-term leases, good asset quality and an experienced management team. Moreover, moderate exposure to business based on tourism and air traffic has helped to reduce vulnerability in case of future periods of lockdowns and declines in international travel volumes;

4. In October, Autonom made public the sustainability strategy developed for the next years, in line with the ESG (Environment, Social & Governance) principles and where the environmental component is the most important direction for the company's actions and decisions. Autonom aims to reduce the average carbon emissions of the operational fleet by 51% by 2030. The sustainability strategy of Autonom has been validated by Sustainalytics, an international consultant with acknowledged experience in the ESG area, for the Sustainability-Link Bonds Framework. At the same time, Sustainalytics confirmed the alignment with the ICMA (International Capital Market Association) Principles and assessed the objectives as ambitious and the chosen indicator as strong;

5. In December, Autonom launched on the Bucharest Stock Exchange the first corporate bond program in Romania and attracted in the inaugural tranche investments of EUR 48 million, being the largest corporate bond issue by a Romanian entrepreneurial company and the first Sustainability-Link Bonds type issue on the local market;

6. The success of the AUT26E corporate bond issue is complemented by the receipt from Fitch Ratings of the 'B(EXP)/RR5' senior unsecured credit rating assigned to Autonom's entire proposed bond issuance programme.

Analysis of financial results

Analysis of financial results

Autonom 2021

The results of 2021 indicate the best year so far in the16-year history of Autonom and are proof of a sustainable growth strategy and long-term thinking. Although still in an uncertain and unpredictable context generated by the COVID-19 pandemic, in 2021 we have registered growth on all business lines and we earned the highest profit so far. The lifting of restrictions, the increase in the number of vaccinated people, the desire of people to return to pre-pandemic life, the increased interest in investments of companies, as well as the positioning of Autonom in the customer's top preferences supported a positive dynamics of activity on all business lines.

Thus, the total revenues of Autonom in 2021 amounted to RON 394,260,552, increasing by 16% compared to 2019 (the previously registered peak), and the net profit increased by 28% compared to the same period reviewed, up to RON 22,489,372.

In 2021, the operating lease activity increased its revenues by 17% compared to 2019, short-term rental revenues increased by 4%, and revenues from the sale of used cars increased by 77%, a significant performance given the tensions the rent-a-car market was subject to after the COVID-19 pandemic in 2020.

Autonom's revenues in 2021

All amounts are expressed in RON, unless otherwise specified	2021	2020	Evolution
Operating lease revenue	126,237,550	119,138,956	6%
Additional services revenue	59,405,906	52,205,942	13.8%
Rent-a-car revenue	68,703,939	46,843,245	46.7%
Car sales revenue	37,207,159	9,884,647	276.4%
Second-hand car sales revenue	78,658,071	79,387,342	(0.9%)
Other operating income	24,047,926	19,568,181	22.9%
Total operating revenue	**394,260,552**	**327,028,313**	**20.6%**

The operational revenue of Autonom in 2021 increased by 16% compared to those in 2019 and by 21% compared to the same period last year. The car rental and used car sales services had a significant impact on this increase.

The operating lease division's turnover increased by 17% compared to 2019 and by 8% compared to last year, reflecting the challenges in the automotive market generated by the semiconductor crisis, which led to delivery times increased by up to 1 year, rising prices for new cars and the disappearance of discounts from car manufacturers.

Turnover from short-term car rental was 47% higher in 2021 compared to the same period last year and 4% higher than the one registered in 2019. This is due to the increase in demand reflected in the historical occupancy rate of the fleet of 88%, concomitantly with the increase in market rates as a result of supply not adapted to the demand level.

Revenues from the sale of used cars were RON 78.66 million, 1% less than in the same period last year, despite the fact that the number of cars sold was adjusted by 27%. The motor vehicles trade, an opportunistic activity carried out by Autonom Services and which does not involve operational risks, generated additional revenues of RON 37,207,159.

Autonom's expenses 2021

All amounts are expressed in RON, unless otherwise specified	2021	2020	Evolution
Expenses with car fleet	(64,955,367)	(48,518,269)	33.9%
Cost of vehicles sold	(33,292,249)	(9,458,343)	252%
Cost of vehicles sold from the car fleet	(71,815,599)	(83,871,712)	(14.4%)
Employee benefit expenses	(26,076,433)	(26,076,433)	(7.6%)
Administrative costs	(3,596,548)	(2,090,573)	72%
Amortization, depreciation, and loss of value of the car fleet and equipment	(115,198,637)	(110,784,800)	4%
Other operating expenses	(16,485,797)	(11,990,285)	37.5%
Other (losses) / gains - net	(4,650,284)	(969,416)	379.7%
Total operating expenses	**(343,387,552)**	**(293,759,831)**	**16.9%**

The operating expenses of Autonom increased by 17% in 2021, compared to the same period in 2020, following the increase in the number of managed vehicles by 12%.

Of the total expenses in 2021 amounting to RON 343,387,552, the share of the main categories of costs was as follows:

- **Fleet maintenance expenses:** 19% - expenses for repairs, parts, fuel, insurance, parking, car wash and other expenses; increasing by 34% compared to the previous year;

- **Personnel expenses:** 10%, increasing by 28% compared to the previous year, determined by the increase of personnel by 18% and the increase of salaries;

- **Expenses with depreciation, impairment and loss of value of the vehicle fleet and equipment** – represented 33% of total expenses, increasing by 7.18% due to the increase of investments in the vehicle fleet and equipment;

- One of the factors that affected the dynamics of operating profitability refers to the values recorded under the item "**Other net losses/gains**" which includes provisions for impairment of trade receivables. Thus, in 2021 a receivable impairment effect was registered in the amount of RON 4.65 million, compared to a positive contribution of RON 0.97 million through a reversal effect in the same period of the previous year. The fluctuations are mainly due to specific situations (e.g. unlikely collection for previously identified receivables at risk of non-collection or customers for whom issues were identified during the period under review that led to the registration of additional adjustments) and which affected the various categories of receivables.

Autonom's profit in 2021

All amounts are expressed in RON, unless otherwise specified	2021	2020	Evolution
Operating profit	**50,872,999**	**33,268,482**	**52.9%**
Financial expenses	(25,108,036)	(25,274,151)	(0.7%)
Financial income	1,665,616	1,329,928	25.2%
Profit before tax	**27,430,580**	**9,324,259**	**194.2%**
Income tax expenses	(4,941,208)	(2,117,287)	133.4%
Net profit for the financial year	**22,489,372**	**7,206,972**	**212.1%**
Attributable to:			
Owners of equity of the parent company	**22,489,372**	**7,206,972**	**212.1%**
Result per share	**11.24**	**3.6**	**-**

The amount of net profit obtained in 2021 was of RON 22.5 million, increasing by 212% compared to 2020 and 28% compared to the profit in 2019. This result is due to maximizing revenue by optimizing the use of available resources, but also by increasing the customer base and the fees charged.

Autonom's assets in 2021

All amounts are expressed in RON, unless otherwise specified	2021	2020	Evolution
Fixed assets	**672,280,828**	**537,640,128**	**25%**
Intangible assets	155,204	275,776	(43.7%)
Car fleet and equipment for rent	278,145,403	202,146,510	37.6%
The right to use assets	373,235,389	323,970,352	15.2%
Other tangible assets	2,450,245	1,047,470	133.9%
Real estate investments	2,104,198	1,591,527	32.2%
Investments in equity instruments	423,586	423,696	0.0%
Trade receivables	443,281	172,554	156.9%
Loans to affiliated parties	15,323,521	8,012,243	91.3%
Current assets	**242,204,603**	**103,822,538**	**133.3%**
Inventories	4,147,256	1,799,740	130.4%
Trade receivables	24,348,005	21,425,893	13.6%
Other receivables and current assets	12,754,218	4,971,276	156.6%
Expenses registered in advance	714,941	1,012,467	(29.4%)
Cash and cash equivalents	200,240,184	74,613,162	168.4%
TOTAL ASSETS	**914,485,431**	**641,462,666**	**42.6%**

The main assets of Autonom Services are represented by the operated fleet, the two balance sheet items that count the dynamics of these assets used in operating lease and rent-a-car activities being "Car fleet and equipment for rent" and "The right to use assets", the first item reflecting the vehicles purchased in cash (thus financed from the operational cash flow, bank loan, bond issue), and the second item reflecting the motor vehicles purchased under financial leasing.

Thus, the cumulative value of the two items advanced as of December 31st, 2021, by 24%, compared to December 31st, 2020, which reflects the dynamics of the growth of the fleet operated by Autonom Services on both business activities.

It is worth noting the increase in the cash and cash equivalents item to RON 200.2 million as of December 31st, 2021, compared to RON 74.6 million as of December 31st, 2020, and RON 89.4 million at the end of 2019. Last year, Autonom unblocked the process of purchasing vehicles in cash, to capitalize on the opportunities generated by the increase in 2021 of the sustainable demand for short- and long-term rental services on market niches targeted by the business model systematically refined by the Autonom team over the years. At the same time, Autonom attracted significant financial resources through a new bond issue, in November 2021, thus obtaining a financing amounting to EUR 48 million.

Regarding the method of financing the fleet through debt instruments, as of December 31st, 2021, the largest share of short- and long-term financial debts was represented by corporate bonds (46%), financial leasing (44%) and bank loan (10%). From the dynamics perspective, the amount of financial debts of Autonom Services as of December 31st, 2021, was of RON 727.98 million, compared to RON 500.38 million at the end of last year and RON 524.60 million at the end of 2019.

In November 2021, Autonom reached an important goal regarding the increase in the medium and long term of the share of financing represented by bond issues, this manner of financing allowing a more optimized fleet management compared to the predominant use of bank loans and financial leasing, involving more formalized processes and restrictions on the operative disposal of purchased assets that are subject to guarantees set out in signed financing agreements.

Autonom's equity & liabilities of 2021

All amounts are expressed in RON, unless otherwise specified

Equity	2021	2020	Evolution
Share capital	20,000,000	20,000,000	-
Other capital reserves	28,206,321	14,811,431	90.4%
Retained earning	81,172,289	72,077,807	12.6%
TOTAL EQUITY	**129,378,610**	**106,889,238**	**21%**
Non-current liabilities	**634,902,324**	**379,353,020**	**67.4%**
Interest-bearing loans and borrowings	45,383,138	51,508,411	(11.9%)
Bonds	334,028,717	96,622,374	245.7%
Finance lease liabilities	227,527,655	212,758,855	6.9%
Trade and other liabilities	4,173,800	3,897,578	7.1%
Deferred revenue	10,757,817	6,475,814	66.1%
Deferred income tax liability	13,031,196	8,089,988	61.1%
Current liabilities	**150,204,499**	**155,220,408**	**(3.3%)**
Interest-bearing loans and borrowings	22,022,414	12,592,511	74.9%
Finance lease liabilities	28,728,746	73,432,309	(60.9%)
Lease liabilities	92,313,731	66,055,713	39.8%
Provisions	548,443	71,400	668.1%
Deferred revenue	6,591,165	3,068,475	114.8%
TOTAL LIABILITIES	**785,106,823**	**534,573,428**	**46.9%**
TOTAL EQUITY AND LIABILITIES	**914,485,431**	**641,462,666**	**42.6%**

Autonom's Cash Flow 2021

Autonom ended the year 2021 with liquidity in the amount of RON 200,240,184, the bonds issue having a significant contribution, from November 2021.

About Autonom Services S.A.

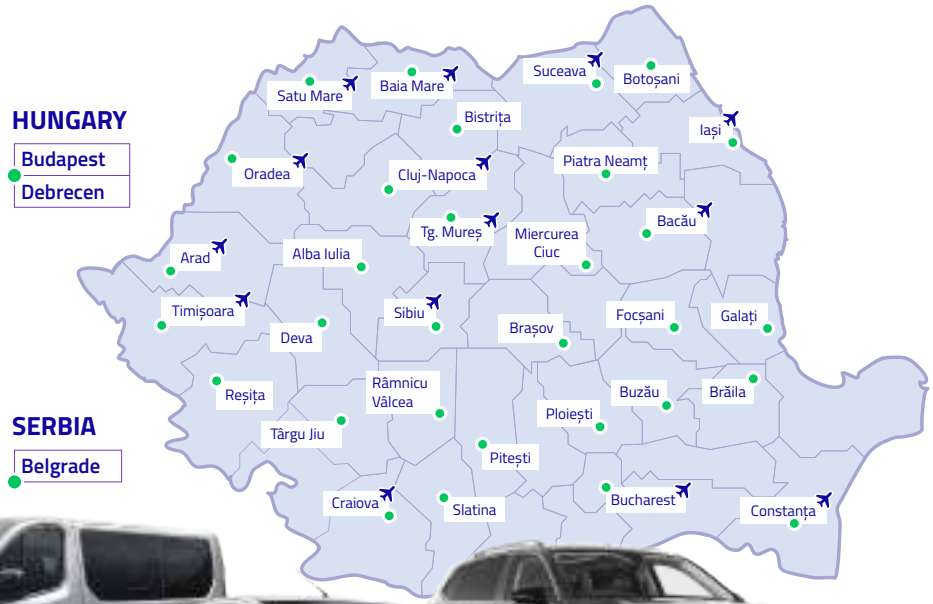
and the Autonom Group

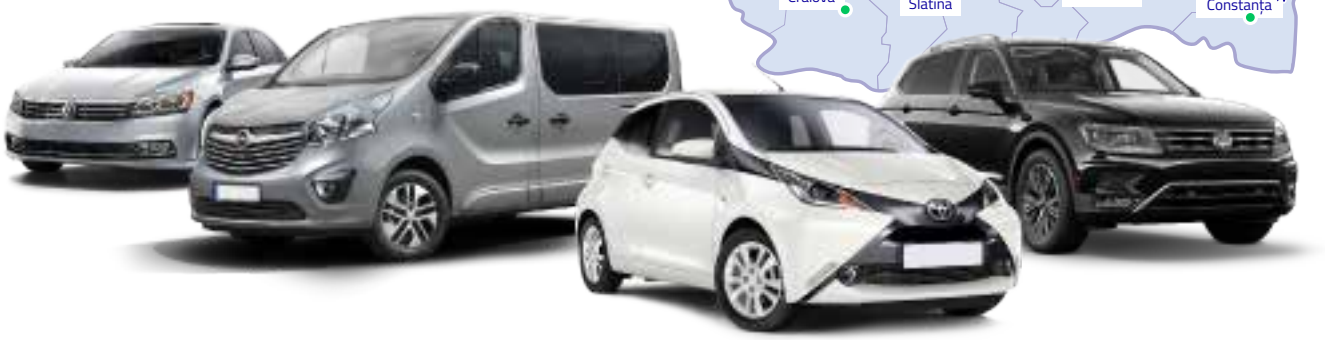
About Autonom Group

The Autonom Group is through Autonom Services S.A. the most important independent player with Romanian capital on the rent-a-car and operating lease markets in Romania. Autonom Services S.A. is an integrated provider of modern mobility solutions, adapted to the needs of its customers. The company has the largest mobility network in Romania and is in the top 5 players, by turnover, in the main sectors of activity: **operating lease** and **rent-a-car.**

- **Integrated provider of mobility solutions**, for companies and individuals;
- **National network of 46 agencies in 33 cities in Romania**, a business model differentiated from competitors;
- **Vehicle fleet on December 31st, 2021:** 9,672 vehicles (7,233 in operating lease regime, 2,439 in rent-a-car regime);
- **Number of employees on December 31st, 2021:** 370;
- **Independent player, with Romanian capital:** Autonom International is the majority shareholder of Autonom Services S.A. , with a participation of 98% of the share capital. The shareholders of Autonom International are Marius Ștefan and Dan Ștefan, in equal proportions.

The Largest Mobility Network in Romania





From start-up to prominent national players in the mobility services market

- Autonom Services S.A. is a company with 100% Romanian capital, established in 2006, in Piatra Neamț;
- Autonom Services S.A. **is a player in top 5, by turnover, in the main sectors of activity: operating lease and car rental;**
- In 2018, Autonom acquired BTOL, a company founded in 2001, in order to consolidate its customer portfolio, achieve economies of scale, as well as cost optimizations. The company thus increased its market share and concluded a distribution agreement with Banca Transilvania, for 5 years. On January 1st, 2021, BTOL was absorbed by Autonom;
- In 2018, Autonom became the first company in Romania to be included in the **EBRD Blue Ribbon Program,** which includes 30 companies from 20 countries where the EBRD is present;
- Autonom was selected at the first edition of "Made in Romania", organized by the Bucharest Stock Exchange, in the league of the **15 reference companies** for the growth of the Romanian economy;
- Autonom Services is the only local company that received for 5 years in a row the title of Best Employer (2014-2018), according to the global study organized by AON Hewit, and twice from the publication Business Review;
- Autonom is one of the 123 organizations recognized by **WorldBlu** worldwide, which promotes democratic principles and encourages freedom in the workplace.

The main activities of the business

Operating Lease:

- The main category of services provided by the Group with a contractual duration between 12 and 57 months;
- Operating lease is an outsourcing product in order to optimize operational expenses, a full-service contract being difficult to reverse because customers develop a high dependency;
- Careful commercial risk management policy through the Finance and Risk Department;
- High granularity of customers, focus on customers in the SME category (average fleet / customer ~ 4.5 vehicles);
- The operating leasing activity represents 47.1% of the total income of Autonom Services SA in 2021.

Fixed monthly payment components

- Insurance
- Tires
- Door to Door Services
- Maintenance and Repairs
- Vehicle Depreciation
- Financing Expenses
- Car Replacement and Road Assistance
- Taxes and Fees
- Monitoring and Telematics
- Other Administrative Expenses

Client benefits

- Reduction of operating expenses
- Balance optimization
- Simplified internal processes
- High flexibility and focus on core business
- Predictability of car fleet spending

Rent-A-Car

Diversified range of short-term car rental services (between one day and 12 months). Over 85% of the turnover of this line of business was generated in 2021 by legal entities. The car rental activity represented 17.4% of the total income of Autonom Services S.A. in 2021.

Used car sales

Diversified range of cars in the car rental and operating lease parks: motor vehicles and commercial vehicles for individuals and companies.

The second-hand car sales activity represents 19.95% of the total income of Autonom Services S.A. in 2021.

Distribution channels related to the operating lease, rent-a-car and used car sales business lines:

The main way to attract customers is through the direct sales force of the Company. In addition, the Company also uses the following distribution channels:

- Internet portals built for market education and lead generation, among which we mention: www.leasingoperational.ro, www.leasingoperational.com, www.autonom.ro, www.autonom.com, www.autoinlocuire.ro or www.rentavan.ro. In addition, the Company has over 200 relevant Internet domains, in various stages of development;

- Partnerships with financial-banking institutions (for example, Banca Transilvania), car importers and dealers, equipment importers / distributors, financing, and insurance brokers.

Company positioning

Autonom Services S.A. is a major integrated provider of mobility solutions, available nationwide, to which companies can fully or partially outsource their mobility services.

From its privileged position, the company provides various mobility solutions to SMEs and entrepreneurial companies in Romania, with fleets of up to 100 passenger or commercial vehicles, through its network of 46 agencies, present in 33 cities in Romania.

The markets on which Autonom operates in Romania

Operating lease and rent-a-car markets are dominated by multinationals. Autonom Services Group is the most important independent operator on the operating lease and rent-a-car markets in Romania.

Operating Lease Market in Romania

- According to the most recent data provided by ASLO in March 2022, the number of vehicles operated under operating lease regime increased with 12% compared to the end of 2017, the last year for which we have data, from 68.600 cars in December 2017 to over 77.000 units under administration at the end of 2021.

Rent-A-Car Market in Romania

- The market for rent-a-car services is also dominated by the multinational groups present in the mature markets of Europe and the United States (Avis, Europcar, Sixt, Hertz, Enterprise);
- The group estimates that under normal conditions (without a health crisis like the one caused by COVID-19) the corporate segment, with a major contribution of the car replacement service, has a share comparable to retail on the rent-a-car market;
- Operators of multinational licensing active in the rent-a-car industry focused primarily on airport locations, while the Group developed a nationwide network of agencies in 33 cities, allowing it to access a diverse clientele. This aspect protected the business in the context of the global pandemic when air traffic in Romania was significantly restricted;
- For 2019, the Company estimated that the car rental market in Romania was approximately 11,000 units, and the value size of this market could be around 80 million euros. The company estimates that in 2019 it had a market share between 15% and 20%;

- In the context of the global pandemic, there are no relevant data on the size of the rent-a-car market in Romania in 2020. However, despite the slight decrease of its fleet, Autonom maintained its market share in Romania. In 2020, most short-term car rental companies, focused on serving individual customers and which are highly dependent on tourism and the travel of the target audience, have felt the effects of the crisis caused by the spread of the virus crown. Car rentals to individuals represent a small share of the total Autonomous income and therefore the impact of the COVID-19 pandemic was not as strong on the Company compared to other market players. Currently, we estimate that the rental market is about 8000-9000 cars.

Used car market

- The used car market is extremely fragmented - there are sales made through dedicated sites, specialized suppliers, car dealers, leasing, and rent-a-car companies as well as individually. The import activity of used cars in Romania is quite significant. For this reason, it is difficult to estimate the market share that Autonom has.
- According to ACAROM, the number of second-hand cars registered in Romania was 395,759 units, which represents a decrease of 2.29% compared to 2020 when there were registered 405,045 units.

Company employees

At the end of 2021, Autonom Services team consisted of 370 employees, compared to a number of 313 employees on December 31st, 2020.

All Autonom employees are people with higher education. The company pays great attention to the education of its employees. In this sense, the company offers a personalized learning experience through trainings, coaching, courses and support from company leaders.

Autonom employees are not organized in the union.

Autonom has implemented a succession plan for the most important managers within the organization. Autonom's management team is very stable, with low staff turnover.

Starting with June 2021, Autonom renamed / reclassified the internal functions in order to offer employees a better career traceability. The table below highlights the new organization of human resources at the company level.

Positions	Number of employees
Rent-a-car agent level 1	98
Rent-a-car agent level 2	16
Rent-a-car agent level 3	7
Process coordinator	2
Regional coordinator	15
Deputy director	15
Department director	11
Branch director	5
Regional director	7
Office manager level 1	44
Office manager level 2	23
Office manager level 3	20
Process coordinator	72
Supervisor	32
Top Management	3
TOTAL	**370**

An essential aspect of the remuneration policy is that the members of the sales team are remunerated with a fixed salary, without bonuses related to individual performance. The company has implemented an annual bonus policy at team level, each employee being bonused with a profit share, at the level of annual financial year.

Autonom Management: Administrative, management and supervisory bodies

General aspects

The Company is administrated by a Board of Directors comprised of 3 (three) directors appointed by the GSM for a mandate of 4 (four) years. According to the Company's Articles of Association, the majority of the Company's directors shall, at any given moment, be non-executive directors.

The Company's management is delegated by the Board of Directors to a general manager. The Company's general manager is currently Mrs. Mihaela-Angela Irimia **(the 'General Manager')**, who was appointed to this position on November 1st, 2014, for an unlimited term. The Company is represented in relation to third parties and for justice proceedings by the General Manager. Additionally, in the decision-making process, Mr. Marius Ștefan and Mr. Dan George Ștefan, each acting as Company employees holding the positions of CEOs (COR Code 112028) have a decision-making role and a determining contribution to the Company's development strategy and directions.

The share capital of Autonom Services S.A. is owned as follows: (i) Autonom International S.R.L. owns 1.960.000 shares, representing 98%, (ii) Marius Ștefan owns 20.000 shares, representing 1%, and (iii) Dan-George Ștefan owns 20.000 shares, representing 1%. Autonom International S.R.L. is an entity controlled in equal percentages (50%) by the brothers Dan-George Ștefan and Marius Ștefan, the two of them exercising the control of the company.

Members of the Board of Directors

Name and Surname	Capacity	Date of first appointment	Term valid until
Mihaela-Angela Irimia	Chairman of the Board of Directors	November 1st, 2014	November 1st, 2022
Elena-Gianina Gherman	Member of the Board of Directors	November 7th, 2014	November 1st, 2022
Dan Iacob	Member of the Board of Directors	November 7th, 2014	November 1st, 2022

The business address of each member of the Board of Directors, as well as of the General Manager is in Piatra Neamț City, 4 Fermelor Street, Neamț County.

Duties of the General Manager

The operative management of the Company is entrusted to the General Manager, who is in charge of taking all the measures related to the management of the Company, thereby complying with the powers granted to the Board of Directors and the GSM.

The General Manager's duties are (i) to hire and dismiss Company staff, (ii) to approve the receipts and payments up to the limit of the amount established as such by the Board of Directors and (iii) to ensure the fulfillment of the decisions of the Board of Directors.

The General Manager is under the obligation to inform the Board of Directors on a regular basis on the operations carried out and on any other aspects taken into consideration, including potential irregularities found while carrying out such duties.

Duties and decisions of the Board of Directors

The Board of Directors supervises the activity of the General Manager, and any member of the Board of Directors is entitled to request from the General Manager information regarding the Company's operative management.

The members of the Board of Directors are in charge of (i) fulfilling all the obligations regarding the reality of the payments made by the Company's shareholders, (ii) the real existence of the paid-up dividends, (iii) the existence of the registries required by the law and the correct maintenance thereof, (iv) the accurate fulfillment of GSM resolutions and (v) the fulfillment of any other duties required by the law or by the Articles of Association.

The Chairman of the Board of Directors coordinates the activity of the Board of Directors and reports before the GMS regarding the activity of the Board of Directors.

The Board of Directors may validly decide in the presence of a majority of its members, with a majority of votes. In case of parity of votes, the vote of the Chairman of the Board of Directors shall be decisive.

The management team

Marius Ștefan

Mr. Marius Ștefan is one of the current shareholders of the Company and its founder. He is the CEO, thus having an essential decision-making power in the management of the Company. He currently holds an MBA in Marketing from the University of Maryland - Robert H. Smith School of Business and he is a graduate of a Master's Degree in Management from SNSPA (2001). He is a graduate of the Academy of Economic Studies in Bucharest, specialized in International Transactions (1999). In 2013 he became a member of Young Presidents Organization, currently a member of the European YPO board. In 2015 he became a board member of Teach for Romania, and in 2017 he became a board member of Entrepreneurship Academy and vice president of the Romanian Business Leaders board.

Dan-George Ștefan

Mr. Dan-George Ștefan is one of the current shareholders of the Company who became part of the Company's shareholders, in 2006. He is a Managing Partner, thus also having an essential decision-making power in the Company management. Mr. Dan-George Ștefan acted as Purchasing Consultant in IAC, Paris, for a period of 4 years. He graduated the 'International Business Master's Degree program, from the University of Paris 1 Sorbonne and 'International Economics' at the University of Orleans and the Academy of Economic Studies in Bucharest, specialized in International Business (2001). He is a member of YPO Romania and a member of the Bittnet Systems Advisory Board (since 2012), of the CEO Clubs Advisory Board (since 2016) and of the Board of Directors of Family Business Network Romania (since 2018). Since 2014, he has been teaching Management at the Romanian-Canadian MBA within the Bucharest Business School.

Mihaela-Angela Irimia

Ms. Mihaela-Angela Irimia is the Chairman of the Board of Directors of the Company and has joined the Company in 2006. She graduated from Alexandru Ioan Cuza University in 2006, with a degree in Statistics and Economic Forecasts. Currently, she coordinates the operational department, managing the activity of car purchases, the relationship with the financing parties, payments' performance and the HR department.

Elena-Gianina Gherman

Ms. Elena-Gianina Gherman is one of the Company directors and has been within the Company since its establishment. She graduated from Petre Andrei University in 2005, holding a degree in Finance - Accounting, and in 2011, she became an expert accountant certified by the Body of Experts and Chartered Accountants. Prior to joining the Company, she worked as Chief Financial Officer for multiple companies. Currently, she coordinates the accounting department and prepares the financial reports for the senior management.

Dan Iacob

Mr. Dan Iacob is one of the Company directors and has been within the Company since its establishment. He graduated from the Polytechnic University of Bucharest, in 1994, with a degree in Automation and Computers. After graduation, he worked as a consultant for a publishing house, later managing and owning two companies in the field of trading. At present, he coordinates the operational activities for the Company's subsidiary and for the companies whereby the Company has minority shareholdings. Together with Mr. Dan Ștefan and Mr. Marius Ștefan, establishes the strategic development lines of the Company.

In the last 5 years, none of the members of the Board of Directors or of the Executive Team has been prohibited by a court from acting as member of the Board of Directors or from supervising a company. In the last 5 years, there have been no cases of insolvency, liquidation, bankruptcy, or special administration of some companies, of which one of the members of the Board of Directors or the Autonom executive team is a member of the board of directors or supervisor. In the last 5 years there have been no litigations or administrative procedures in which any of the above-mentioned members have been involved, regarding their activity within the company, as well as those regarding their capacity to fulfill their attributions within the company.

Autonom
Evolve. Daily.

Autonom Mission

Autonom is a family company that thinks on the long term. Success for us is provided by the client satisfaction and the evolution of colleagues.
Business growth, profitability and financial stability are all-natural consequences.

Autonom Values

We evolve daily

We do **what is necessary to help** our customers.

Honesty and integrity are fundamental for the development of our company.

We are **adaptable and flexible.** Simplicity is our way.

We are a **team. Respect, common sense and a smile are our secrets.**

Autonom's vision is to be an **authentic business model.**

The management system is based on our values and **autonomy.**

Autonom is an organization focused on learning. **We encourage the personal growth** of our colleagues and we support the continuous transformation of the company.

We have a positive impact on the society and the environment.

Awards

Best Employer (2014-2018)
Aon Romania

Business Review's Excellence
Business Award

World Blu Membership
The international network of organizations that promote democracy in the workplace

Car rental company of the year (2014,2017)
Hotel Tourism & Leisure Investment Conference

Sustainable mobility

Strategic Directions for 2025

Since the company's establishment, Autonom's vision has been to be an authentic business model and to have a positive impact on society and the environment. Engaging with the communities we are part of by supporting education is an integral part of our organisational culture.

In the 8 years of activity of the Autonom Foundation, whereby we develop educational and environmental projects, we managed to get involved in over 630 projects in the communities we are part of. Because we all want to contribute to the development of education, our team of volunteers consists, in fact, in Autonom group's team of employees.

In 2021 we developed and published our Sustainability Strategy for the next years, where the environment component is an important direction to our decisions and actions.

Strategic Sustainable Directions

The Sustainability Strategy of Autonom is aligned with the performance matrix of organizational culture and with the environmental, social and governance (ESG) principles. It is built around three pillars: "environment", "people and community" and "sustainable business and governance"

In terms of the environment, our focus is on the responsible consumption of the resources needed to carry out our activities. The need for this is confirmed by the fact that the emissions generated by the operational fleet (operating lease and rent a car), calculated by CCF, although indirect for Autonom, represent 99% of the company's total emissions.

Thus, our main priority is to **reduce the operational fleet's carbon emissions** by 25% by 2025 and by 51% by 2030, in particular by increasing the share of green cars in the operational fleet.

The second most important direction to us is the people and the community. From the establishment of the company, our intention has been to develop a framework in which people can evolve every day and generate positive change in the communities where we are present, by supporting education and reducing the impact we have on the environment. For performing the educational projects, we consider the investment of at least 2% of the net profit, and for the personal development of employees, we propose a minimum of 50 hours of annual training per employee.

Last but not least, **we want to build a sustainable future together with our partners**. Therefore, the involvement of all stakeholders categories in joint projects in the area of sustainability, customer satisfaction (measured by NPS) and increasing the number of digitalized processes are some clear actions at this stage.

Environment

Friendly with our Planet

- Reducing our ecological footprint will be driven by a responsible consumption of different resources that we need for our operations;
- According to climate change awareness, we settled priorities, in order to reduce the Corporate Carbon Footprint.

People & Community

Friendly with our People and Community

- Community involvement represents a big part of what we are engaged in regarding society's needs; We are developing different kinds of actions through Autonom Group, actions closely related to ESG education, sports, youth engagement and general community support;
- Our people are the most important assets for us and we are committed to develop our people thus to have an agile organization.

Sustainable Business & Governance

Friendly with our Partners

- Our business is driven by values with a strong sense of ethics, transparency and integrity. These being the majos aspects we will follow and respect in all our actions, and the only ways which will lead us to a successful business;
- We aim to offer to our customers sustainable mobility solutions.

Starting from the Sustainability Strategy, where we defined the materiality and relevance of the identified aspects, the main measure provided is to increase the share of "Green" cars in the operational fleet and to promote environmentally friendly vehicles.

The indicator chosen in the monitoring of carbon emissions at the level of the operational fleet, in line with the European Directives in the field of transport, is "average WLTP gCO2/km". For this indicator we calculated the carbon footprint for the last 3 years and we set targets for the medium (2025) and long term (2030).

	Objective / Target	KPI	Real 2018	Real 2019	Base 2020	2021	2022	2023	2024	2025	2030
ENVIRONMENT	Reducing the operational CO2 intensity by 25% until 2025, and 51% until 2030	WLTP average CO2g/km for the fleet	149.71	154.14	**153.57**	144.51	136.48	130.26	124.86	115.13	**75.87**

Key results for 2021:

In 2021 we managed to significantly get closer to proposed objectives or even exceed them. Among the most important successes are the increase of electric and hybrid car weight in the operating fleet, initiation of discussions with suppliers in order to develop the electrical charging stations infrastructure and signing the first prosumer contract for the Piatra Neamț office.

Environment	
Consumed energy	703 MWH
End year fleet	9672 autos
Annual millage of the operational fleet	264 million km
Fleet utilization rate	87.74%
GHG direct emissions (Scope 1 and 2)	301 tones
GHG indirect emissions (Limited Scope 3)	43,780 tones
Fuel Offset, through partners	3,973 tones
Average WLTP of the End Year Operational Fleet	149.27 g/km CO2
Used paper in operational activities	2.2 tones
Waste recycled	140.6 tones

People and Community	
Community investments	RON 3.13 million
Number of employees	370
Training hours / employee	58
Volunteer hours	512
Number of books read	2894
Number of innovations proposed	790
Sustainable Business and Governance	
Turnover	RON 392.4 million
Net profit	RON 22.3 million
Sustainability link bonds issued	EUROS 48.3 million
Locations / Cities	46 agencies / 33 cities

The full results and details about our Sustainability Strategy can be discovered in the first Sustainability Report published by Autonom at the following link: https://www.autonom.com/sustainability

AUT24E and AUT26 Bonds

About the securities admitted for trading at Bucharest Stock Exchange

The Bucharest Stock Exchange currently admits for trading two bond issues of Autonom Services SA: **AUT24E** and **AUT26E**.

AUT24E - Autonom Services 2024 bonds

The corporate bonds of Autonom Services S.A., amounting to EUR 20 million, were admitted for trading on the Main Market of Bucharest Stock Exchange, Bonds segment, on December 4th, 2020, and are traded under the symbol AUT24E. The bonds have a nominal value of EUR 1,000, a maturity of five years and a fixed interest rate of 4.45%, p.a., payable annually. Following the private placement, the AUT24E bond issue had a balanced structure of subscribers, which consisted of both institutional investors and individual investors.

In 2021, 30 transactions were performed (67 bonds were traded) in a total amount of EUR 66,792.2.

The maturity date of the AUT24E issuance is November 12th, 2024, and the second payment of the coupon took place on November 12th, 2021.The interest payment was made to the holders of AUT24E bonds registered in the Register of Bonds of the Central Depository S.A. on the reference date October 22nd, 2021.

On June 3rd, 2021, Fitch Ratings, one of the world's top three rating agencies, awarded Autonom Services S.A. the IDR (Long-Term Issuer Default Rating) “B +” rating. The corporate bond issue, which trades under the symbol AUT24E, has been given a separate “B-” rating.

AUT26E - Autonom Services 2026 bonds

The corporate bonds of Autonom Services S.A., amounting to EUR 48 million, were admitted for trading on the Main Market of Bucharest Stock Exchange, Bonds segment, on December 8th, 2021, and are traded under the symbol AUT26E.

The bonds have a nominal value of EUR 10,000, a maturity of five years and a fixed interest rate of 4.11%, payable annually, adjustable according to the step up mechanism by 0.30 percentage points per year in case of failure to reach the sustainability performance objectives detailed in the PROSPECT.

In 2021, 0 transactions were performed bonds were performed in a total amount of EUR 0.

The AUT26E corporate bond issue was awarded by Fitch Ratings with the "B(EXP)/RR5" senior unsecured credit rating assigned to Autonom entire proposed bond issue programme.

Autonom Services' Risks and Risk Management

Autonom's risks

Risks related to the company activity and the industry in which it operates

Price risk and Liquidity Risk

The price risk materializes through the fact that car leasing and rental companies are exposed to potential losses from the sale of vehicles if the selling price is lower than the residual value. Any change in the prices on the used car market can, therefore, have a negative effect on the revenues that the company can generate from the sales of used cars.

The liquidity risk is associated with the holding of fixed assets by the company. The company undertakes the risk of the residual value of the vehicles it operates under the operating lease and short-term rental services (rent-a-car) and which it sells at the end of the operating lease contract, respectively, after 24-48 months of use, as a rule within the short-term rental service. The company carries out these sale operations systematically for a significant proportion of the car fleet in its portfolio, thus generating a profit or a loss from these activities. In case of short-term leasing, the amount obtained from the sale of a used vehicle and the risk that the selling price of a used car will be less than the accounting value at the end of the operating lease or period of use is mainly determined by external factors.

Credit risk

The credit risk is the risk that the Company's debtors will not be able to meet their obligations at maturity, due to the deterioration of their financial statement. The company manages this risk mainly by diversifying business lines, customers, the degree of exposure in a certain industry or a certain geographical area. In addition, the financial flows and statements of receipts and payments for each partner are constantly monitored and controlled while maintaining a real connection with them.

Cash-flow risk

The company needs a significant amount of cash to service its debt and to carry out planned capital expenditures, and its ability to generate cash or refinance its debt depends on many factors beyond its control. The company borrows considerable amounts annually to develop its operations through financial leasing, bank loans and short-term credit facilities to finance the acquisition of new cars. To manage these risks, the company has implemented a prudent

financial management in order to have significant liquidity reserves, which will ensure enough working capital even in the scenario of late or decreased collection over a long period.

The company is exposed to risks related to interest rate fluctuations

Most of the Company's financing contracts provide for a variable interest rate, depending on EURIBOR or ROBOR. Therefore, the Company is exposed to the risk of increasing these interest rates during the financing agreements, which could lead to the payment of a higher interest and could have a significant negative effect on the activity, financial situation, and results of the Company's operations.

Risk related to the COVID-19 pandemic

At the time of publishing this report, the movement restrictions determined by the COVID-19 pandemic have been fully lifted, however the risk of new outbreaks is still present. The rapid adaptation to the new reality, which contributed to diminishing the negative effect of the pandemic on the Autonom activity, has already prepared the management for an adequate response in case a new state of emergency will be declared, or new restrictions imposed. Investors should however consider that such events may have a negative impact on the company's business.

The company activity may be influenced by a negative evolution of the economic conditions

The dynamics of the Company's business and profitability is sensitive to the general conditions of the Romanian economic environment, and a slowdown or recession of the local economy would be negatively reflected in terms of the vast majority of operational parameters.

Risks related to the decrease of tourism and disturbances in the functioning of the air transport industry

Part of the Group's activity, more specifically the short-term rent a car service, is seasonal and may be affected by the evolution of tourism in Romania and by the travel restrictions from other countries to Romania. In the event of a prolonged state of emergency or general restrictions on air traffic in or to Romania, the rent-a-car business line may be adversely affected. To manage this risk, management constantly monitors the activity of agencies located throughout the country, especially those located in airports, in order to control the operating costs related to their activity.

The company may not be able to sell used cars at the desired prices, which could lead to losses

The company assumes the risk of the residual value of the vehicles it operates in the operating lease and short-term rental service (rent-a-car) and which it sells at the end of the operating lease.

The Company's activity is dependent on the activity of car manufacturers and distributors

The company purchases vehicles from more than 50 vehicle manufacturers and distributors and is dependent on supplying popular, high-quality motor vehicle models in sufficient numbers to maintain operations and purchasing them on attractive terms. There is no assurance that the Company will be able to maintain a long-term relationship with these manufacturers and distributors that provides certainty regarding the Company's future purchases of vehicles, and the Company may have difficulty in replacing these manufacturers and distributors with other suppliers who will deliver the vehicles required for the Company's business on the same favourable terms.

The global shortage of semiconductors and chips could lead to delays in the delivery of vehicles by manufacturers or distributors

The COVID-19 pandemic has generated a global shortage that is anticipated to continue in the semiconductor and chip industry and therefore in the automotive production and supply chain. It is possible that the Company's manufacturers and distributors may experience significant delays in the delivery of vehicles ordered by the Company. As a result, the Company may face a reduced ability to renew its fleet within the time frames set out in its contracts with its partners and at a level commensurate with changing demand. Any limitation on the Company's ability to renew its fleet may lead to increased vehicle uptime and a decrease in customer satisfaction with the vehicles meeting expectations. At the same time, an extended operating life of the vehicles may have a negative impact on the second-hand selling price of these vehicles.

Other risks

Investors should note that the risks outlined above are the most significant risks of which the company is aware at the time of drafting the document. However, the risks presented in this section do not necessarily include all those risks associated with the issuer's activities, and the company cannot guarantee that it includes all relevant risks. There may be other risk factors and uncertainties of which the Company is not aware at the time of drafting the document that may change the actual results, financial conditions, performance and achievements of the issuer in the future and may cause the Company's share price to decline. Investors should also undertake the necessary due diligence in order to make their own assessment of the suitability of the investment.

There is no litigation and no litigation related to environmental protection is expected.

For a complete risk assessment and the Issuer's management method, we recommend investors to consult the dedicated section in the listing prospect, available here: https://bvb.ro/juridic/files/AUTONOM%20SERVICES_prospect%20de%20baza_10.11.2021%20-%20semnat%20ASF.pdf, section that should not be treated, however, as exhaustive.

Risk management

- The group pays special attention to the selection and monitoring of clients for operating lease services;
- The management of the decision-making process for financing the clients and the monitoring of their payment behavior is performed by the Finance and Risk Department;
- Autonom Services received assistance from the EBRD in 2017 to refine its commercial risk policy;
- Scoring methodology for classification in the risk category, depending on which the financing conditions and the required guarantees are established;
- The risk analysis includes the financial information analysis, as well as specific elements such as management experience, the legal history of associates and Directors, seniority of the client in its field of activity, verification in CIP, verification of debt owed to the state, verification of files as debtor and so on;
- In the case of clients who are not included in the blue-chip category, the Group ensures that payments are made on time by requesting personal guarantees from the directors and associates through promissory notes endorsed in their name;
- The group discourages exceeding payment deadlines by charging penalty fees (up to 1% per day after the payment deadline);
- High clients granularity (average fleet/customer ~ 4.5 vehicles, the share of top 10 customers, less than 14% in the total operating lease and rent-a-car turnover);
- Within a maximum of 2 months delay of payment, the Group repossesses the vehicles;
- The group decides between the sale or use of vehicles returned in advance from operating leases under rent-a-car services, especially if the event occurred in the first part of an ongoing of the contract;
- The complementarity of the business lines in terms of the flexibility of moving assets between the two categories of services represents a major competitive advantage for the Group in terms of risk management.

Statement from the management

According to the best available information, we confirm that the consolidated financial statements provide a correct and accurate image of the financial position of Autonom Services SA ("the Company") as of December 31st, 2021, the financial performance and cash flows for the 12-month period concluded on that date, in accordance with the OMF 2844/2016 applicable accounting standards, and that the Annual Report, which includes the elements required by OMF 2844/2016 for preparing the consolidated and individual director's report for the period 01.01.2021 - 31.12.2021, sent to the capital market operator - BVB - as well as the Financial Supervisory Authority, correctly and completely presents the information on the Company.

Mihaela Angela Irimia
Chairman of the Board of Directors

Individual and consolidated financial statements prepared according to OMFP No. 2844/2016 with subsequent amendments and completions

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of Autonom Services S.A. ("The Company") with its registered office in Piatra Neamt, Strada Fermelor nr. 4, identified by the unique tax registration code 18433260, which include the statement of financial position as of December 31st 2021, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the financial year ended and a summary of significant singing policies and other explanatory information.

In our opinion, the accompanying financial statements provide a true and fair view of the Company's financial position as of December 31st 2021, as well as its financial performance and cash flows for the year ended in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of the Accounting regulations compliant with the International Financial Reporting Standards, with subsequent amendments and clarifications.

Bases for opinion

We conducted the audit in accordance with International Standards on Auditing (ISA), Regulation (EU) no. 537/2014 of the European Parliament and of the Council of April 16th 2014 ("Regulation (EU) no. 537/2014") and Law no. 162/2017 ("Law 162/2017"). Our responsibilities according to these standards are described in more detail in the section "The auditor's responsibilities for auditing the financial statements" of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including international standards of independence) issued by the International Accounting Standards Board (IESBA Code) ethical requirements that are relevant for the audit of financial statements in Romania, including Regulation (EU) No. 537/2014 and Law 162/2017, we have fulfilled our ethical responsibilities according to these requirements and according to the IESBA Code. We consider that the audit samples we obtained are sufficient and adequate to form the basis for our opinion.

Key audit matter

The key audit matters are those matters that, based on our professional judgement, have had the greatest significance in our audit of the financial statements in the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming of our opinion thereon, and we do not provide a separate opinion on these matters.

For each matter below, we presented in that context a description of how our audit approached that matter.

We have fulfilled the responsibilities described in the section, "Auditor's Responsibilities for the Audit of the Financial Statements" of our report, including in connection with these key issues. Consequently, our audit included performing the procedures designed to respond to our assessment of the risk of material misstatement in the financial statements. The results of our audit procedures, including the procedures performed to address the issues below, form the basis for our audit opinion on the accompanying financial statements.

Key audit matters	How our audit addressed the key audit matters
Elimination of residual value(s) and useful lives of the fleet used for leasing, including the fleet of	

assets related to the right of use and the specific analysis of depreciation of these assets Assets included in the car fleet used for rent, owned by the Company, in the amount of RON 215,004 thousand or by leasing contracts classified as assets related to the right of use - contracts with transfer of ownership or purchase option, for which it applies IAS 16 from the point of view of depreciation - in the amount of RON 370,290 thousand as of December 31st 2021 - are valued at cost less accumulated depreciation and any impairment adjustment. Management should evaluate the residual value and useful life of an asset at least at the end of each financial year and assess whether adjustments for specific impairment are necessary. Depending on the outcome of these analyses, changes may be accounted for as a change in accounting estimates reflected in forward-looking amortization or as a specific impairment adjustment. The determination of any impairment adjustment in respect of assets that are the subject of operating leases depends primarily on how the recoverable amount is affected by the residual value that can be obtained at the end of the lease. Future residual values are influenced in particular by the number of kilometers traveled, the asset class and the manufacturer, the general condition of the vehicle, as well as the evolution of the used car market (second hand) at the date they are sold. The residual values of the vehicles managed by the Company vary depending on the type of asset and, thus, the assessment regarding the future values made by the management is based on a series of assumptions, estimates and reasoning. The Company revised the residual values of its fleet used for leasing on December 31st 2021 taking into account both internal and external factors of the Company, such as: actual sales of used vehicles during the year, correlating these values at the balance sheet date with the estimated number of kilometers traveled, the asset class and the gold produced, the potential use of the vehicle in case of canceled leases and, possibly, the impact of the COVID19 pandemic on the residual values of vehicles. Due to the significance of the value of the fleet used for rent, the estimation uncertainty related to the determination of the residual value of the assets, the related useful lives, as well as any necessary specific depreciation adjustment, we consider that the valuation of the fleet used for	Our audit work focused on, but was not limited to, the following procedures: • We obtained an agreement on how to manage the risks related to the fleet used for leasing as it is designed and implemented at the Company level. • We analysed the information and data included in the operational database used to assess the residual value and fair value of vehicles, we compared, for a sample of transactions during the financial year, values obtained from actual sales compared to the book values at the date of disposal, in order to assess the reasonableness of the revised residual values; we analysed the trend of impairment losses following the revision of residual values and we discussed with the Company's management about the categories of vehicles sold at a loss during the financial year. • We also analysed the vehicles for which there is no active operating lease at the balance sheet date. • We discussed and reviewed the analysis performed by management regarding the impact on the residual value taking into account the age of the vehicle on December 31st 2021 and we also assessed the possible impact arising from the COVID-19 pandemic in relation to actual sales transactions made in the course of the financial year. • We evaluated the analysis of the events triggering the impairment made by management for the assets given for rent, focusing on the categories of vehicles sold at a loss during the year, in order to assess whether there was a decrease in the market for that asset category. We discussed with the management and analyzed whether there were changes in the market that could have affected the selling price of used cars and, implicitly, the residual value on a prospective basis and whether an adjustment for specific depreciation is required on December 31st 2021. • We performed an analysis of the sale prices of used cars, taking into account the information available after the end of the financial year, and we assessed whether a specific or general depreciation adjustment is required at the balance sheet date. We also assessed the adequacy of the presentations included in the financial statements.

rent, including the fleet of use, is a key audit matter. The presentations made by the Company are included in the note 2.3.6 Rental fleet and other property, plant and equipment , Note 3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS Review of useful lives and residual values of rental fleet assets, note 14 Property, plant and equipment - Rental fleet and rental equipment and note 15 Right – of – use assets from the financial statements.	

Other information

Other information includes the consolidated and individual Directors' Report, but does not include the financial statements and our audit report thereon. Management is responsible for other information.

Our audit opinion on the financial statements does not cover other information and we do not express any form of insurance conclusion on them.

In connection with our audit of the financial statements, our responsibility is to read this other information and, in doing so, to analyse whether it is not significantly consistent with the financial statements or the knowledge we obtained after the audit or if they seem to include significant errors. If, based on the activity carried out, we conclude that there are significant errors regarding this other information, we must report this. We have nothing to report in this regard.

The liability of the management and of the persons responsible with governance for the financial statements

The management of the Company is responsible for the preparation and accurate presentation of the financial statements in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of the Accounting Regulations compliant with the International Financial Reporting Standards, with subsequent amendments and clarifications, and for that internal control that the management deems necessary to allow the preparation of financial statements that are free of significant misstatements, caused either by fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of the Company to conduct business in accordance with the business continuity principle and to present, where appropriate, issues relating to business continuity and the use of business continuity, unless management intends to liquidate the Comany or cease its activity or has no real alternative but to do so.

The persons responsible for governance have the responsibility of supervising the Company's financial reporting process.

The auditor's responsibilities for auditing the financial statements

Our objectives are to obtain reasonable assurance as to the extent to which the financial statements, taken as a whole, do not contain material misstatement due to error or fraud and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but there is no guarantee that an audit conducted in accordance with ISA standards will always detect significant misstatement, if any. Distortions may be caused by either fraud or error and are considered significant if it can reasonably be expected that they, either individually or as a whole, will influence users' economic decisions based on these financial statements.

As part of an audit in accordance with ISA standards, we exercise our professional judgment and maintain our professional scepticism throughout the audit. Also:

- We identify and evaluate the risks of material misstatement of the financial statements, caused by either fraud or error, establish and perform audit procedures that respond to these risks and obtain sufficient and adequate audit evidence to form a basis for our opinion. The risk of not detecting a significant misstatement caused by fraud is higher than the risk of not detecting a significant misstatement caused by error, as fraud may include complicity, forgery, intentional omission, misrepresentation or circumvention of internal control.
- We understand the internal control relevant to the audit to establish the appropriate audit procedures in the given circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- We evaluate the adequacy of the singing policies used and the reasonableness of the singing estimates and the related presentations of information made by the management.
- We conclude on the adequacy of the management's use of the business continuity principle, and determine, based on the audit evidence obtained, whether there is significant uncertainty about events or conditions that could raise significant doubts about the Company's ability to continue operations. If we conclude that there is significant uncertainty, we must draw attention, in the audit report, to the related presentations in the financial statements or, if these presentations are inadequate, we may change our mind. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease operations on a going concern basis.
- We evaluate the presentation, structure and general content of the financial statements, including disclosures, and the extent to which the financial statements reflect the underlying transactions and events in a manner that provides a fair presentation.

We communicate to the persons responsible for governance, among other matters, the planned objectives and the timely scheduling of the audit, as well as the significant findings of the audit, including any significant deficiencies in internal control, which we identify during our audit.

We also present to the persons responsible for governance a statement regarding our compliance with the ethical requirements regarding independence and we communicate to them all relations and other matters that you can reasonably consider that could affect our independence and, where appropriate, actions taken to eliminate threats to independence or safeguards applied to reduce those threats.

Among the matters that we communicate to the persons responsible for governance, we establish those matters that had the greatest importance in the audit on the financial statements of the current period and, therefore, represent key audit matters.

Report on other legal and regulatory requirements

Reporting on information other than financial statements and our audit report on them

In addition to our reporting responsibilities under ISA standards and described in the “Other Information” section of the consolidated and Individual Directors’ Report, we have read the consolidated and Individual Directors’ Report and report the following:

a) in the consolidated and Individual Directors’ Report we have not identified information that is not consistent, in all material respects, with the information presented in the financial statements as of December 31st 2021, attached;

b) the consolidated and individual Director’s Report, identified above, includes, under all significant matters, the information required by the Order of the Minister of Public Finance no. 2844/2016 for the approval of the singable Regulations compliant with the International Financial Reporting Standards, with subsequent amendments and clarifications, Annex 1, points 15-19;

c) based on our knowledge and understanding gained during the audit of the financial statements prepared as of December 31st 2021 regarding the Company and its environment, we have not identified any significant erroneous information presented in the consolidated and individual Directors’ Report.

Other requirements regarding the content of the audit report according to Regulation (EU) no. 537/2014 of the European Parliament and of the Council Appointment and approval of the auditor

Appointment and approval of the auditor

We were appointed auditors of the Company by the General Meeting of Shareholders on July 26, 2021 to audit the financial statements for the financial year ended December 31, 2021. The total duration of the continuing mission, including renewals (extension of the period for which we were initially appointed) and previous appointments as auditors was for 7 years, covering the financial years ended on December 31st 2015 until December 31st 2021.

Consistency with the additional report addressed to the Audit Committee

Our audit opinion on the financial statements expressed in this report is in accordance with the additional report addressed to the Company’s Audit Committee, which we issued on April 19th 2022.

Non-audit services

We did not provide the Company with prohibited non-audit services referred to in Article 5 (1) of Regulation (EU) No 537/2014 of the European Parliament and of the Council and we remain independent from the Company during the audit.

We have not provided to the Company and the entities controlled by it other services than those of statutory audit and those presented in the financial statements.

Report on the compliance of the electronic format of the individual financial statements (XHTML) with the requirements of the ESEF Regulation

We have made a reasonable assurance that the financial statements will be compliant presented in XHTML format by Autonom Services S.A. ("The Company") for financial year ended 31 December 2021, with the requirements of the Delegated Regulation (EU) 2018/815 of the Commission of 17 December 2018 supplementing Directive 2004/109 / EC of the European Parliament and of the Council as regards regulatory technical standards on the specification of a single electronic reporting format ("ESEF Regulation").

These procedures refer to the testing of the format and consistency of the electronic format of individual financial statements (XHTML) with audited individual financial statements and expressing an opinion on the conformity of the electronic format of the financial statements of Company for the financial year ended December 31, 2021 with the requirements of the Regulation ESEF. In accordance with these requirements, the electronic format of the individual financial statements must be presented in XHTML format.

Responsibilities of management and those responsible for governance

The Company's management is responsible for compliance with the requirements of the ESEF Regulation at preparation of the electronic XHTML format of the individual financial statements and to insure the consistency between the electronic format of the individual financial statements and the financial statements audited.

Management responsibility also includes design, implementation and maintenance internal controls that it deems necessary to enable the preparation of situations individual financial statements in ESEF format that are free from material misstatement ESEF Regulation.

The people in charge of governance have the responsibility of overseeing the process of financial reporting regarding the preparation of individual financial statements, inclusive application of the ESEF Regulation.

Auditor's responsibility

It is our responsibility to express a reasonable assurance about compliance of the electronic format of the individual financial statements with the requirements ESEF Regulation.

We conducted a reasonable assurance mission in accordance with ISAE 3000 (revised) "Insurance missions other than auditing or reviewing historical financial information" ISAE 3000 (revised). This standard requires that we adhere to ethical standards and plan and to carry out our mission in such a way as to obtain reasonable assurance as to the measure in which the electronic format of the individual financial statements of the Company is prepared, below all significant issues, in accordance with the ESEF Regulation. Nature, placement in time and the extent of the selected procedures depends on our reasoning, including a risk assessment significant misstatement related to the requirements of the ESEF Regulation caused either by fraud or error.

Reasonable insurance is a high level of insurance, but it is not a guarantee that The ISAE 3000 (Revised) Assurance Mission will detect always a significant distortion in relation to the requirements, if any.

Our independence and quality control

We apply the International Standard on Quality Control 1, “Quality control for companies performing audits and reviews of financial statements, as well as other assurance assignments and related services ”and we therefore maintain a strong quality control system, which includes documented policies and procedures regarding compliance with ethical requirements, standards professional and legal and regulatory provisions applicable to auditors registered in Romania.

We maintained our independence and confirmed that we complied with the requirements regarding ethics and imposed by the International Code of Ethics for Professional Accountants (including international standards of independence) issued by the International Standards Council of Ethics for Accountants (IESBA code).

Summary of procedures performed

The goal of the procedures that I planned and carried out was to obtain a reasonable assurance that the electronic format of the individual financial statements is prepared under all significant aspects, in accordance with the requirements of the ESEF Regulation. In progress our assessment of compliance with the requirements of the ESEF Electronic Format Regulation (XHTML) for the reporting of the Company's individual financial statements, we have maintained professional skepticism and I applied professional reasoning. Also:

- we obtained an understanding of the internal control and the processes related to the application of the Regulation ESEF with respect to the Company's individual financial statements, including preparation the individual financial statements of the Company in XHTML format
- we tested the validity of the applied XHTML format
- we checked that the electronic format of the individual financial statements (XHTML) corresponds audited individual financial statements.

We consider that the evidence we have obtained is sufficient and adequate to form the basis for our opinion.

Opinion on the compliance of the electronic format of the individual financial statements with the requirements of the ESEF Regulation

Based on the procedures we have carried out, in our opinion, the electronic format of the financial statements is prepared in all material respects in accordance with the requirements of the ESEF Regulation.

In the name,

Ernst & Young Assurance Services SRL

Bd. Ion Mihalache 15-17, floor 21, Bucharest, Romania

Registered in the electronic Public Register with no. FA77

Name of Auditor / Partner: Sandu Mihaela Elena

Registered in the electronic Public Register with no. AF1610

Bucharest, Romania April 19, 2022

AUTONOM SERVICES SA

STANDALONE FINANCIAL STATEMENTS

Prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016, approving the accounting regulations compliant with the International Financial Reporting Standards, with all subsequent modifications and clarifications

31 DECEMBER 2021

The English version of these Financial Statements represents a translation of the original Financial Statements issued in Romanian language

Contents

AUTONOM SERVICES SA
STATEMENT OF PROFIT AND LOSS
AND OF OTHER ITEMS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED ON 31 December 2021
All amounts in RON, unless otherwise stated

	Notes	2021	2020
Operating lease income		126,237,550	91,056,147
Additional services income	5.1	59,405,906	42,849,951
Rent-a-car income		68,703,939	46,843,245
Income from sale of vehicles		37,207,159	5,947,570
Income from sale of vehicles from rental fleet and rental equipment		78,658,071	45,080,015
Other operating income	6	24,047,926	13,172,171
Total operating income		**394,260,552**	**244,949,099**
Fleet expenses	7	(64,955,367)	(41,239,205)
Cost of vehicles sold		(33,292,249)	(5,557,162)
Cost of cars from rental fleet sold and rental equipment		(71,815,599)	(47,907,694)
Employee benefits expenses	8	(33,393,071)	(25,159,668)
Administrative expenses	9	(3,596,548)	(2,073,097)
Depreciation, amortization and impairment of rental fleet and equipment assets, net	14	(112,425,077)	(81,116,275)
Depreciation, amortization and impairment of other non-current assets	14	(2,773,560)	(3,527,897)
Other operating expenses	10	(16,485,797)	(9,597,390)
Other (losses) / gains – net	11	(4,650,284)	(969,900)
Total operating expenses		**(343,387,552)**	**(217,148,288)**
Operating profit		**50,872,999**	**27,800,811**
Finance costs	12.1	(25,108,036)	(22,138,224)
Finance income	12.2	1,665,616	1,323,947
Profit before tax		**27,430,580**	**6,986,534**
Income tax expense	13	(4,941,208)	(1,714,289)
Profit for the period		**22,489,372**	**5,272,245**
Other comprehensive income		-	-
Total comprehensive income		**22,489,372**	**5,272,245**
Basic and diluted EPS	29	**11.24**	**2.64**

These standalone financial statements on pages 3 to 59 were approved by the Board of Directors and were authorized for issue 19.04 2022.

Mihaela Angela Irimia	SC AVH CONSULTING SRL
Name	Name: Huian Angelica
Chairman of the Board of Directors	Professional body reg. no. 5138

The accompanying notes from 1 to 32 are an integral part of these financial statements.

AUTONOM SERVICES SA
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2021
All amounts in RON, unless otherwise stated

	Notes	31 December 2021	31 December 2020
Assets			
Non-current assets		**672,280,828**	**493,844,112**
Intangible assets	17	155,204	273,729
Rental fleet and rental equipment	14	278,145,403	144,810,762
Right-of-use assets	15	373,235,389	323,312,756
Other property, plant and equipment	14	2,450,245	1,047,470
Investment properties	16	2,104,198	1,591,527
Investments in equity instruments		423,586	423,696
Investments in branches	4	-	14,199,375
Trade receivables	21	443,281	172,554
Loans granted to related parties	25	15,323,521	8,012,243
Current assets		**242,204,603**	**92,009,035**
Inventories	20	4,147,256	1,799,740
Trade receivables	21	24,348,005	17,959,310
Other receivables and current assets	21	12,754,218	4,644,118
Prepayments	21	714,941	701,721
Cash and cash equivalents	22	200,240,184	66,904,146
Total assets		**914,485,431**	**585,853,147**
Equity and liabilities			
Equity			
Share capital called up	23	20,000,000	20,000,000
Other capital reserves	23	28,206,321	14,412,586
Retained earnings		81,172,289	64,032,676
Total equity		**129,378,610**	**98,445,262**
Long-term liabilities		**634,902,324**	**360,662,484**
Interest-bearing loans and borrowings	18	45,383,138	33,762,927
Bonds	18	334,028,717	96,622,374
Lease liabilities	15, 19	227,527,655	212,552,212
Trade and other liabilities	24	4,173,800	3,635,143
Deferred income		10,757,817	6,398,644
Deferred income tax liabilities	13	13,031,196	7,691,184
Current liabilities		**150,204,499**	**126,745,401**
Interest-bearing loans and borrowings	18	28,728,746	46,951,024
Lease liabilities	15	92,313,731	65,482,455
Trade and other liabilities	24	22,022,414	11,443,630
Provisions		548,443	-
Deferred income		6,591,165	2,868,292
Total liabilities		**785,106,823**	**487,407,886**
TOTAL EQUITY AND LIABILITIES		**914,485,431**	**585,853,147**

These standalone financial statements on pages 3 to 59 were approved by the Board of Directors and were authorized for issue on 19.04.2022.

Mihaela Angela Irimia	SC AVH CONSULTING SRL
Name	Name: Huian Angelica
Chairman of the Board of Directors	Professional body reg. no. 5138

The accompanying notes from 1 to 32 are an integral part of these financial statements.

	Share capital called up	Other capital reserves	Retained earnings	Total equity
As of 1 January 2021	**20,000,000**	**14,412,586**	**64,032,676**	**98,445,262**
Profit for the period	-	-	22,489,372	22,489,372
Takeover of legal reserves and other reserves following the merger by absorbtion (Note 4)	-	1,100,842	(1,100,842)	-
Allocation of reserves for the reinvested profit (Note 23)	-	12,294,048	(12,294,048)	-
Other movements in reserves		398,845	(398,845)	-
The net assets acquired following the merger (Note 4)	-	-	8,443,976	8,443,976
On 31 December 2021	**20,000,000**	**28,206,321**	**81,172,289**	**129,378,610**

	Share capital called up	Other capital reserves	Retained earnings	Total equity
As of 1 January 2020	**20,000,000**	**13,086,682**	**60,086,335**	**93,173,017**
Profit for the period	-	-	**5,272,245**	**5,272,245**
Increase in legal reserves and other reserves	-	1,325,904	(1,325,904)	**-**
Acquisition of non-controlling interests	-	-	-	-
On 31 December 2020	**20,000,000**	**14,412,586**	**64,032,676**	**98,445,262**

These standalone financial statements on pages 3 to 59 were approved by the Board of Directors and were authorized for issue 19.04. 2022.

Mihaela Angela Irimia

Name
Chairman of the Board of Directors

SC AVH CONSULTING SRL

Name: Huian Angelica
Professional body reg. no. 5138

AUTONOM SERVICES SA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED ON 31 December 2021
All amounts in RON, unless otherwise stated

	Notes	2021	2020
Operating activities			
Profit before tax		**27,430,580**	**6,986,534**
Adjustments to reconcile the profit before tax with the net cash flows:			
Depreciation of other property, plant and equipment	14	2,773,560	3,527,897
Depreciation of rental fleet and rental equipment	14,15	112,425,077	81,116,275
Net foreign exchange differences	12.1	6,178,151	4,796,638
Loss on disposal of property, plant and equipment		71,254	124,856
Loss/(gain) on disposal of rental fleet - own resources		(6,913,727)	2,437,721
Finance income	12.2	(1,663,217)	(1,323,947)
Interest expense	12.1	18,929,885	17,338,171
Changes in provisions, net		477,043	-
Changes in current assets allowances, net	11	4,173,241	969,900
Working capital adjustments:			
Increase in trade receivables and prepayments		(6,665,294)	(7,862,044)
Increase/(Decrease) in inventories		(2,063,244)	1,508,106
Increase/(Decrease) in other receivable		(7,782,942)	2,531,091
Increase in deferred revenue		7,804,694	3,751,270
Increase in trade and other payables		15,275,802	5,146,607
Purchase of rental fleet and rental equipment	14	(169,089,324)	(91,155,650)
Amounts received for disposal of rental fleet and rental equipment		78,133,588	45,239,037
Interest received		642,687	731.260
Interest paid	19	(18,929,885)	(17,338,171)
Income tax paid		-	-
Net cash flows from operating activities		**61,207,927**	**58,525,102**
Investing activities			
Purchase of intangible assets		-	(243,862)
Purchase of other property, plant and equipment		(577,232)	(1,383,089)
(Purchases)/Reductions in equity instruments		110	(4,050)
Loans granted to related parties	26	(29,007,693)	-
Proceeds from borrowings granted to related parties	26	22,714,545	992,000
Dividend received		2,399	-
Taking over the branch cash		7,709,016	-
Net cash flows used in investing activities		**841,145**	**(639,001)**
Financing activities			
Payment of finance lease liabilities	19	(107,198,933)	(90,773,122)
Proceeds from borrowings	19	187,259,012	53,946,950
Repayment of borrowings	19	(228,254,337)	(48,919,114)
Payment of bond issue costs		(1,824,900)	-
Issuance of bonds	19	239,231,243	-
Net cash flows used in financing activities		**89,212,085**	**(85,745,286)**
Net increase / (decrease) in cash and cash equivalents		**151,261,157**	**(27,859,185)**
Cash and cash equivalents as of 1 January	22	**48,979,027**	**76,838,212**
Cash and cash equivalents as of 31 December	22	**200,240,184**	**48,979,027**

These standalone financial statements on pages 3 to 59 were approved by the Board of Directors and were authorized for issue 19.04 2022.

Mihaela Angela Irimia
Name
Chairman of the Board of Directors

SC AVH CONSULTING SRL
Name: Huian Angelica
Professional body reg. no. 5138

The accompanying notes from 1 to 32 are an integral part of these financial statements.

1. CORPORATE INFORMATION

These standalone financial statements are prepared by Autonom Services SA (hereinafter referred to as "the Enterprise" or "the Company") and comprise the activities of the Company. The standalone financial statements of the Company were authorized for issue in accordance with a resolution of the directors on 19.04.2022.

Autonom Services SA is a privately owned, joint stock company with the main activity of renting and leasing of motor vehicles and light motor vehicles. The company has its headquarters in Piatra Neamt, Fermelor street, no. 4, with points of business in several cities: Alba Iulia, Arad, Bacau, Baia Mare, Bistrita Nasaud, Botosani, Braila, Brasov, Bucharest, Otopeni, Buzau , Cluj, Constanta, Craiova, Deva, Focsani, Galati, Iasi, Miercurea Ciuc, Oradea, Piatra Neamt, Pitesti, Pipera-Voluntari , Ploiesti, Resita, Ramnicu Valcea, Satu Mare, Sibiu, Slatina, Suceava, Targu Mures, Targu Jiu, Timisoara, Tulcea, Odorheiu Secuiesc, Targoviste.

Autonom Services SA is controlled by Autonom International SRL and ultimately by Stefan Dan George and Stefan Marius.

On 30 June 2018, Autonom Services SA acquired control over BT Operational Leasing SA (''BTOL'', ''the Subsidiary''), after completing the purchase of a 99.85% interest in its share capital. In 2020, Autonom Services SA became the sole shareholder of BT Operational Leasing SA, holding 100% of its share capital. BTOL was previously a member of the Banca Transilvania Financial Company and was incorporated as a joint stock company in 2001. The Subsidiary's main activity consisted in renting and leasing of motor vehicles and light motor vehicles and has its headquarters Neamt, Piatra Neamt, Fermelor street, no.4. Effective 1 January 2021, the merger by absorption of BT Operational Leasing by Autonom Services SA was approved, and the company BT Operational Leasing was deregistered from the Trade Register on 4 March 2021.

On 4 December 2019, the Company issued corporate bonds in the amount EUR 20 million which were admitted to trading on the Main Market of the Bucharest Stock Exchange, Bonds segment, trading under the symbol AUT24E. The bonds have a nominal value of EUR 1.000, a maturity of five years and a fixed interest rate 4.45%, p.a. payable annually (see Note 18).

On 23 November 2021, the Company issued corporate bonds in the amount EUR 48 million which were admitted to trading on the Main Market of the Bucharest Stock Exchange, Bonds segment, trading under the symbol AUT26E. The bonds have a nominal value of EUR 10.000, a maturity of five years and a fixed interest rate 4.11%, p.a. payable annually (see Note 18).

The Company's number of employees as of 31 December 2021 was of 358 (on 31 December 2020 the number of employees was of 306).

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation

Statement of Compliance

The standalone financial statements of the Company have been prepared in accordance with Order no. 2.844/2016 approving the Accounting Regulations in accordance with International Financial Reporting Standards, with subsequent amendments and supplements. These regulations are in accordance with International Financial Reporting Standards applicable to financial reporting as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (EU) (IFRSs), with the exception of IAS 21 the effects of changes in foreign exchange rates on the functional currency., and the provisions of IAS 20 Accounting for Government Grants on the recognition of revenue from green certificates, with the exception of IFRS 15 Revenue from Contracts with Customers concerning revenue from fees from connection to the distribution network.

The standalone financial statements have been prepared on a historic cost basis, except for equity investments measured at fair value through profit or loss. The standalone financial statements are presented in Romanian Lei (''RON''), which is also the Company's functional currency, except when otherwise stated.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

For the financial year ending on 31 December 2021, it has also issued consolidated financial statements in accordance with the Order of the Minister of Public Finance no. 2844/2016, approving the accounting regulations compliant with the International Financial Reporting Standards, with all subsequent modifications and clarifications.

Going concern

These standalone financial statements are prepared on a going concern basis. The Management believe that it is appropriate to adopt the going concern basis in preparing the financial statements. The Management based their assessment on the Company's detailed cash flow projections for the period up to 31 March 2023, prepared based on the assumptions which include the estimated impact of COVID-19 pandemic taking into account the information available as at the end of December 2021. These projections take into account the current available cash resources of the Company as of 31 December 2021, the most recent projections of the contracted operating revenues, the anticipated additional operating income from new lease agreements to be concluded during the period covered by the projections, as well as the financing of current contracted debts and the current position of the financial debts as at the reporting date, rental fleet investments, and other commitments.

2.2 Legal merger of the company - parent company and subsidiary

From an International Financial Reporting Standards perspective, a legal merger is in essence an acquisition of assets for which the parent company paid consideration at an earlier point in time (when the parent company acquired or created the subsidiary) (a repurchase of shares held by the subsidiary in exchange for the net assets of the subsidiary). The relinquishment of shares for subsidiary assets essentially represents a change in the parent company's perspective on its investment from a "direct participation in equity" to "reported results and net assets." Therefore, the amounts acknowledged in the consolidated financial statements become the assets' cost for the parent company. As a result, the financial position and the results of the operations of the merged subsidiary should be reflected in the standalone financial statements only from the date on which the merger takes place.

The difference between: (1) the amounts allocated to assets and liabilities in the parent company's standalone financial statements after the legal merger and (2) the accounting value of the investment in the merged subsidiary before the legal merger, is directly accounted for in equity.

In the standalone financial statements, comparative information should no longer be restated to include the merged subsidiary. The financial position and operating results of the merged subsidiary are reflected in the standalone financial statements only from the date on which the merger took place.

The standalone financial statements include the financial statements of the Company and of the absorbed Subsidiary as of 1 January 2021.

2.3 Summary of significant accounting policies

The following are the main accounting policies applied by the Company in preparing its standalone financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3.1. Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current / non-current classification. An asset is current when it is:

- Expected to be realized or intended to sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Represents sash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current assets.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as long-term debt.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.3.2. Fair value measurement

Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarized in the relevant notes.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability;

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits from the asset’s highest and best use or by selling it to another market participant that would utilize the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. This is described, as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- **Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

- **Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.3.3 Revenue recognition

Revenue includes vehicle rental income - operating lease, rent-a-car income, equipment rental income – operating lease, fees from services incidental to operating lease, sales of goods and other rental income.

A) Operating lease (vehicles and equipment) income, rent-a-car income and other operating lease income

Vehicle and equipment rental income

Rental income from operating lease agreements is accounted for on a straight-line basis over the lease terms, based on the total of the contractual payments divided by the number of months of the lease term.

Rent-a-car income is recognized proportionally over the period (number of days of rental in the accounting period) in which the vehicles are rented out based on the terms of the rental contract.

End of contract / termination fees consist of fees charged to clients upon early termination of the lease contracts and are included within this revenue stream.

Other operating lease income

Other rental income is recognized on a straight-line basis over the term of the rental agreement.

B) Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue from services additional to vehicle rental

Services additional to vehicle rental include fees charged for repair and maintenance services, tire changes, replacement car, and insurance services and other contract components. Such services qualify as separate performance obligations and are generally recognized over the term of the contracts, based on the monthly lease instalment as the vehicle is continuously available to the customer and the service is utilized continuously or the customer will have access to the service during the contract term, except for tire changes, which are recognized at a point in time, when such services are provided.

Revenue from sale of vehicles

Revenue from sale of vehicles refers to cars purchased for resale and is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the car.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Proceeds from sale of cars from rental fleet

Revenue from sale of cars from the rental fleet (operating lease contracts and rent-a-car contracts) is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the car.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, customer loyalty points). In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non cash consideration, and consideration payable to the customer (if any).

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables represent unpaid, current lease receivables under existing operating lease contracts or receivables related to inventory sales.

Refer to accounting policies of financial assets in section 2.3.12 Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier) in the Advances from customers line. Contract liabilities are recognized as revenue when the Company performs under the contract. For the Company, advances from customers for cars to be sold qualify as contract liabilities, in accordance with the provisions of IFRS 15.

2.3.4 Foreign currencies

The Company's standalone financial statements are presented in RON.

Transactions in foreign currencies are translated into RON by applying the exchange rates prevailing at the time of the transaction. Monetary assets and liabilities denominated in foreign currencies at year-end are translated to RON at the exchange rates prevailing on that date. Realized and unrealized exchange gains and losses are recognized in profit or loss.

The main foreign currencies used by the Company are EURO ("EUR", "EURO") and American dollar ("USD"). The exchange rates on 31 December 2021 and 31 December 2020 for RON – EUR and RON – USD were:

	31 December 2021	**31 December 2020**
RON – EUR	4.9481	4.8694
RON – USD	4.3707	3.9660

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3.5 Taxes

Current income tax

Current income tax assets and liabilities for the current period and for prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted at the reporting date in Romania, the country where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation, and it establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for: all deductible temporary differences: the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and any unused tax losses that can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss, no deferred tax is recognized, and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss.

Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales tax (VAT and similar taxes)

Revenues, expenses and assets are recognized net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
- When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.3.6 Rental fleet and other property, plant and equipment

The rental fleet, rented equipment, as well as property, plant and equipment for own use are measured at cost less accumulated depreciation and impairment losses.

Cost consists of the purchase price and directly attributable costs.

The assets subject to operating leases and rent-a-car agreements are presented in the balance sheet according to the nature of the asset.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

All repair and maintenance costs are recognized in the profit or loss as incurred.

Depreciation method

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

	Years
Rental fleet - Rental vehicles*	4
Rented equipment and machinery	3 -10
Other furniture, fittings and equipment	3 - 24

*The rental fleet depreciated on a straight-line basis up to their estimated residual values at their expected date of disposal, after taking into consideration the expected conditions on the used car market.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

The residual values, useful lives and methods of depreciation of rental feet, leased equipment and property, plant and equipment, as applicable, are reviewed at each financial year end or during the year if needed and adjusted prospectively.

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

Upon termination of the lease or rental contract, when the Company obtains ownership of these fleet with a management decision to sell, the relevant assets are reclassified to the caption “Inventories” at their carrying amount, as per IAS 16 paragraph 68A recommendations, and the proceeds are recognized as revenues in accordance with IFRS 15.

The depreciation policy for depreciable leased assets (under contracts with a transfer of ownership or purchase option) is consistent with the Company’s normal depreciation policy for similar assets.

2.3.7 Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at historical cost, less accumulated depreciation and impairment.

Investment properties are derecognized either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition. The amount of consideration to be included in the gain or loss arising from the derecognition of investment property is determined in accordance with the requirements for determining the transaction price in IFRS 15.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair accounting value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

2.3.8 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets – see below. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

- **Right-of-use assets**

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Unless the Company is reasonably certain to obtain ownership of the leased asset
at the end of the lease term, the recognized right-of-use assets are
depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. The period ranges from 1.5 years to 4 years.

If ownership of the leased asset (vehicles and equipment) transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, the Right-of-use assets (vehicles and equipment) are depreciated following the depreciation method and estimates applied for owned similar items – please refer to paragraph 2.3.6.

Similar to own rental fleet, upon termination of the lease or rental contract and management decision to sell the vehicles, the relevant assets from right-of-use assets are reclassified to the caption “Inventories” at their carrying amount, as per IAS 16 paragraph 68A recommendations, most often, as simultaneously the vehicle becomes the ownership of the Company.

Right-of-use assets are subject to impairment, disclosed in Note 2.3.11. Refer to the accounting policies in the Impairment adjustments for non-financial assets section.

- **Lease liabilities**

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including fixed payments on the substance) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option if the Company has the reasonable certainty that it will exercise the option, and payments of the penalties for terminating a lease, if the lease term reflects the Company exercising an option to terminate.

The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

- ***Subleases***

The Company is as an intermediate lessor in transactions for which an underlying asset is re-leased by the Company to a third party and the lease between the head lessor and the Company remains in effect.

The Company classifies a sublease as a finance lease or an operating lease as follows:
a. if the head lease is a short-term lease, the sublease is classified as an operating lease;
b. otherwise, the sublease is classified by reference to the right-of-use asset arising from the head lease.

For subleases classified as an operating lease, the Company continues to account for the lease liability and right-of-use asset on the head lease like any other lease. The lease payments from operating subleases are recognized as income on a straight-line basis.

As of 31 December 2021, the Company has no finance subleases.

- **Short-term leases**

The Company applies the short-term lease recognition exemption to its short-term leases of vehicles (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

The company as lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease income are added to the carrying amount of the leased asset and depreciated over the lease term on the same bases as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

The carrying amount of property and equipment under operating lease and rental fleet is depreciated during the lease term or the useful life of the asset. Depreciation is recognized in the statement of profit or loss. The operating lease instalments are recognized in the financial statements in their entirety on a straight-line basis over the lease term. The instalments are classified and presented in the “Operating lease income” revenue category of the statement of profit or loss and other comprehensive income. The Company leases assets to its clients for durations that normally range between three to four years. In all cases, the leased assets are returned to the Company.

2.3.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3.10 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business transaction represents their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortized on a straight-line basis over the useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortizations periods are reviewed at least at each financial year end.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates.

Software, licenses and similar assets are depreciated using the linear method over a three-year period by the Company. The commercial relations with the clients are depreciated on a period of two and a half years.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

2.3.11 Adjustments for impairment of non-financial assets

At each reporting date, the Company reviews the net carrying amounts of property, plant and equipment (leased fleet and equipment and other property, plant and equipment) and intangible assets, right of use assets, investment property to determine whether there is any indication that these assets have suffered impairment losses. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the recoverable amount, which is determined as the higher of an asset's or CGU's fair value less costs to sell and its value in use. The carrying amount is reduced to the recoverable amount, and the difference is recognized as an expense (impairment loss) in the consolidated statement of profit and loss and other comprehensive income.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, an appropriate valuation model is used. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

An impairment loss recognized for an asset in prior years is reversed if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3.12 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

At the date of initial recognition, the Company classifies its financial assets as subsequently measured at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or for which the Company has applied practical cost are measured at transaction price determined in accordance with IFRS 15.
In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

The Company's financial assets are represented solely by loans to related parties and trade and lease receivables and cash and cash equivalents.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date on which the Company commits to purchase or sell the asset.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments);
- Financial assets at fair value through profit or loss.

Financial assets at amortized cost (debt instruments)

This category is the most relevant to the Company and is represented by loans granted to related parties and trade and lease receivables.

The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows

and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method, less impairment.
Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortization is included in ‘’Finance income’’ in profit or loss. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss. This category also includes investments of investment equity that the Company did not irrevocably chosen to classify through other elements of comprehensive income.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired

Or

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

ii) Impairment of financial assets

Disclosures relating to impairment of financial assets are summarized in the following notes:

- Financial instruments risk management (Note 19)
- Trade Receivables (Note 21)

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages: For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months. The value calculated at 12 months represents the loss from the receivable resulting from non-payment events that may occur in the next 12 months. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected from default events that may occur during the estimated life of a financial asset.

For trade receivables the Company applies a simplified approach to the calculation of expected credit losses.

Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Based on the historical data on the collection pattern for overdue receivables in time, the Company has determined a matrix for the provision for the receivables recorded at the reporting date, has adjusted these provisioning rates for factors specific to the debtors and applied this matrix to discount the provision related to the expected losses from receivables.

The provisioning rates are based on the analysis of the actual collection of the receivables, grouped according to relevant criteria in two recent time periods, to conclude on the stability and relevance of the determined loss ratios, as described below.
The following steps have been applied determine the historical rates of loss from receivables:

- Identification of open invoices not collected at the beginning of each collection interval,
- For the above invoices, determination of the remaining amounts to be collected at the end of each reporting interval.
- The expected losses from receivables are determined as amounts not collected at the end of a collection interval, on the assumption that the amounts collected after each interval analyzed can only marginally improve the loss rate.
- The loss rates from receivables are calculated for receivables grouped according to age, as the ratio between the amounts not collected at the end of the analysis interval and the amounts recorded at the beginning of the analysis period, for the same population of invoices.
- The average percentage of estimated loss for 12 months is used to determine the provisioning matrix at the reporting date

The Company considers a financial asset in default when contractual payments are 90 days past due.

However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Comany is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

iii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of financial liabilities measured at amortized cost, net of directly attributable transaction costs.

The Company's financial liabilities include only trade payables measured at amortized cost (trade and other payables as well as loans and borrowings).

Subsequent measurement

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

Trade and other liabilities

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

Trade and other payables with a maturity of 12 months or less are not discounted.

Derecognition

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset with the net amount reported in the statement of financial position only if there is a current enforceable legal right to offset the recognized amounts and an intent to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

2.3.13 Inventories

Inventories, which include vehicles for resale, spare parts, consumables and materials in the form of small inventory, are stated at the lower of cost or net realizable value. At the end of the lease or rental contract the relevant assets become the property of the Company ad they are reclassified from “Rental fleet” or Right of use assets to the caption “Inventories” at their carrying amount. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognized as an expense and reported as a component of cost of sales or as part of fleet and other operating costs in the statement of comprehensive income in the period in which the related revenue is recognized. The amount of any write-down of inventories to net realizable value and all losses of inventories is recognized as an expense in the same component of the standalone statement of profit and loss and other comprehensive income or, in the period the write-down or loss occurs, under the line “Other (losses)/ gains – net**”.**

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3.14 Cash and cash equivalents

Cash, cash equivalents and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits.

For the purpose of the statement cash flows, cash and cash equivalents consist of cash and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.3.15 Prepayments

Prepayments are carried at cost less provision for impairment. A prepayment is classified as non-current when the goods or services relating to the prepayment are expected to be obtained after one year.

Prepayments to acquire current assets are transferred to the carrying amount of the asset once the Company has obtained control of the asset and it is probable that future economic benefits associated with the asset will flow to the Company.

Prepayments to acquire property, plant and equipment are classified as other receivables and current assets. Other prepayments are written off to profit or loss when the goods or services relating to the prepayments are received. If there is an indication that the assets, goods or services relating to a prepayment will not be received, the carrying value of the prepayment is written down accordingly and a corresponding impairment loss is recognized in profit or loss.

2.3.16 Equity

Share capital called up

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are shown as a deduction in equity from the proceeds. Any excess of the fair value of consideration received over the par value of shares issued is recognized as additional paid-in capital.

Dividends

The Company recognizes a liability to make cash or non-cash distributions to owners of equity when the distribution is authorized and the distribution is no longer at the discretion of the Company.

As per the corporate laws of Romania, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3.17 Provisions

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Onerous contracts

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

2.3.18 Employee benefits

The Company, in the normal course of business, makes payments on behalf of its employees for pensions (defined contribution plans), health care, employment and personnel tax which are calculated according to the statutory rates in force during the year, based on gross salaries and wages. Food allowances, travel expenses and holiday allowances are also calculated according to the local legislation.

The cost of these payments is charged to the statement of profit or loss and other comprehensive income in the same period as the related salary cost. Accruals are created for holiday allowances if there are non-used holidays according the local legislation.

The Company does not operate any other pension scheme or post-retirement benefits plan and consequently, has no obligation in respect of pensions.

2.4. Changes in accounting policies starting 1 January 2021

The accounting policies adopted are consistent with those of the previous financial year except for the following amended IFRSs which have been adopted by the Company as of 1 January 2021.

The Company has not early adopted any other standards, interpretations or amendments that have been issued but were not yet effective.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

In August 2020, the IASB published Interest Rate Benchmark Reform – Phase 2, Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, completing its work in response to IBOR reform. The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). In particular, the amendments provide for a practical expedient when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, to require the effective interest rate to be adjusted, equivalent to a movement in a market rate of interest. Also, the amendments introduce reliefs from discontinuing hedge relationships including a temporary relief from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component. There are also amendments to IFRS 7 Financial Instruments: Disclosures to enable users of financial statements to understand the effect of IBOR reform on an entity's financial instruments and risk management strategy. While application is retrospective, an entity is not required to restate prior periods. The application of these Amendments had no impact on the position or financial performance of the Company.

IFRS 16 Leases-COVID 19 Related Rent Concessions (Amendments)

The amendments apply, retrospectively, to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted, including in financial statements not yet authorized for issue on 28 May 2020. IASB amended the standard to provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. The amendment provides a practical expedient for the lessee to account for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under IFRS 16, if the change was not a lease modification, only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
- Any reduction in lease payments affects only payments originally due on or before 30 June 2021.
- There is no substantive change to other terms and conditions of the lease.

The application of these Amendments had no impact on the position or financial performance of the Company.

NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS ISSUED BUT NOT EFFECTIVE FOR THE FINANCIAL YEAR BEGINNING 1 JANUARY 2021 AND NOT EARLY ADOPTED

IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU. Management has assessed that the Amendments application will have no impact on the position or financial performance of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)

Initially, the amendments were supposed to be effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted. However, in response to the COVID-19 pandemic, the Board has deferred the effective date by one year, i.e. 1 January 2023, to provide companies with more time to implement any classification changes resulting from the amendments. The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current or non-current. The amendments affect the presentation of liabilities in the statement of financial position and do not change existing requirements around measurement or timing of recognition of any asset, liability, income or expenses, nor the information that entities disclose about those items. Also, the amendments clarify the classification requirements for debt which may be settled by the company issuing own equity instruments.

In November 2021, the Council published an Exposure Draft, which clarifies the treatment of debts that are subject to financial commitments that must be met, at a date later than the reporting period. In particular, the Council proposes amendments with limited applicability to IAS 1, which effectively revoke the 2020 amendments which imposed a requirement on entities to classify as current liabilities those liabilities that are subject to financial commitments and that are only due within twelve months after the reporting period, if those financial commitments are not met at the end of the reporting period. Instead, the Council proposals would require entities to disclose separately all long-term liabilities subject to financial commitments that only have to be met within twelve months after the reporting period. Also, if entities do not meet such future commitments at the end of the reporting period, additional information will be required to be disclosed. The proposals will be effective for annual reporting periods beginning on 1 January 2024 or after 1 January 2024 and must be applied retrospectively in accordance with IAS 8, while early adoption and application is permitted. The Council also proposed to postpone the date on which the 2020 amendments become effective accordingly, so that entities will not be obliged to change current practices before the proposed amendments become effective. These amendments, including the proposals included in the Exposure Draft, have not yet been adopted by the EU. Management has assessed that the Amendments application will have no impact on the position or financial performance of the Company.

IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual Improvements 2018-2020 (Amendments)

The amendments are effective for annual periods beginning on or after 1 January 2022 with earlier application permitted. The IASB has issued narrow-scope amendments to the IFRS Standards as follows:

- **IFRS 3 Business Combinations** (Amendments) update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- **IAS 16 Property, Plant and Equipment** (Amendments) prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.
- **IAS 37 Provisions, Contingent Liabilities and Contingent Assets** (Amendments) specify which costs a company includes in determining the cost of fulfilling a contract for the purpose of assessing whether a contract is onerous.
- **Annual Improvements 2018-2020** make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases

The amendments have not yet been endorsed by the EU. Management has assessed that the Amendments application will have no impact on the position or financial performance of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

IFRS 16 Leases-Covid 19 Related Rent Concessions after 30 June 2021 (Amendments)

The Amendments apply to annual reporting periods beginning on or after 1 April 2021, with earlier application permitted, including in financial statements not yet authorized for issue at the date the amendment is issued. In March 2021, the Board amended the conditions of the practical expedient in IFRS 16 that provides relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the COVID-19 pandemic. Following the amendment, the practical expedient now applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. Management has assessed that the Amendments application will have no impact on the position or financial performance of the Company,

IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (Amendments)

The amendments are effective for annual periods beginning on or after January 1, 2023 with earlier application permitted. The amendments provide guidance on the application of materiality judgements to accounting policy disclosures. In particular, the amendments to IAS 1 replace the requirement to disclose “significant” accounting policies with a requirement to disclose “material” accounting policies. Also, guidance and illustrative examples are added in the Practice Statement to assist in the application of the materiality concept when making judgements about accounting policy disclosures. Management has assessed that the Amendments application will have no impact on the position or financial performance of the Company.

IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (Amendments):

The amendments become effective for annual reporting periods beginning on or after January 1, 2023 with earlier application permitted and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments introduce a new definition of accounting estimates, defined as monetary amounts in financial statements that are subject to measurement uncertainty. Also, the amendments clarify what changes in accounting estimates are and how these differ from changes in accounting policies and corrections of errors. Management has assessed that the Amendments application will have no impact on the position or financial performance of the Company.

IAS 12 Income taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments)

The amendments are effective for annual periods beginning on or after January 1, 2023 with earlier application permitted. In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12 and specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations. Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal. The amendments have not yet been endorsed by the EU. Management has assessed that the Amendments application will have no impact on the position or financial performance of the Company.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's standalone financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods.

Due to the uncertainty inherent to all measurement processes, these estimates are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

JUDGEMENTS

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

Classification of lease agreements – Company as a Lessor

The Company has entered into rental agreements on its vehicles' portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the vehicles and the present value of the minimum lease payments not amounting to substantially all of the fair value of the vehicle, that it retains all the significant risks and rewards of ownership of the vehicles and accounts for the contracts as operating leases.

The same judgment is applicable for the portfolio of equipment agreements.

ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Review of useful lives and residual values of rental fleet assets.

The basis for the depreciation of an item of the fleet of rented vehicles owned by the Company under operating lease contract is the acquisition cost less the estimated residual value, in combination with the estimated useful life of the item.

The management is required to assess the residual value and the useful life of an asset at least at each financial year-end and evaluate if there are any specific impairment adjustments required. Depending of the results of such analysis, changes may be accounted as a change in accounting estimate through prospective depreciation or as a specific impairment.

The determination of any impairment adjustment with regard to operating lease assets (rental feet) is primarily dependent on how the residual value that may be obtained at the end of the lease is affecting the recoverable value. These estimates may have a material impact on the amount of the carrying values of assets rented to clients (rental feet) and on depreciation recognized in the income statement.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

The Company closely monitors changes in the contractual residual values used in operating leases, both for the rental feet owned by the Company and for the rental feet resulting from leases classified as right of use assets (for which the transfer of ownership or an option to purchase is provided).

Residual values are estimated based on the selling value at the end of the contracts and are mostly influenced by number of km driven, manufacturer, state of the vehicle, as well as the situation of the used-vehicles markets at the date when the vehicles are sold, etc. The Company has reviewed the residual values of its rental fleet as of 31 December 2021, taking into consideration both internal and external factors, including the impact of the pandemic on the secondhand market.

Similar estimates are made for vehicles that are obtained under lease contracts (Company as lessee) for which the Company has the right to obtain ownership at the end of the lease agreements and intends to exercise this right. Such right-of-use assets are depreciated on similar policy as the one described above, with similar estimates when it comes to residual value and estimated useful lives of the items.

As of 31 December 2021, the residual values is between 15% to 57% (31 December 2020: 44% and 46%).

Adjustments for the impairment of cars from the rental fleet

In the annual assessment of whether there is any indication that an asset may be impaired, the Company considers both external as well as internal sources of information. If such indication for impairment exists, an analysis is performed to assess whether the carrying value of the asset (rental feet owned or disclosed as right-of-use assets) exceeds the recoverable amount, which is the higher of the fair value less costs to sell and the value in use.

The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length for similar assets or observable market prices less incremental costs for disposing of the asset.

The value in use is determined as the present value of the future cash flows expected to be derived from the item or cash generating unit.

During 2020, the Company recorded a net impairment adjustment in an amount RON 1,407 thousand, for both the fleet owned and the vehicles purchased under lease agreements (right-of-use assets). During 1 January – 31 December 2021, net adjustments for reversal of impairment (a decrease) in an amount RON 79 thousand related to own fleet and right-of-use assets were recorded.

For details, please refer to Note 14.

Inventories – cars – net realizable value

The inventories are valued considering their net realizable value. Such values are determined based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. After reclassification from Property, Plant and Equipment or from Right-of-Use Assets the impairment adjustments are recorded under “Other gains/losses – net”.

Impairment losses on trade receivables

The measurement of the ECL allowance for financial assets is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses). Judgement is required from management for applying appropriate models and setting assumptions for the measurement of ECL.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

The methodology and assumptions, including any forecasts of future economic conditions, are reviewed regularly by management. Details about the assumptions and estimation techniques used in measuring ECL for operating lease receivables and trade receivables from operating lease contracts are further provided in section ''Credit risk'' in Note 19. The impairment models are subject to annual review to ensure they remain current and fit for purpose and the use and performance continue to meet the Company's standards.

4. LEGAL MERGER WITH SUBSIDIARY BT OPERATIONAL LEASING SA

Autonom Services SA acquired BT Operational Leasing SA on 30 June 2018 for an initial purpose of merging the two entities and benefiting from the synergies. Due to operational reasons related to the different counties the two entities operate in, that required changing vehicle id cards (administrative procedures that need to be completed with the State's authorities and required immobilizing the entire fleet of BT Operational Leasing SA for several days), BT Operational Leasing SA continued its own operations until 1 January 2021 – see below. Since the acquisition date, the management's intention was that, gradually, customers would be transferred to Autonom Services entity (parent entity) as existing lease contracts end in the subsidiary.

Starting 17 September 2020, Autonom Services became the sole shareholder of BT Operational Leasing, redeeming the shares held by minority shareholders. Effective 1 January 2021, the merger by absorption of BT Operational Leasing by Autonom Services SA was approved, and the company BT Operational Leasing was deregistered from the Trade Register on 4 March 2021. Under this action, the absorbed company's assets and liabilities as of 1 January 2021 were taken over in full.

This reorganization had no impact on the consolidated financial statements for the fiscal year ended on 31 December 2021, but in the standalone financial statements, the financial position and results of operations of the absorbed subsidiary have been reflected only as of the date the merger took place (1 January 2021), while the comparative information only includes the financial position and results of operations of the Company.

The result of the merger is shown in the table below:

Category	Notes	Assets	Debts	Equity
Intangible assets	17	51,224		
Rental fleet and rental equipment	14	57,286,570		
Right-of-use assets	15	657,596		
Trade receivables		3,629,630		
Other receivables and current assets		327,158		
Prepayments		310,746		
Cash and cash equivalents		7,709,016		
Interest-bearing loans and borrowings	19		44,226,769	
Lease liabilities	15		779,901	
Trade and other liabilities			1,574,363	
Deferred income			277,352	
Deferred income tax liabilities	13		398,804	
Provisions			71,400	
Share capital called up				3,494,000
Other capital reserves				1,100,842
Retained earnings				18,048,509
Total		**69,971,940**	**47,328,589**	**22,643,351**
Previously held equity securities				(14,199,375)
The net assets acquired following the merger				8,443,976

5. INCOMES

Details of the Company's revenues by type of goods and services are included directly in the consolidated statement of profit and loss and comprehensive income, where revenues from operating leases, fees from services incidental to operating lease (see also details in Note 5.1), rent-a-car income, revenues from the sale of goods and other operating revenues (see also details in Note 6) are disclosed separately.

The Company has a large portfolio of clients (there is no client with a share of 10% or more of the revenues).

Below table presents Company's revenues based on the geographical location of the clients:

	2021		2020	
	Operating leasing income, rent-a-car income, additional service income and other operating income	**Income from the sale of motor vehicles (from the car fleet and rental equipment)**	**Operating leasing income, rent-a-car income, additional service income and other operating income**	**Income from the sale of motor vehicles (from the car fleet and rental equipment)**
Domestic	275,816,692	73,198,820	192,615,847	49,589,464
External, out of which:	2,578,630	42,666,410	1,305,667	1,438,121
Great Britain	-	-	*39,510*	-
European Union	*2,578,630*	*42,666,410*	*1,266,156*	*1,438,121*
Austria	7,490	-	-	-
Belgium	(2,815)	1,586,387	-	-
Bulgaria	96,068	1,432,107	122,625	-
Cyprus	33,724	-	133,047	-
The Czech Republic	95,694	-	72,820	-
Germany	134,697	21,224,734	108,950	251,152
Estonia	34,907	1,305,881	16,366	-
France	181,869	6,848,864	-	-
Greece	5	2,269,783	-	803,544
Croatia	38,012	-	72,144	-
Hungary	195,488	-	185,732	-
Ireland	1,239,157	-	243,249	-
Italy	74,002	5,092,053	57,461	232,140
Lithuania	1,958	-	-	-
Luxembourg	18,619	-	23,713	-
Latvia	238,779	-	185,050	-
The Netherlands	39,743	-	31,250	-
Poland	62,280	689,410	-	-
Portugal	88,954	2,217,191	13,749	-
Sweden	-	-	-	151,285
TOTAL OPERATING INCOME:	**278,395,322**	**115,865,230**	**193,921,514**	**51,027,585**

5.1 INCOME FROM ADDITIONAL SERVICES

	2021	2020
Income from maintenance, repairs, insurance and road taxes	47,524,725	34,279,961
Other contractual components	11,881,181	8,569,990
Total	**59,405,906**	**42,849,951**

6. OTHER OPERATING INCOME

	2021	2020
Penalties	1,951,542	2,132,917
Car damage compensation	7,918,468	1,967,898
Grant income received	142,984	-
Other income	13,602,387	8,975,300
Other rental income	432,544	96,053
Total	**24,047,926**	**13,172,171**

Other income relates to various different amounts reinvoiced to clients and fuel reinvoicing, as well as sundry reinvoicing to related parties. The increase in operating income from claims is as a result of improvements in the claims handling process by insurance companies.
The change in the other income line is due to the increase in the fleet following the Company's merger with its subsidiary BTOL (see Note 4) which generated income from various other additional services during 2021.

7. FLEET EXPENSES

	2021	2020
Fuel	7,097,261	4,935,437
Spare parts	17,934,053	11,981,354
Repairing, maintenance, reconditioning	19,130,084	12,515,248
Rental feet operation expenses	4,700,616	1,167,929
Insurance expenses	14,376,957	9,277,916
Other consumables expenses	114,670	135,818
Car registration and other fees	529,821	185,240
Vehicle sanitization	997,560	943,773
Parking fees expenses	74,345	96,490
Total	**64,955,367**	**41,239,205**

8. EMPLOYEE BENEFIT EXPENSES

	2021	2020
Salaries	31,297,522	23,468,046
Social security contributions and other taxes	785,848	656,436
Meal ticket expenses	1,309,701	1,035,186
Total	**33,393,071**	**25,159,668**

9. ADMINISTRATIVE EXPENSES

	2021	2020
Telecommunication expenses	310,541	445,938
Head office expenses	611,029	523,883
Sales and marketing expenses	1,144,115	759,499
Administrative offices rent	1,530,863	343,777
Total	**3,596,548**	**2,073,097**

10. OTHER OPERATING EXPENSES

	2021	2020
Other third-party services (Note 10.1)	6,709,913	4,091,965
Fees and taxes	800,324	350,614
Transport of goods and personnel	357,301	275,004
Travel expenses	592,570	350,104
Bank and similar fees	617,172	388,183
Other taxes, duties and similar charges	4,178,507	2,892,165
Sundry expenses	67,539	129,522
Donations and subsidies granted	3,127,937	803,804
Other expenses	34,534	316,029
Total	**16,485,797**	**9,597,390**

10.1. Third-party services expenses

	2021	2020
Training courses	522,016	177,611
IT Services	1,634,749	1,188,338
Legal services	391,546	143,545
Medical services	220,663	148,079
Protocol	389,231	157,299
Human resources services	15,890	-
Audit and consultancy	1,015,831	816,600
Security	430,814	121,817
Other services	2,089,172	1,338,680
Total	**6,709,913**	**4,091,965**

11. OTHER (LOSSES) / GAINS - NET

	2021	2020
Provisions for risks and expenses, net	612,322	-
Adjustments for inventories reversal	(284,272)	-
Trade receivables impairment	4,322,234	969,900
Total	**4,650,284**	**969,900**

Inventory reversal adjustments represent the amount recognized in the prior year from the measurement at the lower of cost and net realizable value for cars that were sold during 2021.

12. FINANCE INCOME / COSTS

12.1. Finance costs

	2021	2020
Interest for liabilities and loans	9,478,083	8,321,540
Interest for lease liabilities	9,451,802	9,020,046
Foreign exchange loss	6,178,151	4,796,638
Total finance costs	**25,108,036**	**22,138,224**

The variance in interest expense from 2020 until 2021 takes into account the higher number of vehicles for which Autonom Services SA obtained financing as of 31 December 2021 on more favorable terms.

The foreign exchange losses relate to the entity having loans in EUR and a large balance of lease liabilities, most of which are denominated in EUR, and which are revalued at the functional currency at the end of the period.

The table below shows a comparison between the average EUR/RON exchange rate and the spot rate in the current period and in the comparative period of the prior year.

Exchange rate/Date	2021	2020
Spot	4.9481	4.8694
Variance	1.02%	1.9%
Average	4.9204	4.8371
Variance	1.02%	1.9%

12.2. Finance income

	2021	2020
Interest income	1,663,217	1,323,947
Dividends income	2,399	-
Total finance income	**1,665,616**	**1,323,947**

The variance in the interest income from 2020 until 2021 takes into account the effective interest rate on loans granted to related parties.

13. INCOME TAX

The main components of income tax expense for years ended on 31 December 2021 and 31 December 2020 are:

	2021	2020
Current income tax:		
Current income tax charge	-	-
Deferred tax:		
Relating to initial recognition and reversal of temporary differences	(4,941,208)	(1,714,289)
Income tax expense reported in the statement of profit and loss and other comprehensive income	**(4,941,208)**	**(1,714,289)**

13. INCOME TAX (continued)

A reconciliation between tax expense and the product of accounting profit multiplied by Romania's domestic tax rate for the years ended on 31 December 2021 and 31 December 2020 is as follows:

	2021	2020
Accounting profit before income tax	**27,430,580**	**6,986,534**
At statutory income tax rate of 16%	(4,388,893)	(1,178,454)
Non-deductible expenses for tax purposes	(2,519,363)	(853,812)
Legal reserve deduction	-	45,223
Other profit tax exemptions	1,967,047	212,145
Income tax reported in statement of profit and loss and other comprehensive income(expense)	**(4,941,208)**	**(1,714,289)**

Reconciliation of net deferred tax liabilities	**2021**	**2020**
1 January – liability	**(7,691,184)**	**(5,976,895)**
Tax expense/ credit during the period recognized in profit or loss	(4,941,208)	(1,714,289)
Taking over the deferred income tax of the subsidiary at the merger	(398,804)	-
31 December – liability	**(13,031,196)**	**(7,691,184)**

Income tax deferred

The deferred tax reconciliation with corresponding items in the statement of comprehensive income is as follows:

	Statement of financial position		Statement of comprehensive income	
	31 December 2021	31 December 2020	2021	2020
Taking over the deferred income tax of the subsidiary at the merger (from property, plant and equipment)	(398,804)	-	-	-
Property, plant and equipment and right-of-use assets	(12,632,392)	(8,978,430)	3,653,962	927,879
Impairment of trade receivables	-	478,240	478,240	221,943
Deferred income	-	608,065	608,065	273,383
Other	-	200,941	200,941	291,084
Deferred tax expense/ (income)			**4,941,208**	**1,714,289**
Net deferred tax liabilities	**(13,031,196)**	**(7,691,184)**		

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

14. PROPERTY, PLANT AND EQUIPMENT

As of 31 December 2021, the gross book value of fully depreciated property, plant and equipment that were still in use is RON 98,216,992 (31 December 2020: RON 37,966,206).

	Land	Furniture and fittings	Rental fleet and rental equipment	Constructions in progress (CIP)	Total
Cost					
Balance on 1 January 2020	**564,542**	**1,834,994**	**110,183,811**	**-**	**112,583,347**
Additions	-	585,881	89,228,205	797,208	**90,611,294**
Transfer to other asset categories	-	774,208	-	(774,208)	**-**
Transfers to inventories	-	-	8,859,837	-	**8,859,837**
Disposals		600,548	5,730,057	-	**6,330,605**
Balance on 31 December 2020	**564,542**	**2,594,535**	**184,822,122**	**23,000**	**188,004,199**
Additions	879,237	144,603	167,593,048	541,927	**169,158,815**
Acquisition by merger of subsidiary assets (Note 4)			129,639,557		**129,639,557**
Transfer to other asset categories	-	-			**-**
Transfers to inventories	-	-	77,741,508	-	**77,741,508**
Disposals	-	231,146	5,107,764	-	**5,338,910**
Balance on 31 December 2021	**1,443,779**	**2,506,991**	**399,205,454**	**564,927**	**403,721,152**
Accumulated depreciation and impairment					
Balance on 1 January 2020	**-**	**1,715,838**	**25,275,220**	**-**	**26,991,058**
Depreciation expense	-	894,461	21,041,572	-	**21,936,032**
Impairment expense, net	-	-	190,618	-	**190,618**
Transfers to inventories	-	-	3,447,692	-	**3,447,692**
Disposals	-	475,691	3,048,357	-	**3,524,049**
Balance on 31 December 2020	**-**	**2,134,607**	**40,011,360**	**-**	**42,145,968**
Depreciation expense	-	161,992	48,555,959		**48,717,952**
Acquisition by merger of subsidiary assets (Note 4)			72,352,987		**72,352,987**
Impairment expense, net	-	-	1,020,986		**1,020,986**
Transfers to inventories	-	-	38,488,625		**38,488,625**
Disposals	-	231,146	2,392,618		**2,623,764**
Balance on 31 December 2021	**-**	**2,065,454**	**121,060,051**		**123,125,505**
Net book value as of 31 December 2020	**564,542**	**459,928**	**144,810,762**	**23,000**	**145,858,232**
Net book value as of 31 December 2021	**1,443,779**	**441,538**	**278,145,403**	**564,927**	**280,595,648**

14. PROPERTY, PLANT AND EQUIPMENT (continued)

As of 31 December 2020, from the total rental fleet and rental equipment, RON 28,702 thousand represent rental equipment and RON 116,109 thousand represent rental fleet vehicles.

As of 31 December 2021, from the total rental fleet and rental equipment, RON 63,142 thousand represent rental equipment and RON 215,004 thousand represent rental fleet vehicles.

Property, plant and equipment impairment

In 2020, following the management's analysis, specific impairment provisions amounting to RON 1,407,622 were recorded for the entire fleet of cars - including those disclosed as right of use.

In the period from 1 January to 31 December 2021, net depreciation adjustments (decrease of the depreciation adjustment in the balance as of 31 December 2020) of RON 79 thousand were recorded in relation to the own fleet of vehicles and equipment and assets related to the right of use as a result of the change in the average transaction prices of used cars and equipment as well as due to general market developments. The computer chip shortage has led to a drop in the production of new cars and therefore in the dealers' stocks and to very long delivery times of even above 12 months for some producers. Buyers have therefore turned to the second-hand market, and the increased demand has led to higher prices.

The summary of depreciation, amortization and impairment of non-current assets for the financial years 2021 and 2020 is included in the table below:

	2021	2020
Depreciation of rental fleet and rented equipment	48,555,959	21,041,572
Amortization of right-of-use assets	63,948,053	58,667,081
Adjustments for the impairment of right-of-use assets and rental fleet, net	(78,936)	1,407,622
Depreciation and impairment adjustment for rental fleet and equipment	**112,425,077**	**81,116,275**
Depreciation of investment properties	67,329	59,869
Amortization of right-of-use assets for buildings	2,374,489	2,529,444
Depreciation of other assets	161,992	894,461
Depreciation of other non-current assets	169,749	44,124
Depreciation, amortization and impairment of other non-current assets	**2,773,560**	**3,527,897**
Total	**115,198,636**	**84,644,172**

15. RIGHT-OF-USE ASSETS

Below are detailed the carrying amounts of the right-of-use assets and lease liabilities and the changes during the period:

	Right-of-use assets			
	Buildings	**Tangible assets - fleet**	**Total**	**Lease liabilities**
On 1 January 2020	**4,818,690**	**315,666,015**	**320,484,704**	260,991,067
Additions	1,458,817	104,587,315	**106,046,132**	106,046,132
Depreciation expense	(2,529,444)	(58,667,081)	**(61,196,525)**	-
Impairment expense	-	(1,217,003)	**(1,217,003)**	-
Transfer to inventories (net)	-	(38,749,150)	**(38,749,150)**	-
Disposals	(30,994)	(851,403)	**(882,397)**	
Interest expense	-	-	**-**	9,020,046
Early termination of lease agreements	-	(1,173,005)	**(1,173,005)**	(1,173,005)
Foreign exchange rate	-	-	**-**	2,943,595
Payments		-	**-**	(99,793,168)
On 31 December 2020	**3,717,069**	**319,595,688**	**323,312,756**	**278,034,667**
Out of which:				
Current				65,482,455
Long term				212,552,212

	Right-of-use assets			
	Buildings	**Tangible assets - fleet**	**Total**	**Lease liabilities**
On 1 January 2021	**3,717,069**	**319,595,688**	**323,312,756**	**278,034,667**
Additions	1,625,259	144,481,670	146,106,929	146,106,929
Acquisition of assets and liabilities of the subsidiary (Note 4)	-	657,596	657,596	779,901
Depreciation expense	(2,374,489)	(63,948,053)	(66,322,542)	-
Adjustments for the impairment of right-of-use assets, net	-	1,099,922	1,099,922	-
Transfer to inventories (net)	-	(30,049,423)	(30,049,423)	-
Disposals	(22,231)		(22,231)	-
Interest expense				9,451,803
Early termination of lease agreements		(1,547,619)	(1,547,619)	(1,547,619)
Foreign exchange rate				3,666,440
Payments of principal and interest				(116,650,736)
On 31 December 2021	**2,945,608**	**370,289,781**	**373,235,389**	**319,841,386**
Out of which:				
Current				92,313,731
Long term				227,527,655

As of 31 December 2021, the amounts pledged are of RON 588,457,051– at acquisition value (31 December 2020: RON 476,047,396).

The Company recognized rent expenses from short-term leases amounting to RON 1,122,581 (on 31 December 2020: RON 151.057). No leases of low-value assets nor variable lease payments for the period ended on 31 December 2021.

At the end of the lease agreements the vehicles recorded as right-of-use become the property of the Company and they are used for rent-a-car activity or transferred to inventories to be sold. The assets acquired under finance leases are pledged in favor of the leasing companies.
The available amounts not drawn and related to the lease agreements signed with financial leasing institutions as of 31 December 2021 amount to EUR 17,649,052 (as of 31 December 2020: EUR 7,741,082).

16. INVESTMENT PROPERTIES

	Investment properties
Cost	
On 1 January 2020	**1,732,465**
Additions	4,695
Disposals	-
On 31 December 2020	**1,737,160**
Additions	580,001
Disposals	-
On 31 December 2021	**2,317,161**
On 1 January 2020	**81,069**
Depreciation expense	64,564
Disposals	-
On 31 December 2020	**145,633**
Depreciation expense	67,329
Disposals	-
On 31 December 2021	**213,963**
Net book value	
On 31 December 2020	**1,591,527**
On 31 December 2021	**2,104,198**

The fair value of the investment property on 31 December 2021 amounts to RON 2,251,600 for buildings (on 31 December 2020: RON 1.977,400).

Investment properties refer to buildings rented to related parties of the Company. Rental income from investment property is presented in Note 7 ‘’Other operating income’’, under ‘’Other rental income’’.

Investment properties are impaired on a straight-line basis over a period between 32-60 years.

The fair value of investment properties was determined, by an independent authorized valuator, using the income approach, with the most significant unobservable inputs being the rent per square meter (ranging between EUR 2 – 3.15) and the discount rate used of 11%.

The investment property is pledged in favor of a bank as a guarantee for the financing received.

17. INTANGIBLE ASSETS

	Licenses and other intangibles
Cost	
On 1 January 2020	**608,702**
Additions	243,862
Outflows	-
On 31 December 2020	**852,564**
Additions	-
Taking over the assets of the subsidiary	409,946
Outflows	-
On 31 December 2021	**1,262,510**
Cumulated amortization	
On 1 January 2020	**534,711**
Depreciation expense	44,124
Outflows	-
On 31 December 2020	**578,835**
Depreciation expense	169,749
Taking over the assets of the subsidiary	358,723
Outflows	-
On 31 December 2021	**1,107,306**
Net book value	
On 31 December 2020	**273,729**
On 31 December 2021	**155,204**

In the period 01 January - 31 December 2021 the increase in the gross value of software licenses was 409,946 RON, coming from the merger with the subsidiary BT Operational Leasing.

18. INTEREST-BEARING LOANS AND BORROWINGS

	31 December 2021	31 December 2020
Long-term loans and borrowings		
Long term loans	45,383,138	33,762,927
Bonds – unsecured fixed rate	334,028,717	96,622,374
Sub-total	**379,411,855**	**130,385,301**
Current		
Accrued interest for bonds	1,636,978	613,950
Short-term bank loans and accrued interest	27,091,768	46,337,074
Sub-total	**28,728,746**	**46,951,024**
Total interest-bearing loans and borrowings	**408,140,601**	**177,336,325**

18. INTEREST-BEARING LOANS AND BORROWINGS (continued)

Bank	Type	Maturity for the last instalment	Balance in bank currency at 31 December 2021	Currency	RON on 31 December 2021	Short term	Long term
Bank K	Car purchase line	08/09/2023	851,137	EUR	4,211,512	2,727,163	1,484,349
Bank F	Car purchase line	28/02/2025	4,567,365	RON	4,567,365	2,137,332	2,430,033
Bank G	Equipment investment loan	28/07/2025	161,025	EUR	796,771	115,495	681,276
Bank G	Car investment loan	07/05/2023	148,192	RON	148,192	140,155	8.037
Bank B	Car purchase line	30/01/2026	31,886,355	RON	31,886,355	7,318,913	24,567,442
Bank C	Car purchase line	17/08/2026	5,295,847	RON	5,295,847	1,681,916	3,613,931
Bank H	Car purchase line	10/03/2026	1,162,720	EUR	5,753,254	2,311,387	3,441,867
Bank I	Car purchase line	31/03/2026	501,140	RON	501,140	95,455	405,685
Bank D	Investment loan	84 months of the contract signing date but not later than 10/07/2025	1,592,592	EUR	7,880,304	2,199,156	5,681,149
Bank M	Car and equipment purchase line	05/06/2024	990,766	RON	990,766	396,306	594,460
Bank E	Equipment line	02/10/2025	1,198,658	RON	1,198,658	312,693	885,965
Bank N	Car and equipment purchase line	28/11/2025	243,022	EUR	1,202,499	307,021	895,478
Bank B	Investment loan	30/11/2023	1,430,824	EUR	7,079,858	7,079,858	-
Bank B	Credit line	12/11/2022	65,952	RON	65,952	65,952	-
Bank O	Credit line	29/06/2026	181,167	EUR	896,432	202,966	693,466
Bank B	Interest on bonds		330,830	EUR	1,636,978	1,636,978	
	AUT24E bonds		20,000,000	EUR	98,387,780	-	98,387,780
	AUT26E bonds		48,030,000	EUR	235,640,937		235,640,937
Total:				**RON**	**408,140,601**	**28,728,746**	**379,411,855**

18. INTEREST-BEARING LOANS AND BORROWINGS (continued)

Bank	Type	Maturity for the last instalment	Balance in bank currency at 31 December 2020	Currency	RON on 31 December 2020	Short term	Long term
Bank D	Overdraft	04/05/2021	6,669,513	RON	6,669,513	6,669,513	-
Bank D	Investment loan	84 months of the contract signing date, maximum 10.07.2025	2,037,037	EUR	9,919,148	2,164,178	7,754,970
Bank J	Overdraft	19/10/2020	2,642,852	RON	2,642,852	2,642,852	-
Bank E	Overdraft	28/11/2020	8,612,753	RON	8,612,753	8,612,753	-
Bank E	Equipment line	02/08/2024	2,351,287	RON	2,351,287	1,131,461	1,219,826
Bank H	Car purchase line	03/03/2023	2,873,663	RON	2,873,663	2,873,663	-
Bank H	Car purchase line	03/03/2023	1,383	EUR	6,734	6,734	-
Bank G	Credit line	23/07/2020	2,489,000	RON	2,489,000	2,489,000	-
Bank G	Car investment loan	05/07/2023	483,417	RON	483,417	446,300	37,117
Bank G	Equipment investment loan	05/07/2022	297,755	RON	297,755	297,755	-
Bank G	Equipment investment loan	27/07/2025	261,352	EUR	1,272,628	602,704	669,924
Bank B	Credit line	13/11/2021	3,235,509	RON	3,235,509	3,235,509	-
Bank B	Car and equipment purchase line	14/11/2025	23,222,874	RON	23,222,874	6,404,942	16,817,932
Bank F	Car purchase line	30/05/2020	8,162,529	RON	8,162,529	4,564,641	3,597,888
Bank C	Car purchase line	Max. 57 months of the date of each use expressed by the application for use reimbursement	2,842,390	RON	2,842,390	1,966,555	875,835
Bank I	Car purchase line	13/1/2022	1,026,590	RON	1,026,590	512,010	514,580
Bank M	Car and equipment purchase line	13/1/2022	2,493,273	RON	2,493,273	1,341,983	1,151,290
Bank N	Car and equipment purchase line	19/07/2023	307,653	EUR	1,498,086	374,521	1,123,565
Bank S	Bonds		20,000,000	EUR	96,622,374	-	96,622,374
Bank S	Interest on bonds				613,950	613,950	-
				RON	177,336,325	46,951,024	130,385,301

18. INTEREST-BEARING LOANS AND BORROWINGS (continued)

Unsecured corporate bonds

In November 2019, the Company issued a EUR 20 million unsecured Eurobond. The five-year euro-denominated Bonds mature on 5 November 2024 and carries a fixed interest rate 4.45%. The first interest coupon was settled on 5 November 2020.
On November 2021, the Company issued corporate bonds in the amount EUR 48 million which were admitted to trading on the Main Market of the Bucharest Stock Exchange, Bonds segment, trading under the symbol AUT26E. The bonds have a nominal value of EUR 10.000, a maturity of five years and a fixed interest rate 4.11%, p.a. payable annually.

This round of bonds includes a step-up adjustment mechanism. This adjustment mechanism is linked to a certain level of CO2 emissions per vehicle (115.13 gCO2/km per vehicle) which must be reached by 31 December 2025 in order to maintain the interest rate of 4.11% inclusive for the final year. If the CO2 emission level is above 115.13 gCO2/km on 31 December 2025, the Company will pay an interest rate of 4.41% for the last year (base rate of 4.11% plus 0.30%). Within 4 months time from the Performance Observation deadline the Company will have to report on the level of emissions, which will be audited by Sustainalytics.

Financial covenants on unsecured fixed rate bonds are calculated using the financial information from the standalone financial statements of the Company and include the Consolidated Interest Coverage Ratio, with minimum value of 4% and Net Financial Debt / EBITDA which should be at most 3.5 or equal to this value for the AUT24E bonds and at most 4 or equal to this value for the AUT26E bonds.

Sustainability performance target: reducing average CO2 emissions across the operational fleet by 25% by 2025, which is a medium term objective.

The financial covenants related to the bond are assessed on an annual basis and were met as of 31 December 2020 and as of 31 December 2021.

Interest rate:
The interest rates for the borrowings in local currency are ROBOR 1M and ROBOR 3M plus fixed margin as negotiated with the banks. For the borrowings denominated in foreign currency are EURIBOR 3M and EURIBOR 6M plus fixed margin negotiated with the banks.

Interest bearing loans and borrowings covenants (other than bonds):

Most of the Company's credit agreements with banks have been amended so that all provisions relating to financial ratios are aligned with the provisions of the bond issue prospectus, i.e. the ratios in the consolidated financial statements will be taken into account, i.e. the Interest Coverage Ratio , which must be at least 4% and Net Financial Debt/EBITDA , which must be at most 3.5 or equal to this value.
Breaches in meeting the covenants would permit the Banks to immediately call loans and borrowings.

As of 31 December 2020, all covenants in the loan agreements signed with the banks were fulfilled, with one exception, a credit facility in the amount RON 2,642 thousand. This amount was already recorded as short-term liability, representing a loan contract in the table above. In March 2021, an addendum was signed for this loan agreement amending the ratios to align with those in the bond prospectus.

As of 31 December 2021, the ratios related to the covenants in the loan agreements signed with the banks and which are, most of them, assessed on an annual basis as of 31 December, were met.

18. INTEREST-BEARING LOANS AND BORROWINGS (continued)

Pledges:

Except for the bonds, which are unsecured, all loans with the banks are secured with pledges on property, plant and equipment (Note 14), investment property (Note 16), cash and cash equivalents (Note 22) and receivables (Note 21).

At 31 December 2021, the Company had available undrawn committed borrowing facilities in an amount RON 107,103,737 and EUR 14,458,422 (31 December 2020: RON 45,593,315 and EUR 11,742,361) thus being able to respond to any unforeseen cash needs.

19. FINANCIAL INSTRUMENTS RISK MANAGEMENT

The Company's principal financial liabilities comprise loans and borrowings, including finance leases and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets are represented by loans to related parties and shareholder, trade and other receivables and cash and short-term deposits that derive directly from its operations, as well as long-term deposits to guarantee rent payables.

The Company is exposed to interest rate risk, foreign exchange risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's management ensures that the Company's financial risk activities are performed under appropriate procedures and that financial risks are identified, measured and managed in accordance with Company's risk appetite.

Interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. Trade and other receivables and payables are non-interest-bearing financial assets and liabilities. The borrowings are usually exposed to interest rate risk through market value fluctuations of interest-bearing long-term and short-term credit facilities. Except for the bonds contracted by the Company, interest rates on the Company's debt finance are variable. The interest rates on credit facilities of the Company are disclosed in Note 18. Changes in interest rates impact primarily loans and borrowings by changing their future cash flows (variable rate debt). Management policy is to resort mainly to variable rate financing. However, at the time of rising new loans or borrowings management uses its judgment to decide whether it believes that fixed or variable rate would be more favorable to the Company over the expected period until maturity.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates. With all other variables kept constant, the Company's profit before tax and equity is affected by the impact on floating rate borrowings, as follows:

	Increase in basis points	Effect on profit before tax
2021	1%	**(3,913,941)**
RON		(454,106)
EUR		(3,459,834)
2020	1%	**(3,567,165)**
RON		(994,296)
EUR		(2,572,869)

19. FINANCIAL INSTRUMENTS RISK MANAGEMENT (continued)

The Company does not hedge its interest rate risk.

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment. An equal decrease of the interest rate would have the same effect but of opposite impact.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's financing activities, loans and leases, as the financing obtained by the Company is expressed in EUR. contracted by the Company is Euro based. The vast majority of revenues, expenses, trade and other receivables and payables is in RON. The Company monitors the currency risk by following changes in exchange rates in currencies in which its intercompany balances and external debts are denominated. The Company does not have formal arrangements to mitigate its currency risk.

The Company hold the following assets and liabilities in foreign currency.

31 December 2021

	Total RON Equivalent	**EUR**	**USD**	**GBP**	**HUF**	**RON**
Trade receivables	**24,348,005**	922,172	196,307	-	-	23,229,526
Cash and cash equivalents	**200,240,184**	193,093,922	864,831	750	25	6,280,656
Interest-bearing loans and borrowings	**408,140,601**	366,076,851	-	-	-	42,063,750
Lease liabilities	**319,841,386**	316,545,167	-	-	-	3,296,219
Trade debts	**12,410,578**	194,851	2,687	31,783	-	12,181,257
Contract Guarantees Retained	**5,217,324**	267,438	-	-	-	4,949,886

31 December 2020

	Total RON Equivalent	**EUR**	**USD**	**GBP**	**HUF**	**RON**
Trade receivables	**17,959,310**	455,074	337,629	-	-	17,166,607
Cash and cash equivalents	**66,904,146**	29,275,509	3,135,516	5,622	25	34,487,474
Interest-bearing loans and borrowings	**80,713,951**	29,457,608	-	-	-	51,256,343
Lease liabilities	**278,034,667**	272,607,272	-	-	-	5,427,395
Trade debts	**7,270,853**	234,074	2,045	-	-	7,034,734
Contract Guarantees Retained	**4,778,273**	96,391	-	-	-	4,681,883

19. FINANCIAL INSTRUMENTS RISK MANAGEMENT (continued)

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the EUR exchange rate. The Company's exposure to foreign currency changes for all other currencies is not material. With all other variables held constant the Company's profit before tax and equity are affected as follows:

	Change in EUR rate	Effect on profit before tax
31 December 2021	1%	(4,877,320)
31 December 2020	1%	(3,567,165)

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily lease and trade receivables) and from its investing activities, including deposits with banks and financial institutions. The Company's credit risk is primarily attributed to lease and trade receivables, loans to related parties and balances with banks. The carrying amount of trade receivables and loans to related parties, net of allowance for impairment (Note 21) plus loans to related parties (Note 26) and balances with banks (Note 22) represent the maximum amount exposed to credit risk. Management believes that there is no significant risk of loss to the Company beyond the allowance already recorded.

The Company invests cash and cash equivalents with highly reliable financial institutions. The Company has only plain vanilla deposits with reputable banks, none of which has experienced any difficulties in 2021 or up to the date of these consolidated financial statements. The company has deposits with BCR, BRD, Banca Transilvania, Garanti Bank or ING among the banks with the largest assets on the local market. At the time of publication of the financial statements, there is no public information about difficulties encountered by these banks as a result of the conflict between Ukraine and Russia.

The loans to related parties have no significant exposure to the credit risk because they include a loan to the Company shareholder, which is not in financial difficulty.

There is no significant concentration of credit risk in respect of lease and trade receivables, as the Company has a large portfolio of customers.

19. FINANCIAL INSTRUMENTS RISK MANAGEMENT (continued)

To identify exposure to credit risk, the Company performs assessments of the financial position of the contracting parties. The Company has internal rules and procedures regarding the analysis and approval of operational leasing contracts, differentiated by the level of the exposures.

The Company has internal rules and procedures for monitoring the concentration of exposures by sectors of activity, by type of clients, by geographical areas, by type of funded assets, by risk categories, etc.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the history of collections from the respective customer. Outstanding customer receivables and contract assets are regularly monitored and collection or recovery plans are discussed with customers as soon as significant payments become overdue.

Receivables in relation to certain clients, for which, following the grouping according to specific risk factors (such as the total number of days overdue and the number of repeatedly overdue amounts) as well as the legal aspects identified were analyzed on an individual basis. Based on the historical data on the collection pattern for overdue receivables in time, the Company has determined a matrix for the provision for the remaining receivables recorded at the reporting date in which the population represented by outstanding receivables was segmented based on similar characteristics related to the line of business and has applied this matrix to discount the provision related to the expected losses from receivables.

The provisioning rates are based on the analysis of the actual collection of the receivables, to which these relevant analysis criteria are applied and grouped according to relevant criteria related to days overdue and type of services invoiced.

Based on the internal history of the collection pattern in an observation period for overdue receivables, Autonom has updated a matrix of provisioning rates for receivables recorded at the reporting date. The observation period applied was 12 months and two points in time were used to verify the stability of the historical rates, including a point in time containing more recent and, therefore, relevant data for the economic situation generated by the 2020 pandemic.

Autonom has applied this matrix to discount the provision related to the expected loss on overdue receivables, while for clients classified as litigious, a provision was set for the full amount of the receivables outstanding at the reporting date.

Provisioning rates are based on the analysis of the actual collection of receivables grouped by relevant criteria: days past due and nature of the debt (either related to MTPL or commercial).

The detailed analysis is described below.

The following steps have been applied determine the historical rates of loss from receivables:

- - Identification of open invoices not collected at the beginning of each 12 month observation period,
- - For the population of invoices determined at the step above, determination of the remaining amounts to be collected at the end of each 12 month observation period.
- - The expected losses from receivables are determined each interval of days past due as the ratio between the amounts outstanding at the end of the observation period to the amounts recorded at the beginning of the observation period, for the same population of invoices.
- - The average percentage of estimated loss for two points in time is used to update the provisioning matrix
- - The provisioning matrix updated this way is applied to the receivables recorded at the reporting date, taking into account the same criteria for grouping receivables used to determine the matrix.

19. FINANCIAL INSTRUMENTS RISK MANAGEMENT (continued)

The client base of entities within the Company was found to be homogenous from a credit risk characteristics perspective, hence the following criteria was used for segmenting the trade receivables:

- Grouping category (i.e., trade receivables and contract assets were analyzed in separate segments for each entity based on a similar expected credit loss estimation methodology); and
- relevant aging buckets.

The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Company does not hold collateral as security. Moreover, there are no credit enhancements obtained by the Company that would significantly alter credit risk or impact the booked allowance for credit risk.

Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity.

Below is the information about the credit risk exposure on the Company's trade receivables and contract assets using a provisioning matrix:

	Trade Receivables						
	Days past due						
31 December 2021	**Current**	**1 to 30**	**31 - 60**	**61 - 90**	**91 - 120**	**above 120**	**Total**
Expected credit risk loss rate	1.51%	7.15%	19.34%	26.70%	44.83%	90.72%	
Gross carrying amount - third parties	10,950,867	4,621,345	2,698,725	2,016,716	1,277,293	21,363,058	**42,928,005**
Gross carrying amount - related parties	628,814	32,179	7,647	4,551	3,744	34,195	**711,130**
Total gross carrying amount	11,229,197	4,653,525	2,706,372	2,021,267	1,281,037	21,747,737	**43,639,135**
Expected credit loss	169,965	332,746	523,470	539,596	574,277	19,730,035	**21,870,090**

	Trade receivables						
	Days past due						
31 December 2020	**Current**	**1 to 30**	**31 - 60**	**61 - 90**	**91 - 120**	**above 120**	**Total**
Expected credit risk loss rate	0.28%	5.80%	15.25%	27.02%	32.43%	92.67%	
Gross carrying amount - third parties	12,211,871	2,311,684	1,667,578	882,625	647,927	7,716,189	**25,437,874**
Gross carrying amount - related parties	720,689	45,196	16,797	9,036	49,243	33,570	**874,532**
Total gross carrying amount	12,932,560	2,356,880	1,684,375	891,661	697,170	7,749,759	**26,312,406**
Expected credit loss	35,826	136,731	256,807	240,957	226,126	7,181,927	**8,078,374**

The variation of the indicators compared to the period ended on 31 December 2020 is mainly due to the absorption of the gross amount and anticipated credit losses following the merger of the company on 1 January 2021 with its subsidiary BT Operational Leasing (see Note 4).

Liquidity risk

The Company has adopted a prudent financial liquidity management approach, assuming that sufficient cash and cash equivalents are maintained, and that further financing is available from guaranteed funds from credit lines. The tables below summarize the maturity profile of the Company's financial liabilities, including principal amounts and future interests according to contractual terms, on 31 December 2021 and on 31 December 2020, based on contractual undiscounted payments.

19. FINANCIAL INSTRUMENTS RISK MANAGEMENT (continued)

31 December 2021	On Demand	Less than 3 months	3 - 12 months	1 - 5 years	>5 years	Total
Interest-bearing loans and borrowings and financial leases	-	13,102,788	35,494,947	429,408,993	-	478,006,728
Lease liabilities	3,487,751	24,569,492	71,146,411	239,269,077	-	338,472,730
Trade and other liabilities	2,278,326	6,032,413	5,143,363	4,173,800	-	17,627,902
Total:	5,766,077	43,704,693	111,784,720	672,851,870	**-**	834,107,360

31 December 2020	On Demand	Less than 3 months	3 - 12 Months	1 - 5 years	>5 years	Total
Interest-bearing loans and borrowings and financial leases	2,642,852	6,516,894	43,448,434	148,247,414	-	200,855,594
Lease liabilities	1,506,523	19,263,202	52,551,184	222,504,798	-	295,924,707
Trade and other liabilities	429,226	6,562,915	4,451,489	3,635,143	-	15,078,773
Total:	**4,578,601**	**32,442,011**	**100,451,107**	**374,387,355**	**-**	**511,859,074**

At 31 December 2021, the Company had available undrawn committed borrowing facilities in an amount RON 6,568,254 and EUR 11,704,415 (31 December 2020: RON 45,593,315 and EUR 11,742,361) thus being able to respond to any unforeseen cash needs.

Outstanding lease payments to be received on an annual basis maturity analysis is as following (no amount is currently scheduled above 5 years):

31 December 2021	Within one year	1-2 years	2-3 years	3-4 years	4-5 years	Total
Total:	**164,257,607**	**124,771,517**	**85,338,739**	**41,868,983**	**8,874,156**	**425,111,001**

31 December 2020	Within one year	1-2 years	2-3 years	3-4 years	4-5 years	Total
Total:	**120,972,006**	**97,362,744**	**66,955,512**	**35,208,397**	**5,681,812**	**326,180,472**

Capital management

Capital includes equity attributable to equity holders of the Company.

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company may monitor capital using a gearing ratio, which is net financial debt divided by total equity– please refer to Note 28.

19. FINANCIAL INSTRUMENTS RISK MANAGEMENT (continued)

The Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. For the financial ratios related to the covenants in force as at 31 December 2020 and 31 December 2021 please refer to Note 18.

Fair values

The Company has no financial instruments carried at fair value in the statement of financial position except for investments in own equity instruments.

The carrying amount of the interest bearing loans and borrowings approximate their fair value. Management estimates that the margin applicable over ROBOR or Euribor at the balance sheet date would be similar to the ones at the dates of each previous withdrawal, due to the fact that the Company maintained over the past years a stable financial condition, and also based on the statistics published by the National Bank of Romania. For bonds also, the carrying amount as of 31 December 2021 approximates their fair value.

Financial instruments which are not carried at fair value on the statement of financial position also include deposits to guarantee rent, trade and other receivables, cash and cash equivalents, and trade and other payables.

The carrying amounts of these financial instruments are considered to approximate their fair values, due to their short term nature (in majority) and low transaction costs of these instruments.

	Finance lease liabilities	Short term loans	Long term loans	Total
Balance on 1 January 2021	**278,034,667**	**46,951,024**	**130,385,301**	**455,370,992**
Drawings	146,106,929	110,861,507	46,142,437	303,110,873
Issuance of bonds	-	-	239,231,243	239,231,243
Transaction costs – bonds related	-	-	(1,824,900)	(1,824,900)
Interest expense	9,451,802	6,171,279	3,306,804	18,929,885
Early termination of lease agreements	(1,547,619)	-	-	(1,547,619)
Payments	(107,198,933)	(186,039,506)*	(54,560,053)	(347,798,492)
Interest paid	(9,451,802)	(6,171,279)	(3,306,804)	(18,929,885)
Taking over the debts of the subsidiary	779,901	26,481,285	17,745,484	45,006,670
Overdraft withdrawals	-	30,255,068	-	30,255,068
Changes in exchange rates	3,666,440	219,368	2,292,343	6,178,151
Balance on 31 December 2021	**319,841,386**	**28,728,746**	**379,411,855**	**727,981,987**

* Includes the amount of RON 17,925,118 representing the repayment in 2021 of the overdraft balance as at 31 December 2020, presented in the cash flow statement under Cash and cash equivalents.

19. FINANCIAL INSTRUMENTS RISK MANAGEMENT (continued)

	Finance lease liabilities	Short term loans	Long term loans	Total
Balance on 1 January 2020	**260,991,067**	**50,797,475**	**109,566,017**	**421,354,569**
Drawings	106,046,132	11,925,836	42,021,114	159,993,082
Issuance of bonds	-	-	-	-
Transaction costs – bonds related	-	-	-	-
Interest expense	9,020,046	4,116,573	4,201,552	17,338,171
Early termination of lease agreements	(1,173,005)	-	-	(1,173,005)
Payments	(90,773,122)	(26,963,508)	(21,955,606)	(139,692,236)
Interest paid	(9,020,046)	(4,116,573)	(4,201,552)	(17,338,171
Overdraft withdrawals	-	10,091,954	-	10,091,954
Changes in exchange rates	2,943,595	1,099,267	753,776	4,796,638
Balance on 31 December 2020	**278,034,667**	**46,951,024**	**130,385,301**	**455,370,992**

20.INVENTORIES

	31 December 2021	31 December 2020
Cars for sale	4,147,256	2,074,012
Allowances for inventories	-	(284,272)
Total inventories	**4,147,256**	**1,799,740**

Inventories consist mainly of cars for sale and the revenues from these sales are pledged under the financial lease agreements that the Company has in force with lease companies.

Carrying value for the inventories for which allowances for inventories were recorded at 31 December 2021 is in amount of RON 0 (on 31 December 2020: RON 839,744).

21. TRADE RECEIVABLES AND OTHER RECEIVABLES, CURRENT ASSETS AND PREPAYMENTS

Trade receivables

	31 December 2021	31 December 2020
Trade Receivables	42,928,005	25,437,874
Trade receivable from related parties	711,130	874,532
Less allowance for impairment of trade receivables	(21,870,090)	(8,078,374)
Unbilled receivables	2,578,960	599,810
Trade receivables, net	**24,348,005**	**17,959,310**
Guarantees – long term	443,281	172,554
Total	**24,791,286**	**18,131,864**
Other receivables and current assets		
VAT and other taxes	100,648	1,106,638
Advance to suppliers	5,508,858	3,214,589
Other receivables	7,144,712	322,891
Total	**12,754,218**	**4,644,118**
Prepayments	**714,941**	**701,721**

21. TRADE RECEIVABLES AND OTHER RECEIVABLES, CURRENT ASSETS AND PREPAYMENTS (continued)

Terms and conditions relating to related party transactions are described in Note 26.

Trade receivables are non-interest bearing and 70-80% are on terms of 10 - 40 days and the remaining 20-30% have its due dates higher than 40 days.

Allowance for expected credit losses	**Total**
On 1 January 2020	**7,108,474**
Charge for expected credit losses	969,900
Unused amounts reversed	-
On 31 December 2020	**8,078,374**
As of 1 January 2021	**8,078,374**
Taking over the assets of the subsidiary	9,469,483
Charge for expected credit losses	6,184,733
Unused amounts reversed	(1,862,500)
On 31 December 2021	**21,870,090**

22. CASH AND CASH EQUIVALENTS

	31 December 2021	**31 December 2020**
Cash at bank in RON	6,030,457	42,029,784
Overnight deposits	-	24,708,031
Cash at banks in foreign currency	193,927,257	135,054
Cash on hand in RON	192,015	21,546
Cash on hand in foreign currency	32,271	9,730
Other cash equivalents	58,184	-
Total	**200,240,184**	**66,904,145**
Overdraft	-	(17,925,118)
Cash and cash equivalents for the purpose of the cash flow statement	**200,240,184**	**48,979,027**

Except for an amount RON 243,606 all cash accounts are pledged in favor of banks (remaining amount of cash accounts that were not pledged in favor of banks as of 31 December 2020 is RON 4, 512).

23. ISSUED CAPITAL AND RESERVES

The shareholding structure on 31 December 2021 and on 31 December 2020 is:

Shareholders	**Number of shares**	**Amount (RON)**	**%**
Stefan Dan George	20,000	200,000	1
Stefan Marius	20,000	200,000	1
Autonom International	1,960,000	19,600,000	98
Total:	**2,000,000**	**20,000,000**	**100**

23. ISSUED CAPITAL AND RESERVES (continued)

The amount of authorized capital on 31 December 2021 was RON 20,000,000 (31 December 2020: RON 20,000,000) representing 2,000,000 shares (31 December 2020: 2,000,000 shares). All shares are common, subscribed and paid in full on 31 December 2021. All shares have the same voting right and have a nominal value of RON 10/share (31 December 2020: RON 10/share).

The shares of Autonom International are also held by the two individual shareholders in Autonom Services SA (i.e.: Stefan Dan George and Stefan Marius each owns 50% of the shares in Autonom International).

Capital reserves and profit distribution

For the year ended on 31 December 2021, the Board of Directors submitted for the Shareholders' General Meeting approval the following distribution of the net profit of the Company:

- Setting up a tax reserve in accordance with legal regulations on income tax exemption for investment purposes in amount RON 12,294,048. These reserves cannot be distributed.
- The remaining profit will be allocated to retained earnings.

Other capital reserves

The increases in ''Other capital reserves'' relate to the set-up of the legal reserve and the set-up of the re-invested profit tax facility reserve. The reserve for re-invested profit tax facility is non-distributable. The Company does not intend to distribute the reserves from the balance sheet as of 31 December 2021. The legal reserve is set in accordance with the provisions of the Romanian Company Law, which requires that 5% of the annual accounting profit before tax is transferred to the legal reserve until the balance of this reserve reaches 20% of the share capital of an entity

24. TRADE AND OTHER LIABILITIES

	31 December 2021	31 December 2020
Trade payables of goods of services	2,470,911	2,404,043
Trade payables of fixed assets	7,688,375	3,314,589
Accruals	715,988	82,914
Trade and other payables to related parties	1,535,304	1,469,307
Salaries and other employee related liabilities	3,609,170	1,619,450
Employee related taxes and contributions	971,891	936,354
VAT and taxes payables	26,640	(150,210)
Other liabilities	-	-
Advances from customers	3,960,611	886,488
Lease deposits and securities, out of which:	5,217,324	4,515,838
Current portion	1,043,524	880,695
Non-current portion	4,173,800	3,635,143
Total, out of which:	**26,196,214**	**15,078,773**
Total trade payables and other short-term liabilities	22,022,414	11,443,630
Total trade payables and other long-term liabilities	4,173,800	3,635,143

As at 31 December 2021, and as at 31 December 2020, advances from customers refer to amounts invoiced in advance or amounts received in advance under a payment order, settled during the following year under invoices for services rendered. These are contractual liabilities according to IFRS 15.
Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30 days;
- Terms and conditions relating related party transactions are described in Note 26.

25. COMMITMENTS AND CONTINGENCIES

Competition Council investigation

In 2017, the Competition Council announced an investigation on the operational leasing market regarding the legality of the exchange of information between leasing companies (one of the companies investigated being BT Operational Leasing).

At the end of 2020, the investigation was finalized, and no penalties were applied, only recommendations being issued on how to prepare quarterly reports.

Following the merger between the two entities, as of this reporting date, Autonom Services SA undertook these quarterly reporting obligations.

Taxation

All amounts due to State authorities for taxes have been paid or accrued at the balance sheet date. The tax system in Romania undergoes a consolidation process and is being harmonized with the European legislation. Different interpretations may exist at the level of the tax authorities in relation to the tax legislation that may result in additional taxes and penalties payable. Where the State authorities have findings from reviews relating to breaches of tax laws, and related regulations these may result in: confiscation of the amounts in case; additional tax liabilities being payable; fines and penalties (that are applied on the total outstanding amount). As a result, the fiscal penalties resulting from breaches of the legal provisions may result in a significant amount payable to the State. The Company believes that it has paid in due time and in full all applicable taxes, penalties and penalty interests in the applicable extent.

Transfer Pricing
According to the applicable relevant Romanian tax legislation, the tax assessment of related party transactions is based on the concept of market value for the respective transfers. Following this concept, the transfer prices should be adjusted so that they reflect the market prices that would have been set between unrelated companies acting independently (i.e. based on the “arm’s length principle”). It is likely that transfer pricing reviews will be undertaken in the future in order to assess whether the transfer pricing policy observes the “arm’s length principle” and therefore no distortion exists that may affect the taxable base of the Romanian tax payer.

Commitments for purchase of goods

As of 31 December 2021 Company has commitments for the purchase of vehicles and equipment in amount of EUR 23 mil. for vehicles and EUR 10 mil. for equipment (as of 31 December 2020 commitments in amount of RON 4,088,623).

26. RELATED PARTY DISCLOSURES

During the period 1 January 2021 - 31 December 2021 and 1 January 2020 - 31 December 2020 respectively, the Company has carried out transactions with the following related parties:

Related party	Country of incorporation	Nature of relationship	Nature of transactions
ELS Retail SRL	Romania	entity under joint control	Sale/acquisition of goods and services
Standard Marketing SRL	Romania	entity under joint control	Sale/acquisition of goods and services
Stefan Autoservice SRL	Romania	entity under joint control	Sale/acquisition of goods and services
Stefan si Compania SRL	Romania	entity under joint control	Sale/acquisition of goods and services, loans granted
United Properties SRL	Romania	entity under joint control	Sale/acquisition of goods and services
Autonom International SRL	Romania	shareholder	Sale/acquisition of goods and services, loans granted
Autonom Hungary KFT	Hungary	entity under joint control	Sale/acquisition of goods and services
VMS (Vehicle Management Solution)	Romania	entity under joint control	Sale/acquisition of goods and services, loans granted
CMS (City Shuttle Management Services)	Romania	entity under joint control	Sale/acquisition of goods and services
Carcentric SRL	Romania	entity under joint control	Sale/acquisition of goods and services
Autonom Assistance SRL	Romania	entity under joint control	Sale/acquisition of goods and services
Clockwise SRL	Romania	entity under joint control	Sale/acquisition of goods and services, loans granted
Field Insight CEE	Romania	entity under joint control	Sale/acquisition of goods and services, loans granted

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Related party	2021	Sales to related parties	Purchases from related parties	Amounts due from related parties	Amounts due to related parties
Stefan si Compania		1,248,792	11,777,011	-	519,421
Autonom Hungary KFT		47,909	32,097	68,602	-
VMS		2,743,377	306,006	561,633	29,506
CMS		-	-	-	-
Autonom Assistance SRL		630,139	2,265,672	73,210	(612,280)
Stefan Autoservice SRL		132,843	1,196,274	-	258,057
Carcentric SRL		305,884	1,044,546	-	116,040
Autonom Serbia DOO		-	1,427	190	-
Clockwise SRL		2,697	-	-	-
Marius Stefan		-	-	573	-
Standard Marketing		49,018	-	-	-
Field Insight CEE		76,737	-	6,921	-
Total		**5,237,456**	**16,623,033**	**711,130**	**310,744**

26. RELATED PARTY DISCLOSURES (continued)

Related party	2020	Sales to related parties	Purchases from related parties	Amounts due from related parties	Amounts due to related parties
Stefan si Compania SRL		207,916	7,818,772	-	924,280
Autonom Hungary KFT		60,980	-	18,600	-
VMS		716,492	58,428	257,566	4,689
CMS		2,759,108	214,461	428,149	34,209
Autonom Assistance (Proassista)		945,909	1,855,508	29,009	184,796
Stefan Autoservice SRL		96,053	786,872	30,231	211,714
Carcentric SRL		284,766	632,735	-	55,975
Standard Marketing		35,563	-	2,531	-
BT Operational Leasing		5,462,993	644,051	100,023	63,024
Total		**10,569,993**	**12,010,826**	**874,532**	**1,469,307**

	31 December 2021	31 December 2020
Loan carrying amount		
Autonom International SRL	15,323,521	8,012,243
Total	**15,323,521**	**8,012,243**

The previous loan granted by the Company to Autonom International SRL, the parent company, was repaid in full in May 2021 and a new loan was granted at a nominal value of RON 20 million, for a 5-year period contract and an interest rate of 3.5%, amounting respectively to RON 15,323,521. From January 2022, the interest rate on the loan was increased to 4.45% per annum on the debt balance.

Compensation of key management personnel of the Company:

	2021	2020
Short-term employee benefits	1,056,627	751,896
Total compensation paid to key management personnel	**1,056,627**	**751,896**

The amounts disclosed in the table are the amounts recognized as an expense during each reporting period.

27. EBITDA AND OTHER NON-IFRS RATIOS

EBITDA is one of the key performance measures monitored by senior management and computed according to the information in the table below. EBITDA normalized to exclude any significant one-off items (either revenues or expenses) is another ratio monitored by the management. No exclusion was necessary for the year ended on 31 December 2021.

In addition, the Company presents below two other alternative performance measures: Interest Coverage Ratio (computed as EBITDA/total interest expense) and Gearing Ratio (computed as Net financial debt / Equity) as these may prove useful for potential investors.

Consolidated EBITDA is reconciled in other comprehensive income, as follows:

27. EBITDA AND OTHER NON-IFRS RATIOS (continued)	Notes	2021	2020
Net profit		**22,489,372**	**5,272,245**
Adjustments to bridge net profit to EBITDA:			
Finance costs minus financial revenues	12	23,444,819	20,814,277
Income tax expenses	13	4,941,208	1,714,289
Depreciation, amortization and impairment of non-current assets	14	115,198.636	84,644,172
EBITDA		**166,074,036**	**112,444,983**
Interest expense	**12.1**	**18,929,885**	**17,341,586**
Interest coverage ratio		**8.77**	**6.48**

		31 December 2021	31 December 2020
Interest-bearing loans and borrowings, including interest on bonds	18	74,111,884	80,713,951
Bonds	18	334,028,717	96,622,374
Finance lease liabilities	15	319,841,386	278,034,667
Cash and cash equivalents	22	200,240,184	66,904,146
Net financial liabilities		**527,741,803**	**388,466,846**
Net/EBITDA financial liabilities		**3.18**	**3.45**
Equity		**129,378,610**	**98,445,262**
Net financial liabilities/Equity		**4.08**	**3.95**

28. EARNINGS PER SHARE

	2021	2020
Profit attributable to ordinary equity holders of the parent	22,489,372	5,272,245
Number of ordinary shares	2,000,000	2,000,000
Earnings per share, basic and diluted (RON / share)	**11.24**	**2.64**

There are no dilutive instruments to be considered.

29. AUDITOR'S FEES

The auditor of the Company is Ernst & Young Assurance Services SRL.

The fee for the audit of the annual standalone financial statements as of 31 December 2021 of Autonom Services SA prepared in accordance with MOF 2844/2016 was EUR 56,500 (excluding VAT).
The statutory auditor has also carried out the review of the consolidated interim financial statements as at 30 June 2021 for Autonom Services SA prepared in accordance with OMF 2844/2016 with a corresponding fee in the amount of EUR 39,500 (excluding VAT) as well as other services regarding the Prospectus issued by the Company in October 2021 with a corresponding fee in the amount of EUR 22,500).

30. EVENTS AFTER THE REPORTING PERIOD

Loans and borrowings

During the period between 31 December 2021 and the date of these financial statements, the Company contracted additional loans in a total amount EUR 1.01 million. and RON 2 million.

Acquisition of Tiriac Operating Lease (Premium Leasing SRL)

The Competition Council authorized on Friday, April 8, 2022, the transaction by which Autonom, the most important independent Romanian-owned company in the automotive operational leasing and rent-a-car markets in Romania, takes control of Țiriac Operating Lease (Premium Leasing SRL).
Țiriac Operating Lease, an operational leasing service provider with 19 years of experience in Romanian market, is a 100% entrepreneurial company, distinguished by flexibility and responsiveness. The company provides mobility services for corporate clients, SMEs, self-employed professionals and authorized individuals, providing assistance in selecting the right vehicles for the most diverse and demanding needs and handling all services necessary for hassle-free use of the contracted vehicles.
Founded in 2003 under the name Premium Leasing, the company was rebranded in 2017, adopting the Țiriac brand to highlight its affiliation with the local Group.
The acquisition was completed on 15 April 2022 for a price of EUR 11.23 million.

Conflict between Russia and Ukraine

In the context of conflict between Russia and Ukraine, which began on 24 February 2022, the EU, US, UK and other countries have imposed various sanctions against Russia, including funding restrictions on certain Russian banks and state-owned companies, as well as personal sanctions, against a number of individuals.
Given geopolitical tensions, there has been an increase in financial market volatility and exchange rate depreciation pressure since February 2022.
It is expected that these events will affect activities in different sectors of the economy, resulting in further increases in energy prices in Europe and an increased risk of supply chain disruptions.
The Company has no direct exposures to related parties and/or key customers or suppliers in those countries.
The Company considers these events to be non-adjustable events after the reporting period, the quantitative effect of which cannot be estimated at this time with sufficient confidence. The Company's management is currently analyzing the possible impact on the financial position and operating results of the Company of possible changes in micro and macroeconomic conditions.

31. OTHER MATTERS

At the time of publication of this report, Romania exited the state of alert. The number of COVID-19 cases is decreasing. The rapid adaptation to the new reality, which contributed to diminishing the negative effect of the pandemic on the Autonomous activity, has already prepared the Management for an adequate response case a new state of emergency will be declared.

In June 2021 Fitch Ratings decided to maintain the IDR (Long-Term Issuer Default Rating) “B+” for Autonom Services. More importantly, Fitch revised our outlook from Negative to Stable in the context of Autonom's good profitability in 2020, sustained by a business model with limited reliance on short-term leases, good asset quality and an experienced management team. In addition, the moderate exposure to travel and air traffic-based business has helped reduce vulnerability in the event of future lockdowns and declines in the numbers of travels abroad.

Despite the fluctuations in the number of COVID-19 cases in Romania since the beginning of the year, in 2021 Autonom recorded increases across all business lines. Local, as well as international companies show increased interest in investing in operating lease services. On the rent-a-car side, Autonom recorded a historical rental rate: 88% in 2021 compared to 58% in 2020. The company continues to work on different case scenarios to be able to quickly accommodate any last-minute changes. The results recorded by the Company in the year 2021 show that the situation is evolving according to the positive scenario planned by Autonom.

The Company continues to make every effort to mitigate the effects of the pandemic on the business and to minimize the risk of employee illness in the Company. At the same time, Autonom is constantly ensuring that vehicles being rented are properly sanitized.

The Management’s position is that the currently taken measures will ensure the business continuity and, therefore the going concern principle remains applicable for these financial statements (please refer to Note 2.1 Going concern).

These standalone financial statements on pages 3 to 59 were approved by the Board of Directors and were authorized for issue on 19.04.2022.

Mihaela Angela Irimia	SC AVH CONSULTING SRL
Name	Name: Huian Angelica
Chairman of the Board of Directors	Professional body reg. no. 5138