KnausTabbert
Wir bewegen

ANNUAL REPORT 2022

KNAUS FREIHEIT. DIE BEWEGT.
WEINSBERG Dein Urlaub!
TABBERT Bewegende Momente
T@B
RENT AND TRAVEL URLAUB MIT DEM WOHNMOBIL
MORELO FIRST CLASS REISEMOBILE

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KNAUS
WEINSBERG
FRG KT 2023
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Wir bewegen

EDITORIAL

Dear shareholders

In 2022, the world remained in crisis mode. The corona pandemic, for instance, still had the Chinese economy, a major global supplier, firmly in its grip for much of the year and the Russia-Ukraine conflict sent shockwaves around the world. It not only caused human suffering but also ongoing economic upheaval - skyrocketing energy prices, record-breaking inflation and soaring interest rates are just a few examples.

The Knaus Tabbert Group has managed to evolve successfully in this difficult environment and is well on its way to new heights. We have done our homework and repositioned our company in light of the fragile supply situation. We are well prepared. An essential element of this is our multi-brand strategy with our chassis suppliers. It not only makes us far less dependent on individual suppliers, but also increases the attractiveness of our product portfolio. An impressive final quarter not only confirms that our measures are the right ones, but also underlines the great potential of our strategy. In the fourth quarter alone, we were able to generate EUR 356 million, more than a third of the total annual revenue, and an adjusted EBITDA margin of 11 %. This is something we are proud of.

Despite all the adversities in the first nine months of the year, we were able to achieve our annual targets. The billion mark in revenue was exceeded for the first time in the company's history. With an adjusted EBITDA margin of 6.7 %, we are well within our forecast. At the same time, there is one thing we must not forget: We have managed to retain our workforce in the face of an increasing shortage of skilled workers, even over long periods of interrupted supply chains, and have also continued to push ahead with strategically expanding our workforce. Although this has placed a burden on our profitability, it now provides us with the necessary clout to pursue vigorously the growth course we are striving for. To this end, we also invested in the expansion of our production capacities during the previous financial year and in the use of new technologies. The construction of a 22,000 m^2 production hall, which commenced in autumn 2020 at the Jandelsbrunn location, and the subsequent installation of state-of-the-art production lines will be completed in May of this year. At around EUR 60 million, this is the largest single investment in the history of Knaus Tabbert. Our technical production capacity will then reach 35,000 units.

Wolfgang Speck, CEO

By comparison, we sold a total of 29,556 vehicles in the 2022 financial year. We temporarily gave preference to caravans in view of the lack of motorised chassis on our assembly lines, and significantly increased volumes. This resulted in a notable increase in market share throughout Europe. For the future, we have not one but two significant growth levers: utilising the newly created production capacities, and shifting our product mix back to high-selling and high-margin motorhomes.

"OUR PERSPECTIVE: PROFITABLE GROWTH."

These largely leveraged investments and temporarily lower profitability in the first nine months of the 2022 financial year due to issues in the supply chain are, of course, also reflected in key balance sheet ratios. For example, our net financial liabilities have more than doubled year-on-year. At the same time, the equity ratio has declined. However, this is a mere momentary picture at a changeover point, when we switched our production operations back to full load after a long period of stop-and-go operation, and high inventories coincided with a comparatively low EBITDA performance of the previous months. However, we are convinced that this is only temporary. We continue to navigate in an environment characterised by high demand with a supply situation that has improved in the meantime. Our outlook: profitable growth.

The good news for you, therefore, as shareholders is that we are willing and indeed able to distribute a dividend this year as well. The Management Board and Supervisory Board will therefore propose to the Annual General Meeting a distribution of EUR 1.50 per share.

What is the source of this optimism? The market for recreational vehicles continues to be at a high level despite the severe production problems of the previous year. Demand for our vehicles is high and stable. Despite the longer delivery times, hardly any orders are being cancelled. Our order backlog of EUR 1.3 billion at the end of the year continues to have a range of approximately one year. This is also due to the aforementioned multi-brand strategy for chassis suppliers, which has further increased the versatility and attractiveness of our portfolio for customers.

On this basis, we have presented a whole armada of new, innovative vehicles - 16 motorhomes and two caravans - as part of a model offensive for the current 2023 season. We are particularly proud of the Knaus AZUR.

This is a caravan that unites several innovations at once: lightweight construction combined with a body structure that offers significantly enhanced strength, safety and stability. In addition to this, it boasts a self-healing surface that allows slight surface damage to disappear automatically after exposure to sunlight. Using the pioneering fibre-frame construction for the first time, we have been able to achieve greater efficiency in production: automated and robot-assisted assembly processes are now possible. This is just one example of how we aim to use our high innovative strength to create a caravanning experience for our customers that is not only increasingly safe, comfortable and enjoyable, but also more and more sustainable.

We have already begun to make progress along this path. In addition, we have developed an entirely new motorhome based on the Volkswagen T6.1 platform. Using the iconic VW Bulli, we have completely reinvented the CUV, the Caravanning Urban Vehicle, and for the first time offer our customers a fully equipped motorhome that is as compact as it is suitable for everyday use. We intend to broaden our range of sustainable products in the future, and so make it even more attractive for environmentally conscious holidaymakers. You can find more information on this in our separate Sustainability Report.

"THE WAY AHEAD FOR US IS GAS-FREE AND ELECTRIC."

This year, we would like to extend our special thanks as always to all our unfailingly dedicated and motivated employees, who have adapted outstandingly to the persistently challenging production conditions. Their performance and commitment were once again quite remarkable. This unique team is the guarantor of our growth course.

I would also like to thank you, our shareholders, for your continued trust in us, our company and our strategy, despite the volatile year on the stock market.

The first nine months saw us obliged to slacken our pace. The road was rocky in places and yet we are now on a sound path - the right one - towards achieving our growth targets. The last few months have demonstrated this quite unmistakably.

Be sure to profit from our future achievements for which we have laid the foundations over the past few years.

In this spirit, I look forward to joining you in a successful future with Knaus Tabbert.

Wolfgang Speck

CEO

STRATEGIC FOCUS

With its broad portfolio of caravans, motorhomes and camper vans and its digital rental brand, the Knaus Tabbert Group is profiting from the current trend towards greater individuality, freedom, independence, regionality and eco-friendliness in holiday travel. The Group has all the necessary prerequisites to continue to generate sustainable and profitable growth in the future, which will also benefit the company's shareholders. The strategic focus of the Knaus Tabbert Group is based on five main pillars:

SUSTAINABLE MARKET GROWTH

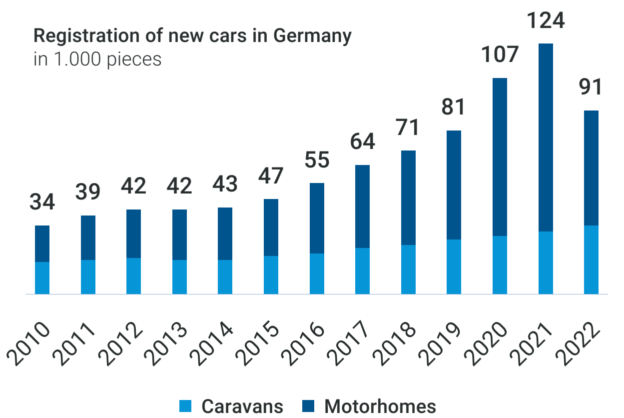
High demand for recreational vehicles

Tourism in Germany is heavily focused on mobility. This is also reflected in the long-term trend in new registrations of recreational vehicles. Since hitting an all-time low in 2010, the number of new registrations has been rising steadily again. The main driver of this development is the high demand for motorised leisure vehicles, which was further reinforced by the corona pandemic. In 2022, the lack of microchips led to a shortage of electrical vehicle components such as control units and steering systems. As a result, factories in Europe came to a temporary standstill in spite of unbroken high demand, resulting in a shortage of motorised chassis for motorhomes. The decline in production led to a drop in new registrations in this segment. A number of motorhome dealerships were temporarily out of stock. At the same time, deliveries of caravans increased, although supply bottlenecks were also noticeable in this segment. Nevertheless, overall demand for recreational vehicles remained high, as reflected in the order backlog of the Knaus Tabbert Group.

This development extends far beyond Germany. In 2022, a total of 218,301 recreational vehicles were newly registered in Europe, of which 90,985 in Germany. The European market is thus continuing to grow at a high level.

Caravanning is a growth market. While buyers of recreational vehicles mainly belong to the 50-plus generation, more and more younger people, especially young families, are becoming enthusiastic about this type of travel.

Compact models such as vans and camper vans are becoming increasingly popular with beginners. The rental market also plays a key role for this customer group as it gives them the opportunity to get a first taste of caravanning. At the same time, it allows prospective renters to test various models and to become familiar with a new form of holidaying, in addition to a new driving technique, without having to own a vehicle.



This also supports the growing trend towards the sharing economy. The market potential is huge: nearly one in four adults in Germany can imagine going on a caravanning holiday within the next five years. This is equivalent to roughly 14 million people.

"THE POTENTIAL IS HIGH"

For Knaus Tabbert, the rental market is not only an opportunity to convince potential buyers of the quality and versatility of its vehicles. Cooperation with leading rental platforms provides an additional sales channel as vehicles of the Knaus Tabbert are part of rental companies' portfolios of high-quality motorised recreational vehicles.

Expanding the dealer network and opening up new markets

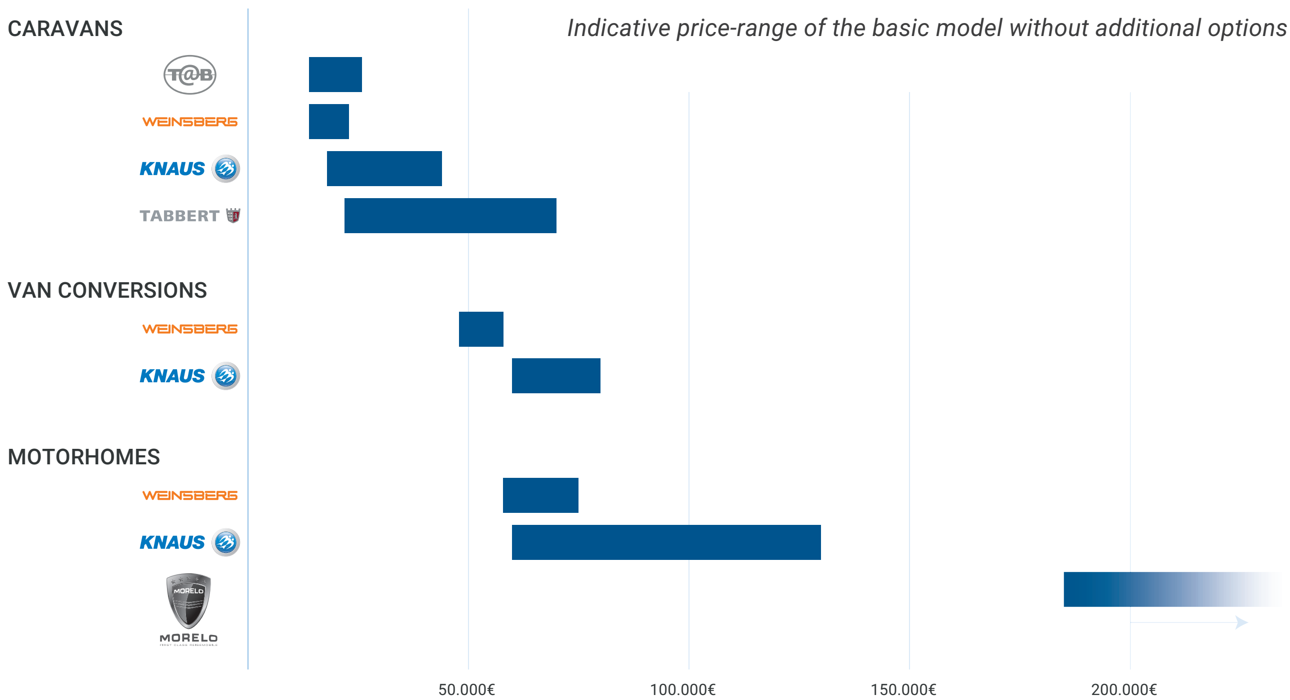
We expect additional boosts to growth from the development of new markets and greater market penetration. To this end, we are continuously expanding our dealer network, intensifying our cooperation with existing dealers, and targeting new dealers in regions we are not yet serving. Knaus Tabbert is currently represented in 20 countries with more than 500 dealers.

In this context, the Southeast Asian market is of particular interest in the long term, as it could become the next major growth market for the recreational vehicle industry due to its growing prosperity and experience with the corona pandemic. Southeast Asia (ASEAN) currently has a population of approximately 700 million. Knaus Tabbert has enjoyed considerable success in South Korea for many years, and occupies top positions in registration statistics of motorhomes and caravans. Malaysia is particularly attractive for Knaus Tabbert. With the nearby seaport in Singapore (the world's second largest seaport after Shanghai in terms of throughput volume in 2021) and the adjacent sea route through the Strait of Malacca, the country represents a metropolitan region in the global logistics chain. With the homologation of its first caravan models at the end of 2022, Knaus Tabbert became the first European company in the industry to be granted "pioneer status" by Malaysia's MITI and regulatory authorities. In future, Malaysia is to serve as the hub of Knaus Tabbert's Southeast Asia strategy.

FUTURE-ORIENTED PRODUCTS

The perfect products for all requirements

The right products at the right time - in all segments, for all customers, in all target markets. With its five iconic brands KNAUS, TABBERT, WEINSBERG, T@B and MORELO, the Group is excellently positioned to benefit from market trends. The Knaus Tabbert Group offers a wide range of recreational vehicles to suit all tastes and budgets - from lifestyle-oriented customers to holidaymakers with a flair for luxury, from small caravans and camper vans to luxury motorhomes. In addition, Knaus Tabbert's digital RENT AND TRAVEL portal offers customers an attractive platform for renting recreational vehicles within a partner network.



Indicative price-range of the basic model without additional options

Electrification

The electrification of vehicles plays a key role in reducing local emissions. In the motorhome segment, too, environmental regulations will require more and more vehicles in the urban environment to be powered without a combustion engine. Knaus Tabbert wishes to become a pioneer in this area, and is therefore cooperating with a specialist vehicle manufacturer to develop a drive system that will enable emission-free operations in restricted areas and a range close to that of contemporary combustion engines. In September 2021, the company presented its KNAUS E.POWER DRIVE study for an electrically driven motorhome at the Caravan Salon in Düsseldorf.

"TAKING ON A PIONEERING ROLE"

As electric vehicles can only cover relatively short distances at present, they do not represent a sufficiently attractive option for caravans for the majority of our customers. Knaus Tabbert is therefore pursuing the approach of significantly reducing the towed load of the towing vehicle by equipping the caravan with a separate electric drive. Secondary effects such as considerably safer and improved trailing characteristics, but also a higher degree of self-sufficiency during camping operations, make the system even more attractive. Today, gas-free camping is a reality at Knaus Tabbert.

Innovation and technology

Continuous innovation and novel technologies are key when it comes to the quality and appeal of our extensive offering. Our aim is to be perceived on the market as an innovation leader and to secure a competitive advantage with newly developed features, products and innovative solutions for recreational vehicles.

For the 2023 model year alone, the Group presented a total of 16 new motorhomes, built with various chassis brands, and two new caravan models. With its Caravanning Urban Vehicle (CUV) based on the VW T6.1, Knaus Tabbert has introduced an entirely new vehicle category.


The new **KNAUS TOURER CUV**

The Knaus Azur is the first caravan to be produced in series with self-supporting and self-healing fibre frame technology. The self-supporting and high-strength frame ensures optimum stability and durability, and offers much greater flexibility in terms of layout and spatial design than conventional caravan construction methods.


The new **KNAUS AZUR**

Many of these innovations are born from dialogue with our customers. While we maintain ongoing communication with our dealers who sell our products, our work is also shaped by the opinions and wishes of our customers. More than 100 employees are working in our innovation centres in Jandelsbrunn, where they are developing entirely new ideas and solutions and improving existing ones. In total, Knaus Tabbert holds more than 200 trademark protection rights, usage patents, design protection rights and technical patents in its key markets. The development of new products is a complex process involving multiple areas and departments. Our innovation work currently focuses on sustainable drive systems, lightweight components instead of conventional steel constructions, greater self-sufficiency (independence from electricity supplies) as well as the use of sustainable materials. With innovations like these and others, Knaus Tabbert strives to firmly establish itself as an innovative and modern brand in the minds of its customers, providing them with the best possible caravanning experience at all times.

RENT AND TRAVEL- the digital rental brand

The brand's success also rests on its favourable positioning in the digital business. With its RENT AND TRAVEL booking system, a comprehensive and holistic rental ecosystem that is unique in the market, Knaus Tabbert supports the development and retention of long-term customer relationships and addresses three target groups:

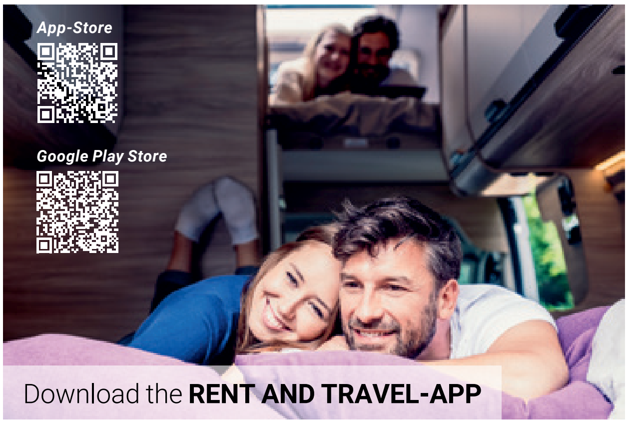
- new rental customers
- prospective buyers
- commercial rental companies.

RENT AND TRAVEL attracts new customers as hirers, binds them to the brands and provides them with comprehensive support until they become potential buyers. Knaus Tabbert attracts rental companies with its rental software and rental program, which further boost its vehicle sales.

In addition to customary acquisition channels, Knaus Tabbert also collaborates with travel agencies. This enables the Group to reach many potential new customers as they plan their holidays. The need to introduce customers to new forms of holidaying has allowed Knaus Tabbert to secure cooperation with further travel agencies over the past few years. The number of partner travel agencies now totals approximately 3.000. To facilitate the handling of bookings, the partner travel agencies work with a specially developed booking portal that is adapted to their established internal processes.

The RENT AND TRAVEL app represents a major and important step toward the further digitization of the brand. Alongside customers, it also appeals to travel enthusiasts seeking information and inspiration with regard to motorhome holidays. The technical features include access to the complete booking route and a host of additional content relating to camping holidays. Customers receive information and reminders via automated notifications.

The RENT AND TRAVEL platform is an excellent marketing tool for adding new customer groups to the established customer base of the Knaus Tabbert Group. In the process, Knaus Tabbert also creates high visibility for potential end customers. Usage profiles, travel habits and preferences regarding product layouts are valuable data for optimizing future products and services.



STATE-OF-THE-ART PRODUCTION FACILITIES

Knaus Tabbert boasts a modern and efficient production network. The Group employs approximately 4,000 members of staff at its sites in Jandelsbrunn and Mottgers, Schlüsselfeld in Germany, and Nagyoroszi in Hungary. More than 80 % of them work in production. Knaus Tabbert also focuses on the industrialisation of new technologies, including in particular automated manufacturing processes enabling greater flexibility in production. This ensures that the company can adapt very quickly to market developments and changes in customer demand.

The Group is thus able to manufacture motorhomes, caravans and camper vans on one production line. Moreover, consistent standardisation of manufacturing processes enables us to produce the same models of all Premium brands at nearly all locations. This provides us with a high degree of flexibility within our production network.

As our products are almost exclusively made to order, we are able to react quickly to market changes and sales fluctuations, which contributes to the optimisation of our working capital.

Investments in production plants

In order to meet the continuing high demand for recreational vehicles, Knaus Tabbert has made substantial investments in the expansion of its capacities and technologies at all locations as part of an investment programme.

In Jandelsbrunn, for instance, a new 22,000 m² production hall is scheduled to be completed by spring 2023. State-of-the-art production facilities and technologies are expected to bring about sustainable productivity and capacity improvements throughout the Group. These investments will increase the Group's production capacities to up to 35,000 vehicles per year by the end of 2023.

MULTI-BRAND STRATEGY

Supply chains were interrupted in many places as a result of the corona pandemic. Knaus Tabbert was also affected by this. One major reason was the lack of supply of chassis for motorhomes. In the meantime, Knaus Tabbert has significantly broadened its supply base as part of a multi-brand strategy, and is now the only manufacturer of recreational vehicles to be supplied by five independent manufacturers (Ford, MAN, Mercedes, Stellantis and VW Commercial Vehicles). Much higher volumes are now available, which supports the reliability of supply. Customers have responded very positively to our expanded range: it enables interesting new model variants and offers greater choice and flexibility. This increases the attractiveness of our product portfolio and strengthens customer loyalty.

The severely restricted supply of chassis was not the only factor causing a permanent start-and-stop mode in 2022. Overall, the supply chains for a large number of products and components were either disrupted or broken. As part of various development initiatives, Knaus Tabbert has redesigned individual parts and assemblies to gain access to other procurement markets, and has developed dual-source strategies from single-source strategies.

In addition, the Group has abandoned just-in-time or just-in-sequence concepts for procurement-critical components, and has invested in inventories and higher levels of stock in order to be able to use production facilities without disruption. Nevertheless, we have to accept that we are still a long way away from achieving the planning certainty and reliability of recent years. We will therefore continue to refine our back-up strategies.

QUALIFIED EMPLOYEES

Qualified and experienced employees are essential for the planned further growth of the Knaus Tabbert Group. At the same time, there is a shortage of skilled workers on the German labour market. To address this, Knaus Tabbert has introduced various concepts for personnel recruitment, and for training and further education. Personnel development is embedded in strategic human resources planning and aims to ensure the best possible professional development opportunities by increasing staff qualifications.

The Group is represented at job fairs and on other recruitment platforms, where it approaches potential employees directly. In addition, the company also advertises for employees among families in the region. At the Knaus Tabbert Academy, new colleagues receive intensive training to prepare them for their future jobs. This is also where further education is offered, for instance the IHK-certified courses to become a professional caravan salesman or service consultant. Moreover, the Academy serves as the central training facility for apprentices.

We are also launching a comprehensive initiative to specifically attract women to Knaus Tabbert. The Group wishes to become the most attractive employer in the region for female specialists and managers.

Different people in diverse life situations have unique requirements and preferences with respect to their daily or weekly working hours, or even with regard to their working lifetime. Modern working time systems are able to reconcile both, and are to be given greater consideration within the Group.

We are continuously expanding our training and further education concept. With the Knaus Tabbert Academy, the Group has its own competence centre, and is sending a strong signal for the future as an attractive employer. Apprentices are trained in professions including wood technicians, electronics technicians and mechatronics engineers. The basic philosophy of the Academy is: to learn together and to learn from each other. Trainees and experienced specialists work side by side. The Academy serves both as a training and further education centre, where new employees are trained, and existing employees can gain further qualifications.

“INNOVATIVE EMPLOYER”

Furthermore, Knaus Tabbert is co-initiator of a new apprenticeship profession for the caravanning industry in collaboration with several trade associations. Starting in September 2023, the first apprentices will qualify as "caravan and motorhome technicians" in around three and a half years. With this initiative, the industry is placing a greater focus on specialists, and is responding to the strong growth as well as the increasing complexity and the growing proportion of state-of-the-art technology in the development and manufacture of recreational vehicles such as motorhomes and caravans. The goal is a versatile all-rounder with specialist knowledge of all aspects of recreational vehicles. By supporting this project, Knaus Tabbert is underlining its positioning as an innovative employer and apprenticeship trainer.

In response to the shortage of skilled workers, Knaus Tabbert began to systematically recruit and train temporary workers at all locations in the second half of 2021. Instead of short-term personnel adjustments, Knaus Tabbert decided to intensify qualification measures for employees who were temporarily not needed. The Knaus Tabbert Group has thus made a conscious decision in favour of a short-term personnel surplus with corresponding effects on earnings in order to secure experienced specialists in the long term. The increasing capacity utilisation due to the now significantly improved supply of motorised chassis confirms the soundness of this far-sighted personnel policy.



INTERVIEW

AN INTERVIEW WITH THE KNAUS TABBERT MANAGEMENT BOARD ON THE 2022 FINANCIAL YEAR, THE CURRENT SITUATION IN THE INDUSTRY, NEW CHALLENGES AND THE PROSPECTS FOR KNAUS TABBERT.

MR. SPECK, MORE THAN ONE BILLION IN REVENUE FOR THE VERY FIRST TIME. WHAT IS YOUR OVERALL ASSESSMENT OF THE 2022 FINANCIAL YEAR?

SPECK: 2022 was again a very exceptional, variable and challenging year. Demand for our products remained high, setting new records for order intake. At the same time, an extreme shortage of motorised chassis for motorhomes led to significant under-utilisation in our plants. In Hungary, for example, roughly one half of the workforce was out of work for months on end. This was most unsatisfactory. The fact that we still managed to crack the one billion revenue mark underlines the great adaptability and performance of the Group.

HOW DID YOU COPE WITH THIS SITUATION?

SPECK: We approached the problems with farsightedness in terms of a long-term, viable strategy, bringing new chassis suppliers on board, shifting production to more caravans in the short term and, above all, standing by our well-trained team. Anything else would have been fatal due to the shortage of skilled workers. We succeeded in making a real breakthrough with 16 new model options based on the new chassis developed by Mercedes, MAN, VW and Ford. This enabled us ultimately to ramp up motorhome production once more and normalise the product mix. In fact, we were already working overtime again at all locations in the fourth quarter. These results of the fourth quarter also speak for themselves and underline the soundness of this strategy.

AND THAT IS?

SCHÜRMANN: The under-utilisation of capacities in the first nine months hit us twice because everything was actually geared towards growth. Instead, we had lower revenues and higher costs. From a financial point of view, this is a challenging scenario. Nevertheless, we accepted these costs in full awareness so that we would be able to take off again at any time. And that is precisely what we did in the fourth quarter. At EUR 356 million, revenues were more than 50 % higher than the average for the first three quarters, and the adjusted EBITDA margin of 11 % was also much closer to our medium-term targets than the 4.5 % of the first nine months. Overall, this allowed us to increase annual revenue by 22 % to EUR 1.05 billion and achieve an adjusted EBITDA margin of 6.7 % in line with our forecast.

WHAT ROLE DID INFLATION PLAY IN THIS?

SCHÜRMANN: We introduced price increases of 6-8 % in 2022 and another 6-8 % at the beginning of 2023 in order to compensate in earnings for the inflationary effects triggered by material and energy price increases. Some cost-cutting measures have had a positive impact on these effects.

HOW DO YOU INTEND TO BOOST PROFITABILITY AGAIN IN THE FUTURE?

SCHÜRMANN: We are already expecting an increase in earnings this year as the availability of chassis has improved and we are now operating with considerably higher utilisation rates at our locations again, following months of under-utilisation in production. Furthermore, with more chassis available, we will be able to increase production of motorhomes again. This change in the product mix will increase the profitability of our operations. In addition, we are continuously striving towards greater efficiency and optimisation in our manufacturing processes. However, we realise that supply chains are still quite fragile and delays may persist in a wide variety of areas. As a result, we may continue to experience disruptions in manufacturing processes in production for the foreseeable future and incur additional costs. As the supply of parts becomes more reliable, the costly reworking of unfinished vehicles is diminished. We are doing everything in our power to safeguard against these risks. In this, we are focusing strongly on managing inventories with the necessary balance between safety stock and working capital efficiency. In the medium term, our goal is certainly to achieve a double-digit EBITDA margin.

EFFICIENCY IS A GOOD WATCHWORD. WHERE DO YOU SEE POTENTIAL?

VATERL: Of course, it would help if the supply chains functioned fully again. Due to a shortage of parts, almost every second vehicle left the production line last year unfinished and had to be reworked. In the meantime, we have adjusted to this situation quite well and have taken precautions by having a much wider range of inventories, especially of critical components. Automation is also an area of focus in production. We have taken a major step

Werner Vaterl, COO

forward in this area by introducing our new Knaus AZUR caravan, which is largely produced in series by robots. An essential prerequisite for this was frame technology. This was developed in-house and allows us to produce multidimensional, self-supporting components which can be bonded together using robotic adhesive dispensers. In doing so, we challenged the entire construction method of caravans and found a completely new concept, which we are now developing further in order to tap additional automation potential. In the future, we also intend to use this technology in motorhomes. Today, we have already started using individual frame parts in these vehicles. Whatever the case, the technology is available and well-suited.

SPECK: Frame technology opens many doors to new technical opportunities that were previously out of reach for the caravanning industry. It is lightweight, boasts a high-strength structure, is modular in its construction, can be automated in production and is also a prerequisite for completely new interior and exterior designs. Frame technology has it all. When it comes to electromobility in particular, our frame technology is enormously important. Naturally, however, its implementation also requires further investments in tools and production facilities.

VATERL: Our multi-brand strategy has provided us with considerably more security of supply. This in turn improves availability, capacity utilisation and thus also the quality of results in production. The other side of the coin is that the processes in logistics, purchasing and production have become far more complex. We have a higher chassis inventory that has to be financed. The different types of chassis require different superstructures, resulting in a greater variety of articles to be purchased. Integrating the chassis into the superstructures poses new challenges for the employees on the assembly line and also creates added complexity there.

BUT THE STRATEGY IS SUCCESSFUL, ISN'T IT? HOW HAVE THE NEW MODELS BEEN RECEIVED ON THE MARKET?

ADAMIETZKI: That's true, but it was not a foregone conclusion. In fact, given the order situation and the feedback from two major trade fairs - the Caravan Salon in Düsseldorf last year and the CMT this year - we can safely say today that we have really hit the mark with this product offensive. This applies both to intentionally distributing the new models among the different segments and brands of the Group, as well as to assigning the chassis to our brands. After all, it is not enough to simply throw a lot of models onto the market; they also have to be suitable from a strategic and sales point of view. Despite the limited time, we managed to get it right on the dot and that is a great achievement by the team, which cannot be praised highly enough. The new models have already generated high sales at the trade fairs, which is always a positive sign of acceptance by the customer, and they immediately ranked at the top of the sales figures in their segments.

WHAT IS THE GENERAL DEMAND FOR RECREATIONAL VEHICLES? WHAT TRENDS ARE YOU SEEING HERE?

SPECK: Looking ahead, we expect demand to be greatly bolstered by the so-called baby boomers of the 1960s, who are now gradually reaching retirement age and want to fulfil their dreams of freedom, independence and self-determination. The trend towards tourism close to home also remains unchanged. It has been proven that caravanning is a sustainable form of holidaying and outperforms many others in terms of its carbon footprint. As a result, more and more young people are enthusing about the outdoor lifestyle. We are achieving significant gains here, especially with our digital rental brand Rent and Travel. All in all, we are quite optimistic about the years that lie ahead of us.

THE YOUNGER GENERATION, HOWEVER, ARE MORE LIKELY TO RENT? WHAT DOES THIS MEAN FOR KNAUS TABBERT?

ADAMIETZKI: Renting is quite simply the gateway to the motorhome market. There is hardly a buyer who has not rented at least once in the past. Nevertheless, we are not lessors and we do not wish to be. We have developed the Rent and Travel business model, and we market it. In recent years, we have worked very hard to professionalise the rental market. Why? It was because we realised that the more professional the rental companies, the easier it would be to attract customers to the industry and create an experience that would inspire them to purchase.

Gerd Adamietzki, CSO

When we launched our digital rental brand Rent and Travel more than seven years ago, the rental market was very fragmented and poorly organised. Even the largest rental companies had barely 300 vehicles at the start. Today, that number has risen to as many as 3,000 vehicles. We introduced numerous things that are taken for granted today through our software which, incidentally, we also make available to dealers of other brands as a white label solution. This ranges from high-precision, digital rental software, which today is the market leader, and links to travel agencies through to the digital handover and return of vehicles. Our success proves that we were right. Today, RENT AND TRAVEL boasts the largest number of rental partners in Europe. In this way, we are not only able to arouse the interest of potential private buyers in our vehicles, we also collaborate closely with the major European providers who do not use our software but buy a large part of their vehicle fleet from us.

YOU HAVE ALREADY MENTIONED THAT THE SUSTAINABILITY ASPECT IS BECOMING INCREASINGLY IMPORTANT IN CARAVANNING. WHERE DO YOU SEE POTENTIAL FOR IMPROVEMENT?

VATERL: As a company, Knaus Tabbert is greatly committed to sustainability, and to protecting the climate and the environment along the entire value chain. We have set ourselves ambitious targets at our four production sites. By 2030, we aim to reduce our CO_2 emissions by 80 %

compared to 2021. We plan to achieve this goal by increasing energy efficiency, and by purchasing and using renewable energy sources to generate electricity and heat. Today, we already use 100 % green electricity at our German locations and supply the plants with approximately 80 % regenerative heat.

However, we also wish to increase sustainability along the supply chain and in the service life of our products. We require all our suppliers to comply with Knaus Tabbert standards relating to environmental protection, respect for human rights and compliance.

When it comes to our products, we are working at full speed to develop low-emission vehicles and are resolutely forging ahead with the issue of lightweight construction. Today, our motorhomes and caravans are already among the lightest in the industry.

ADAMIETZKI: This is of course particularly relevant to electromobility. The industry is going to have to contend with a lot in the next few years, and this does not only refer to the phasing out of the combustion engine in the motorhome sector. This will have an impact on caravans much sooner because electrically driven towing vehicles are not designed for present-day caravans. The trailer load is expected to be much lower in relation to the combustion engine so that the range is not compromised. For this reason, we have to reduce the weight of today's caravans considerably further through the frames and furnishings, etc.

We initiated projects in this area several years ago and are therefore well positioned. One such project is our electric motorhome KNAUS E.POWER DRIVE, where we continue to work intensively on moving into series production in the near future. For the 2024 model year, we also plan to offer a completely new caravan that breaks with all convention, where we explore entirely new territory and adopt a completely fresh approach to the issue of sustainability.

KNAUS TABBERT IS LOOKING TO GROW FURTHER. ARE YOU FOCUSING ON THE MARKETS YOU ALREADY SERVICE, OR WILL NEW REGIONS BE ADDED?

SPECK: The potential in Germany and Europe continues to offer good growth opportunities. We have already spoken about some of the megatrends, but we are also looking very closely at Southeast Asia. In Malaysia, we have collaborated with our local partners to achieve "pioneer status". In 2022, we were the first company to have caravans of the Knaus brand approved. In South Korea, a market that we have been servicing for a long time through a trade partner, we hold top positions in the registration statistics. The pieces of an Asia strategy jigsaw are already laid out in front of us. The overall picture will become visible in the next few years.

LET US TAKE ANOTHER LOOK INTO THE FUTURE. A TARGET OF TWO BILLION EUROS IN REVENUE IN 2025 - IS THIS STILL VALID?

SCHÜRMANN: Naturally, our goal is to break through the two billion euro mark in turnover in the medium term. However, we will probably need a little more time for this - the supply chain problems we have already spoken about put the brakes on us somewhat last year. We have already initiated or completed the most important investments in capacities. Growth is not an end in itself, but the profitability associated with it is always important to us.

Carolin Schürmann, CFO

SPECK: As an example, we were able to implement a large part of our projects for modernising and expanding the production facilities in Jandelsbrunn and Hungary back in 2022. The new production hall in Jandelsbrunn with more than 20,000 m^2 and the installation of a state-of-the-art side panel production facility were major projects. These are decisive building blocks for achieving the production capacity we are targeting.

VATERL: This year, for example, we are planning an expansion investment in a further production line for our luxury models of the Morelo brand, as demand is very high here. In addition to ESG-relevant investments in boosting energy self-sufficiency, such as wood waste heating plants and photovoltaics, we would like to adjust our investments prudently to the demand situation in the future and gradually eliminate the remaining bottlenecks.

SPECK: In total, we invested more than EUR 70 million in 2022 alone. We will spread the investments planned for 2023 over the years 2023 and 2024. In this way, we are also accommodating the partially limited availability of qualified workers. At the same time, we wish to give our organisation the opportunity to be able to implement the significant growth spurt anticipated for 2023 in processes and structures well before we embark on our next interim goal. The events of 2022 and the changes in overall conditions have shown that it is advisable to incorporate a little more security in the event of unforeseen developments.

Wolfgang Speck, CEO

Yet, the goal remains the same; we are merely taking a slightly different path. We already have all that we need to achieve this: modern, flexible production systems, contemporary products, which are both sought-after and attractive, modern management methods, qualified staff, a corporate culture that strikes a good balance between tolerance and professionalism, a smart strategy and the willingness and ability to adapt swiftly.

CAMPER VAN

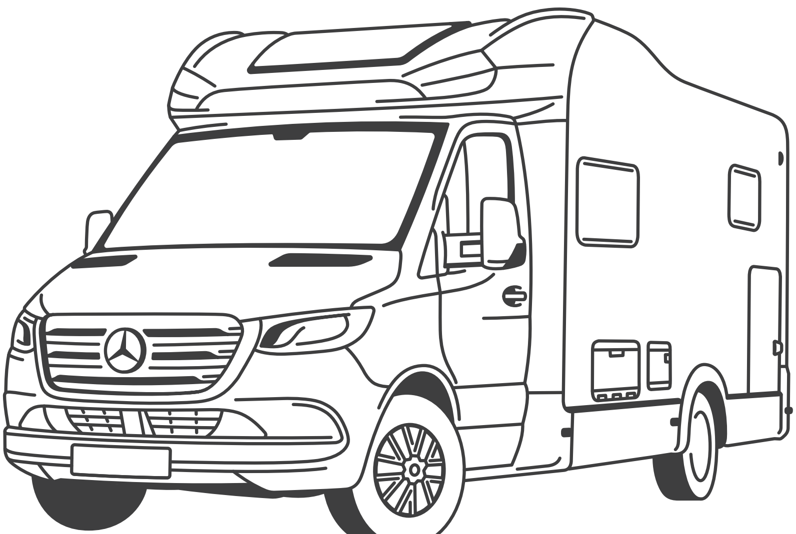
LEISURE OR VACATION?
THE CAMPER VANS ARE
READY FOR ANYTHING.

Panel vans or camper vans are compact, maneuverable camping vehicles. As a rule, they are classic vans with a homely interior. From bed solutions with space for up to 6 people, wet cell to kitchen - in a small space you will find in the Camper Van all the amenities that also offer comfort in larger motorhomes. At Knaus Tabbert Camper Vans are offered by WEINSBERG and KNAUS.

MOBILE HOMES

FROM THE CLASSIC ALCOVE TO
THE MODERN FULLY INTEGRATED.

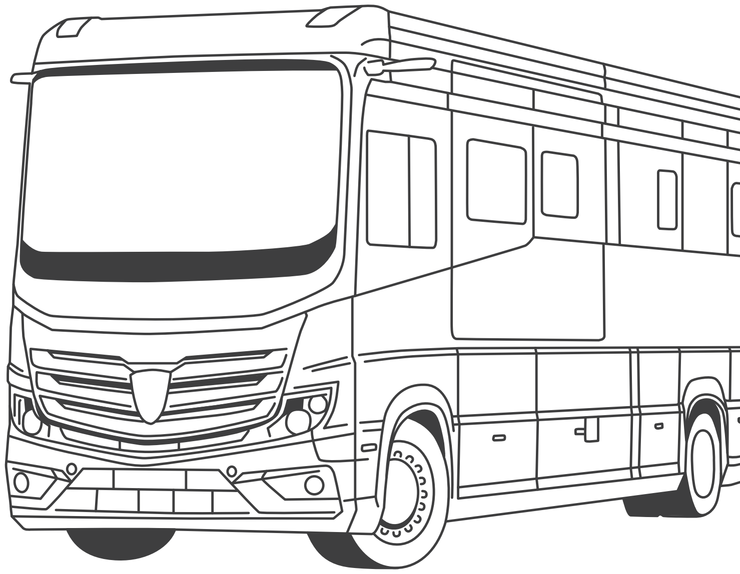
In contrast to camper vans or CUV, vehicle models in the category „motorhomes" are based on a completely new body. Here, only externally manufactured base vehicle is used, while the body is completely manufactured by KNAUS TABBERT. Partially integrated, alcove and fully integrated vehicles fall into this category. In the case of partially integrated vehicles, the transition from the driver's cab to the living area is clearly visible. In the case of alcoves, there is a bed above the driver's cab, which gives the vehicle its typical appearance with a „forward-facing roof". In fully integrated vehicles, the transition from driver's cab to living area is not visible, creating a particularly spacious interior. Size and the amount of space available can vary in motorhomes, but they always include various bed and bathroom solutions as well as a living area with seating group and kitchen.

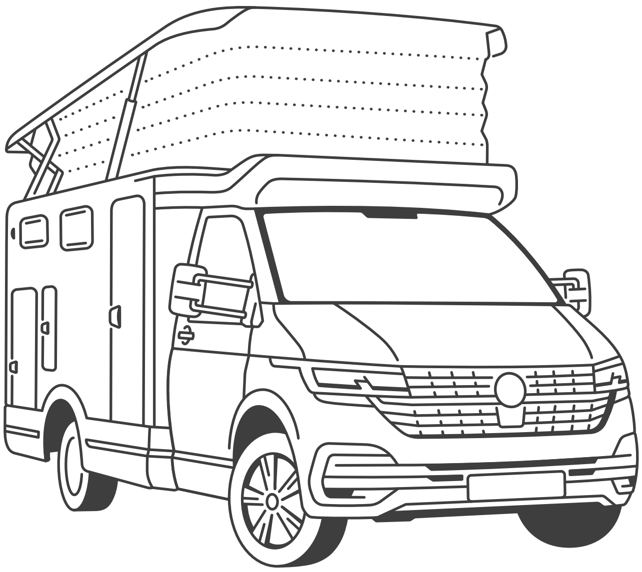


LUXUS LINER

MOBILE LUXURY WITH EVERY FEATURE YOU COULD EVER WANT.

Luxury liners are mounted on truck racks as standard, which makes their interiors correspondingly spacious. spacious. As the name suggests, these touring vehicles stand for pure luxury and contain every imaginable feature. Outstanding, elegant design is combined in luxury liners with the highest possible travel comfort. The MORELO brand from Knaus Tabbert brings luxury to mobile travel.





CUV

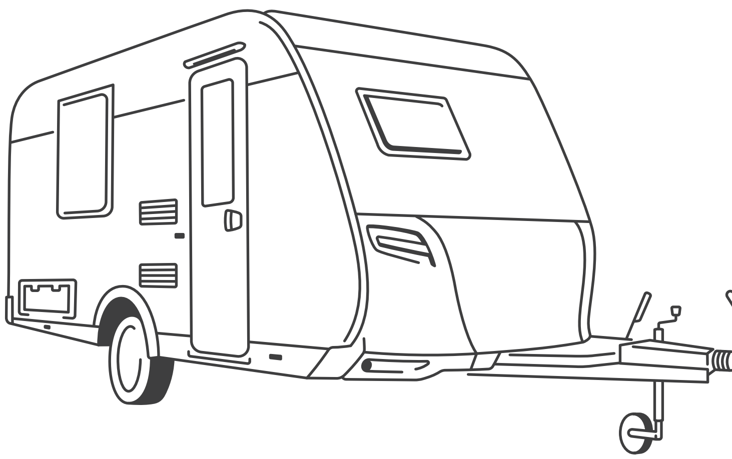
THE VEHICLE CLASS FOR EVERYDAY LIFE AND VACATION.

With the Caravaning Utility Vehicles (CUV) from Knaus Tabbert, a new era in camping vehicles has begun in model year 2023. Thanks to their extremely compact dimensions and driving dynamics, they are comparable to passenger cars and can easily be used as an everyday vehicle. As a result, CUVs have real first-car potential! Thanks to the innovative lift-roof concept, CUVs offer everything in a small space that camping fans know and appreciate from large motorhome models. These include a full kitchen and a fully equipped bathroom as well as comfortable beds. CUVs have been available from KNAUS since MY 2023.

CARAVAN

FOR EVERY NEED THE RIGHT „TRAILER“.

Also known as „caravans“, caravans are fully equipped trailers for motor vehicles. Unlike motor homes, caravans do not have their own drive. Depending on the brand, caravan models include various bed and bathroom solutions as well as living spaces with a comfortable seating area and a small kitchen. At KNAUS TABBERT we carry caravans for different target groups, needs and price ranges under the following brands: t@b, WEINSBERG, KNAUS and TABBERT.



BRANDS AND PRODUCTS

FIVE ICONIC BRANDS

KULT-
WOHNWAGEN

BEWEGENDE
MOMENTE

DEIN URLAUB!

FREIHEIT,
DIE BEWEGT.

WILLKOMMEN
DAHEIM

Business of the Knaus Tabbert Group is based on a portfolio of six focused and differentiated brands: Knaus, Tabbert, Weinsberg, T@B, Morelo and the rental portal Rent and Travel. Knaus and Weinsberg produce caravans, motorhomes and camper vans, while Tabbert and T@B specialise in caravans. Morelo, one of the leading manufacturers of luxury motorhomes, is also part of the group. In addition, Knaus Tabbert operates the internet platform Rent and Travel through which customers can rent recreational vehicles. Thanks to its broad positioning, Knaus Tabbert is able to address a wide range of customer groups and product and price segments via several brands: from solutions for price-conscious beginners to offers for demanding and experienced caravanners. This extensive brand portfolio not only caters to the individual preferences of customers, but also provides the variety required by dealers. Caravans and motorised vehicles such as motorhomes and compact CUVs dominate the European market in equal measure. In all three product segments, Knaus Tabbert occupies top positions in the European registration statistics. The price range of products offered starts at around EUR 10,000 and ends at approximately EUR 750,000. In all three product segments, the iconic brands Knaus, Tabbert and Weinsberg, created in the founding years of caravanning in the sixties, along with Morelo and T@B cover a broad product range that unites the distinctive features of European cultural diversity. Caravanning stands for mobility with accommodation in a compact space. Whether British, French, Spanish or Italian - everyone can find the perfect layout tailored to their lifestyle and personal preferences. While we achieve diversity externally through our five brands, internally we rely on close coordination, economies of scale and flexible production. Modularity, standardisation, module-based systems with differentiated designs and a wide range of equipment options are requirements that are mastered perfectly at Knaus Tabbert. We seem to have succeeded in "squaring the circle".

KNAUS

Knaus is the all-rounder of our brand portfolio. With boundless passion, the traditional KNAUS brand has been making holiday dreams come true since 1960. While we rely on Lower Bavarian craftsmanship in production, we apply state-of-the-art design and manufacturing techniques in the development of new vehicles. A prime example of this is the revolutionary fibre frame technology, which was developed in the course of THE MISSION and positions KNAUS as an innovation leader in the industry in the perception of dealers and customers.

As a full-range provider, KNAUS offers suitable models for all requirements in all vehicle categories of the mid-price segment. These range from caravans and partially or fully integrated motorhomes to the newly established category of Caravanning Utility Vehicles (CUVs), which offer fully equipped comfort with the most effective use of space. After 60 years, Knaus has become a "top dog" in the European caravanning industry. Knaus embodies brand tradition while focusing on innovation, design and functionality. The target customers of Knaus are modern, lifestyle-oriented and technology-savvy with a geographical focus on the European market. Some deliveries also go to Asian destinations such as China and South Korea. Knaus offers a total of four different caravan models, nine van extension models and ten motorhome models. All our models are also available in a wide variety of layouts and living space designs.

TABBERT

TABBERT has stood for uncompromising premium quality and caravans for almost 70 years, and has ranked among the most traditional manufacturers in Europe since its foundation. Six central competencies shape every idea, every move and every model. Whether the TABBERT roof, the impressive aesthetic language of the ELEGANCE FLOW DESIGN, all-round ambient lighting or the convenient entrance door: we at TABBERT are committed to delivering high performance when it comes to design, innovation, climate, durability, tradition and safety, each and every day. TABBERT not only offers the most luxurious holiday experiences, but also provides permanent living space for thousands of people throughout Europe. These customers often invest more than EUR 100,000 in their caravan, and are willing to upgrade to the latest model at intervals of just a few years.

With this philosophy, Tabbert offers caravans in the professional and premium price segments, and is the iconic caravan brand for customers who wish to see their uncompromising demands on quality, competence and longevity in caravanning fulfilled. The strong traditional image, classic design, superior quality and continuous innovation are the main elements that set this brand apart from competitors. Tabbert stands out on account of its unique and elaborate design features. The target customers of the brand are demanding and experienced caravanners, but also professional long-term users. The geographical focus is on European markets, with further deliveries to China and South Korea. The product portfolio currently comprises six Tabbert caravan models.

WEINSBERG

The perfect companion for all campers who are looking for an attractive price-performance ratio combined with high standards in terms of quality, functionality and timeless, fresh design. Authentic, unique and full of passion - these are the attributes of the WEINSBERG brand. The perfect blend of quality, experience and value for money will convince every camping enthusiast with high standards. WEINSBERG promises you the perfect holiday with caravan, motorhome and CUV models as well as innovative and sophisticated customer solutions perfectly tailored to the needs of campers.

Weinsberg stands for user-friendly and smart products that are easy to operate, and seeks to set itself apart from competitors with a broad product range and highly personalised customer service. The geographical focus of the brand is on European markets, with a presence in China and South Korea. The Weinsberg portfolio includes two caravan models, two CUV models and seven different motorhome models. All our models are also available in a wide variety of layouts and living space designs. Approximately 35 % of all vehicles sold by Knaus Tabbert belong to the Weinsberg brand.

T@B

T@B, the caravan with a striking silhouette in a modern retro design, is the timeless classic of our product portfolio; it attracts attention and has long enjoyed cult status. Despite its compact form, it offers surprisingly spacious interiors and intelligent details. The slim model range, which features the two basic forms T@B 320 and T@B 400, is symbolic of the clear focus of the brand. The group brand T@B was founded in 2001 and is one of the younger brands of the Knaus Tabbert Group. Here, the focus is on beginners. The T@B product range currently includes four caravan models. The target group of T@B includes lifestyle-oriented customers who have a flair for the extraordinary and wish to make a clear statement with a T@B product outside the mainstream : I am different, I am special, I am cool, I stand out from the crowd, I am living my dream of individuality. The geographical focus is on Europe. Thanks to its unique style and its positioning in the market, T@B enjoys a high degree of differentiation from competitors in its market segment. T@B does not need marketing - T@B is marketing.

MORELO

MORELO stands for first-class motorhomes that are among the best in the world. A MORELO is always a statement of wanderlust, superb comfort, excellent quality and pure luxury. Morelo is land-yachting in the truest sense of the word: a MORELO makes you feel at home, anywhere in the world. As a luxury brand of the Knaus Tabbert Group, Morelo focuses on the upper end of the price segment: pure luxury, high-end technology, customised equipment and Made in Germany through professional series production. The Morelo product range includes seven different models. All our models are also available in a wide variety of layouts and living space designs. The target customers of Morelo are luxury-oriented travellers who do not wish to compromise on quality and comfort and are willing to invest up to 750,000 euros. Most products are sold on the European market, where the target customers are often corporate professionals who are still actively involved in business or are already retired. The popularity of the brand is underlined by the fact that, despite its short history, Morelo attained a market share of approximately 50 % in the luxury caravan segment at the European level in 2021 (based on registration statistics according to which the total number of registrations for luxury motorhomes were approximately 1,010). Morelo has steadily grown since its foundation in 2010, and has now become the market leader in the luxury segment.

REPORT OF THE SUPERVISORY BOARD

The 2022 financial year was marked by major geopolitical and economic disruptions that presented the company with considerable challenges. The aftermath of the corona pandemic, particularly the lockdowns in China, as well as the Russia-Ukraine conflict and the resulting disruptions of global supply and logistics chains gave rise to noticeable bottlenecks for various raw materials and supplies, thus putting a strain on global economic development. Although the continued high customer demand could not be fully met in this complex environment, the company successfully dealt with the turbulences of the 2022 financial year and was able to ensure a positive business development.

As Chairwoman of the Supervisory Board, the whole of last year has shown me that we at Knaus Tabbert make the right decisions, even in tough times. The company is pursuing an ambitious growth course, and I am confident that we will reach the next milestones in the history of the Knaus Tabbert Group and sustainably shape the future of the caravanning industry.

Dr. Esther Hackl, Chairwomen of the supervisory board

COOPERATION OF THE CORPORATE BODIES

In the reporting year 2022, we performed all tasks required according to legislation, the Articles of Association and the Rules of Procedure with due care and diligence, and in line with the German Corporate Governance Code (GCGC). We thus continuously monitored the conduct of business by the Management Board and regularly advised the Management Board on the running of the company, also with regard to sustainability issues. In the process, the Supervisory Board was able to satisfy itself at all times that the work undertaken by the Management Board was lawful, expedient and proper. The Management Board fulfilled its information obligations. It provided regular, timely and comprehensive information, both written and verbal, on all issues of strategy, planning, business development, risk position, risk development and compliance of relevance to Knaus Tabbert AG. In view of the ongoing challenges of the corona pandemic and the war in Ukraine, the Supervisory Board and the Management Board regularly exchanged information in order to discuss the impacts thereof on Knaus Tabbert AG.

The members of the Supervisory Board had ample opportunity to critically examine the reports and resolution proposals submitted by the Management Board in the committees and at meetings. In particular, all important issues were discussed in depth and checked for plausibility. The Management Board was also available to the Supervisory Board for any bilateral discussions and explanations. As Chairwoman of the Supervisory Board, I maintained regular contact with the Management Board between meetings, in particular with the Chairman and the Chief Financial Officer, and consulted with both on issues relating to the company's strategy, business development, risk position, risk management and compliance. In the year under review, the Supervisory Board held eight meetings.

The Management Board regularly informed the Supervisory Board of all significant economic developments of the Group. During the reporting period, the Management Board provided the Supervisory Board with continuous information on all fundamental issues of corporate planning, including financial, investment, sales and personnel planning, current developments at Group companies, the sales trend, the current situation of the company and its segments, the economic and political environment, as well as the current status and assessment of the main legal risks.

Moreover, the Management Board regularly reported to the Supervisory Board on the profitability and liquidity situation of the company, the development of its sales and procurement markets, the overall economic situation and the developments on the capital markets.

Further topics of discussion included the further development of the product portfolio, safeguarding the company's competitiveness in the long term, and the continued implementation of measures to ensure sustainable and future-oriented mobility in conjunction with Knaus Tabbert's sustainability strategy. In the first quarter, the Supervisory Board also approved the issue of a promissory note loan to meet the company's liquidity needs.

The Supervisory Board of Knaus Tabbert AG made two important personnel decisions for the future development of the company in the 2022 financial year.

In May, a new Management Board contract was thus concluded with Wolfgang Speck, CEO of Knaus Tabbert since 2013, on the basis of a resolution to reappoint him as Chairman of the Management Board, with a term until 31 July 2024. Wolfgang Speck has shaped the Knaus Tabbert Group with his entrepreneurial spirit for almost a decade, leading the company towards steady growth and onto the stock exchange in 2020.

At the same time, the Supervisory Board decided to appoint a woman to the Management Board of Knaus Tabbert AG, thus fulfilling the diversity requirements for management boards of listed and co-determined companies applicable as of August. Following constructive discussions with Marc Hundsdorf, CFO of Knaus Tabbert since 2017, an agreement was reached to make his position available for a female successor by the end of the year at the latest.

Carolin Schürmann was appointed Chief Financial Officer of Knaus Tabbert AG with effect from 1 December 2022 by the Supervisory Board at its meetings in September and October. Marc Hundsdorf stepped down from the Management Board on 31 December 2022 after an orderly handover to his successor Carolin Schürmann.

Ms Schürmann previously served as Vice President at BMW. From 1995 to 2018, Ms Schürmann was successful in various management functions at OPEL and GENERAL MOTORS. After occupying a number of positions in finance and strategic product and portfolio planning, she joined the treasury department of General Motors Corp. in New York. Having worked in the automotive industry for more than 25 years, Ms Schürmann has long-standing experience in financial management in the areas of sales, marketing, aftersales, supply chain and procurement. In her most recent position as Vice President at BMW AG, she was responsible for controlling in purchasing, and later in production. Attendance at the meetings of the Supervisory Board and its committees was as follows:

	SB	*PC*	*AC*
Dr. Esther Hackl	(8/8)	(3/3)	(4/5)
Anton Autengruber	(8/8)	(3/3)	(5/5)
René Ado Oscar Bours	(8/8)		
Jana Donath	(8/8)		(5/5)
Daniela Fischer	(5/8)		
Michael Heim (until 30.9.2022)	(6/6)		
Stephan Kern	(8/8)		
Klaas Meertens	(7/8)		(0/5)
Manfred Pretscher	(8/8)		
Willem Paulus de Pundert	(8/8)	(3/3)	(4/5)
Linda Schätzl (as of 1.10.2022)	(2/2)		
Robert Scherer	(6/8)		
Ferdinand Sommer	(7/8)	(3/3)	(5/5)

SB – Supervisory Board, PC – Presiding Committee, AC – Audit Committee

The Mediation Committee and the Nomination Committee did not convene during the period under review.

The members of the Management Board attended Supervisory Board and committee meetings; however, the Supervisory Board also regularly met for talks without the attendance of the Management Board. In the 2022 financial year, the meetings of the Supervisory Board were held as both virtual and physical meetings.

MEETINGS OF THE SUPERVISORY BOARD IN THE 2022 FINANCIAL YEAR

At the Supervisory Board meeting on 26 January 2022, financial risks and various stress scenarios were discussed against the backdrop of current developments and on the basis of the budget for the 2022 financial year.

At the meeting on 4 March 2022, the budget for 2022 was finalised with regard to a number of investments. In addition, the criteria for the short-term variable remuneration (STIP) of the Management Board for the 2022 financial year were specified in accordance with the remuneration system, and a resolution was passed on the payout of the STIP in 2021. Furthermore, the performance shares to be allocated under the long-term variable remuneration (LTIP) were determined for the performance periods from 2021 and 2022 respectively. The Supervisory Board also dealt with management matters relating to Wolfgang Speck and Marc Hundsdorf, and decided on commissioning an executive search firm.

At its meeting on 28 March 2022, the Supervisory Board discussed the individual financial statements and the consolidated financial statements for 2021, each of which had received an unqualified audit opinion from the auditor, as well as the proposal for the appropriation of profits submitted by the Management Board (in the absence of the Management Board). Another focus of the meeting was the preparation of the Shareholders' Meeting of Knaus Tabbert AG in 2022 and the necessary resolution proposals. Following a presentation by the Management Board, the Supervisory Board resolved to approve the placement of a promissory note loan after a detailed examination.

At its meeting on 11 April 2022, the Supervisory Board discussed and approved the non-financial reporting for the 2021 financial year. In addition, certain investments by Morelo were approved. Furthermore, the Supervisory Board passed resolutions on management matters concerning the reappointment of Wolfgang Speck and the retirement of Marc Hundsdorf.

At its meeting on 18 May 2022, the Supervisory Board dealt with Management Board matters relating to Marc Hundsdorf, the recruitment of a new CFO and capital market communication on these topics.

At its meetings on 5 September 2022 and 28 October 2022, the Supervisory Board dealt with Management Board matters relating to Carolin Schürmann. At these meetings, the Supervisory Board also dealt with the appointment of KPMG as auditor and with the amendment of the Rules of Procedure for the Management Board.

At its meeting on 22 December 2022, the Supervisory Board approved the budget for the financial year ending on 31 December 2023. The Management Board also reported to the Supervisory Board on sustainability issues. Moreover, the Supervisory Board addressed the issue of payload weight, and passed a resolution on the STIP targets for the Management Board for the 2023 financial year and on the annual Declaration of Compliance pursuant to Section 161 of the German Stock Corporation Act (AktG). Furthermore, it dealt with the results of the efficiency audit of the Supervisory Board.

WORK OF THE COMMITTEES

The Supervisory Board has established four standing committees for the due performance of its duties.

Presiding committee of the supervisory board

The Presiding Committee consists of four members. It prepares the meetings of the Supervisory Board and advises the Management Board on fundamental questions relating to the strategic development of the company. In urgent cases – if a resolution of the Supervisory Board required previously cannot be deferred without significant disadvantages for the company – the Presiding Committee may pass a resolution in lieu of the plenary Supervisory Board in the case of certain transactions requiring approval.

Furthermore, the Presiding Committee prepares, in particular, personnel decisions of the Supervisory Board, is responsible for the conclusion, amendment and termination of employment contracts with the members of the Management Board, and submits proposals to the Supervisory Board for resolutions on the remuneration system for the Management Board and for the regular review of the remuneration system.

The Presiding Committee convened three times in the 2022 financial year.

At the committee meeting on 2 March 2022, the Presiding Committee dealt with investments in the context of the budget for 2022. It also addressed the specification of the target criteria for the STIP for the Management Board for the 2022 financial year as well as the payout of the STIP in 2021. Furthermore, the allocation of the performance shares to be awarded under the LTIP for the performance periods from 2021 and 2022 respectively were discussed. In addition, the Committee dealt with management matters relating to Wolfgang Speck and Marc Hundsdorf and the commissioning of an executive search firm.

At its meeting on 1 September 2022, the Committee dealt with management matters relating to the new Chief Financial Officer.

At its meeting on 20 December 2022, budget and investment planning for the 2023 financial year was discussed. The Committee also dealt with the STIP for the Management Board for the 2023 financial year.

Members of the Presiding Committee

- Dr. Esther Hackl (Chairwoman)
- Anton Autengruber (Deputy Chairman)
- Willem Paulus de Pundert
- Ferdinand Sommer

Audit committee

The Audit Committee consists of six members. As required by the German Stock Corporation Act and Corporate Governance Code, the Chairwoman of the Audit Committee, Jana Donath, in her capacity as an independent financial expert, boasts specialist knowledge and experience in the application of accounting principles and international control and risk management systems as well as auditing expertise according to Section 100 para. 5 AktG. In this sense, Wim Paulus de Pundert has specialist expertise and experience in the field of accounting on account of his professional background. The Audit Committee is responsible, in particular, for monitoring accounting including the financial reporting process, the effectiveness of the internal control system, internal risk management and the internal audit system, including the consideration of sustainability-related targets, the compliance management system and the audit of the financial statements. The latter also includes defining the focal points of the audit and reaching an agreement on the auditor's remuneration. Moreover, the Audit Committee maintains close communication with the auditor, with whom it discusses in particular the assessment of the audit risk, the audit strategy and audit planning as well as the audit results. The Chairwoman of the Audit Committee regularly exchanges information with the auditor on the progress of the audit and reports to the Audit Committee on this. The Audit Committee regularly consults with the auditor, also in the absence of the Management Board.

Furthermore, the Committee prepares the resolution of the Supervisory Board on the approval of the annual financial statements and the consolidated financial statements. It also regularly deals with the work of the internal audit department and regularly discusses the company's risk position and risk management. In addition, the Audit Committee prepares the proposal for the election of the auditor to be submitted by the Supervisory Board to the Shareholders' Meeting.

The Audit Committee convened five times in the 2022 financial year.

At its meeting on 4 March 2022, the Audit Committee dealt in detail with the risk management system and the internal control system. Internal auditing issues were also discussed.

At its meeting on 25 March 2022, the Audit Committee discussed the annual financial statements and consolidated financial statements as of 31 December 2021 as well as the non-financial report, and prepared a draft resolution for the Supervisory Board.

At its meeting on 9 May 2022, the Audit Committee addressed the report for the first quarter of 2022 and the corporate governance systems, in particular the internal audit report on the Hungarian location.

At its meeting on 8 August 2022, the Audit Committee dealt with the report for the second quarter of 2022 and the corporate governance systems. Another focus of the meeting was the topic of financial risks and internal auditing. In addition, the Audit Committee was briefed on the situation regarding emissions from diesel vehicles.

At its meeting on 8 November 2022, the Audit Committee discussed the report for the third quarter of 2022 and the corporate governance systems. Furthermore, the Audit Committee prepared the audit of the annual financial statements for the 2022 financial year together with the auditor.

Members of the Audit Committee

- Jana Donath (Chairwoman)
- Dr. Esther Hackl (Deputy Chairwoman)
- Anton Autengruber
- Klaas Meertens
- Willem Paulus de Pundert
- Ferdinand Sommer

Nomination committee

The Nomination Committee consists of three shareholder representatives of the Supervisory Board. The Chairwoman of the Supervisory Board is also the Chairwoman of the Nomination Committee. The role of the Nomination Committee is to propose to the Supervisory Board suitable candidates for election to the Supervisory Board at the shareholders' meeting, taking into account the objectives of the Supervisory Board with regard to its composition.

The Nomination Committee did not convene in the 2022 financial year.

Members of the Nomination Committee:

- Dr. Esther Hackl (Chairwoman)
- Klaas Meertens
- Willem Paulus de Pundert

Mediation committee

The Mediation Committee, which is prescribed by law, consists of the Chairwoman of the Supervisory Board, the Deputy Chairman, one member elected by the employee representatives of the Supervisory Board, and one member elected by the shareholder representatives of the Supervisory Board. The role of the Mediation Committee is to submit proposals to the Supervisory Board for the appointment of Management Board members if no agreement on this can be reached with the requisite majority by the Supervisory Board.

The Mediation Committee did not convene in the 2022 financial year.

Members of the Mediation Committee:

- Dr. Esther Hackl (Chairwoman)
- Anton Autengruber (Deputy Chairman)
- Willem Paulus de Pundert
- Robert Scherer

ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS 2022 AUDITED AND APPROVED

The Management Board prepared the annual financial statements for the 2022 financial year in accordance with the provisions of the German Commercial Code (HGB), the consolidated financial statements pursuant to the provisions of IFRS, as well as a combined management report for Knaus Tabbert AG and the Group. These were audited by the auditing company KPMG AG, Nuremberg, and were each issued with an unqualified audit opinion.

All of these documents, including the proposal of the Management Board for the appropriation of profits, were the subject of the meeting of the Supervisory Board on 29 March 2023, which was also attended by representatives of the auditor, who reported on the main areas of focus and the key findings of the audit, addressing the most important audit issues. The members of the Management Board did not attend the meeting in accordance with Section 109 para. 1 (3) AktG.

The representatives of the auditor were available for in-depth discussions with the members of the Supervisory Board. There were no circumstances suggesting bias on the part of the auditor. The Audit Committee, to which the documents of the Management Board and the audit reports of the auditor were submitted for preliminary examination, reported to the Supervisory Board on the main contents and results of its preliminary examination, and made recommendations for the resolutions of the Supervisory Board.

The Supervisory Board reviewed the annual and consolidated financial statements for the 2022 financial year, the combined management report for Knaus Tabbert AG and the Group, and the proposal of the Management Board for the allocation of distributable profit, taking into account the report of the Audit Committee. The Supervisory Board endorsed the results of the auditor's review. On the basis of its own assessment, the Supervisory Board determined that no objections were to be raised against the annual and consolidated financial statements or the combined management report for Knaus Tabbert AG and the Group. In accordance with the recommendation of the Audit Committee, the Supervisory Board approved the annual financial statements and consolidated financial statements prepared by the Management Board. The financial statements were thus adopted.

The separate non-financial report for the 2022 financial year will be published on 12 April 2023, following an examination by the Supervisory Board on the basis of a review by the auditor and a recommendation by the Audit Committee, if the Supervisory Board concludes that it meets the existing requirements and no objections are to be raised after its own examination.

The proposal of the Management Board for the allocation of the distributable profit and the payment of a dividend of EUR 1.50 per share was carried by the Supervisory Board.

CORPORATE GOVERNANCE AND DECLARATION OF COMPLIANCE

The Supervisory Board has studied the rules and regulations of the GCGC in depth. To monitor compliance with the GCGC, the implementation of the recommendations was reviewed.

The Supervisory Board and the Management Board jointly issued the annual Declaration of Compliance in December 2021. No deviations from the recommendations of the GCGC were declared.

The Declaration of Compliance and other documents on corporate governance are permanently available to shareholders on the internet at https://www.knaustabbert.de/en/investor-relations/corporate-governance.

CONFLICTS OF INTEREST

Each member of the Supervisory Board is obliged to disclose potential conflicts of interest in compliance with the GCGC. In the past financial year, no conflicts of interest of members of the Management Board or Supervisory Board requiring immediate disclosure to the Supervisory Board occurred.

Jandelsbrunn, 29 March 2023

Esther Maria Hackl

Dr. Esther Hackl (Chairwoman of the Supervisory Board)

CORPORATE GOVERNANCE STATEMENT AND REPORT

The Corporate Governance Statement pursuant to Sections 289f and 315d of the German Commercial Code (HGB) is an integral part of the Management Report. In accordance with Section 317 para. 2 (6) HGB, the audit of the disclosures pursuant to Sections 289f and 315d HGB is to be limited to ascertaining whether the disclosures have been made.

Declaration of the Management Board and the Supervisory Board on the recommendations of the German Corporate Governance Code

In December 2022, the Management Board and Supervisory Board of Knaus Tabbert AG issued the Declaration of Compliance with the recommendations of the German Corporate Governance Code (GCGC), as amended on 28 April 2022, for the 2022 financial year in accordance with Section 161 AktG.

Knaus Tabbert AG complies with all recommendations of the GCGC. The Declaration of Compliance reads as follows: As of today, Knaus Tabbert AG complies with the recommendations of the German Corporate Governance Code, as amended on 28 April 2022 and published in the official section of the Federal Gazette on 27 June 2022. Knaus Tabbert AG will continue to comply with these recommendations in the future.

Jandelsbrunn, December 2022

The Management Board

Wolfgang Speck

Marc Hundsdorf

Werner Vaterl

Gerd Adamietzki

Carolin Schürmann

On behalf of the Supervisory Board

Dr. Esther Hackl (Chairwoman of the Supervisory Board)

The Declaration of Compliance 2022 has also been made permanently available to the public on the company's website at https://www.knaustabbert.de/en/investor-relations/corporate-governance.

CORPORATE GOVERNANCE PRACTICES

For the Management Board and Supervisory Board of Knaus Tabbert AG, the recommendations of the Corporate Governance Code are an integral part of their daily work, as are statutory provisions. We conduct our business operations in line with group-wide standards that surpass the requirements of the law and the GCGC.

These also include trust, respect and integrity in our dealings with each other. Ethical behaviour and safety are our overriding goals in this regard. In order to achieve lasting and sustainable corporate success on this foundation, we strive to ensure that our activities are also in harmony with environmental and social concerns.

Compliance as the totality of group-wide measures to ensure adherence to the law, legislation and binding internal rules and regulations is an important management and monitoring task at Knaus Tabbert. For this reason, we have created the position of Chief Compliance Officer, who is responsible for managing the compliance programme, and reports directly to the Management Board.

We have set out the main principles of our corporate governance in a Code of Conduct, which provides all employees of the Group with guidance on responsible, compliant and integrity-oriented behaviour in day-to-day business, and which is binding for the entire workforce, including the members of the Management Board and Supervisory Board.

This applies to interactions with each other, as well as to dealings with customers and business partners. Based on respect for rules and law, the key principles include fairness and responsibility. In addition to general principles of behaviour, the Code of Conduct also contains regulations on integrity and a conflict-of-interest policy, and prohibits corruption in any form. Even the breach of law by a single employee can seriously harm the reputation of our company and cause Knaus Tabbert considerable damage, which can also be of a financial nature.

Knaus Tabbert is aware of its responsibility towards society and ensures in particular that social and environmental factors are identified and taken into account, both in its corporate strategy and in its operational decisions.

The Code of Conduct is regularly reviewed, and adapted or expanded in line with current requirements and developments. Moreover, employees are regularly informed about current issues relating to the Code of Conduct and receive training on specific topics such as product liability, antitrust law and data protection. The Code of Conduct is available on the company's website at: https://www.knaustabbert.de/en/company/compliance/.

MANAGEMENT AND CONTROL

Responsibilities are allocated between the Management Board and the Supervisory Board in accordance with the German Stock Corporation Act, the Articles of Association and the Rules of Procedure for the Management Board and Supervisory Board. The Rules of Procedure of the Supervisory Board are available on the company's website at: https://www.knaustabbert.de/en/investor-relations/corporate-governance/.

As a governing body of the company, the Management Board is bound to the interests of the company and committed to sustainably increasing the shareholder value. The members of the Management Board are jointly responsible for the overall management of the company and decide on fundamental issues of business policy and corporate strategy as well as on annual and multi-year planning.

The Management Board jointly steers the operational business. It comprised four members in the 2022 financial year, and five members in December 2022. All members are closely involved in the company's operating activities. Notwithstanding the collective responsibility of the Management Board, each board member independently manages the business area assigned to them under the Rules of Procedure. A detailed presentation of individual areas of responsibility and portfolios can be found on the company's website under Company/Management at https://www.knaustabbert.de/en/company/management/. The management of the subsidiaries and the heads of the various functional and product areas each report to a member of the Management Board.

The Management Board is responsible for preparing the quarterly reports and the half-yearly financial report, the annual and consolidated financial statements, the combined management report for Knaus Tabbert AG and the Group, and non-financial reporting. Furthermore, the Management Board takes care that legal provisions, official regulations and internal company guidelines are observed, and works to ensure that these are complied with by the Group companies.

When filling management positions in the company, the Management Board pays attention to diversity and strives, in particular, to ensure an adequate representation of women and to promote internationality.

The Management Board and Supervisory Board cooperate closely in the interests of the company. The Supervisory Board advises, monitors and controls the Management Board, which provides regular, timely and comprehensive reports to the Supervisory Board on all key issues relating to the development of business, the corporate strategy and potential risks. The Supervisory Board discusses business development and planning as well as the corporate strategy and its implementation at regular intervals. In addition, the Supervisory Board regularly deals with the topics of risk management and compliance. The Chairwoman of the Supervisory Board was in regular contact with the Management Board between meetings, in particular with the Chairman of the board, and consulted with him on issues relating to the company's strategy, business development, risk situation, risk management and compliance.

The Supervisory Board reviews the annual and consolidated financial statements, the management report of Knaus Tabbert AG and the Group, non-financial reporting and the proposal for the allocation of distributable profits. Furthermore, the Supervisory Board approves the annual financial statements of Knaus Tabbert AG, which are thus adopted, and approves the consolidated financial statements, taking into account the results of the preliminary audit performed by the Audit Committee as well as the auditor's reports. The Supervisory Board decides on the proposal of the Management Board for the allocation of distributable profits and on the report submitted by the Supervisory Board to the Shareholders' Meeting.

Furthermore, the Supervisory Board and the Audit Committee monitor the company's compliance with legal requirements, official regulations and internal guidelines, and oversee the internal control and risk management system, including the consideration of sustainability-related targets, and internal auditing.

The Supervisory Board is also responsible for appointing the members of the Management Board and determining their areas of responsibility. Important decisions of the Management Board such as large acquisitions, divestments and financial measures are subject to the approval of the Supervisory Board if they are not already included in the approved financing and implementation plan (budget). The Supervisory Board has regulated the work of the Management Board in the Rules of Procedure for the Management Board.

The composition of the Supervisory Board of Knaus Tabbert AG is prescribed by law and regulated in detail in the Articles of Association. The Supervisory Board consists of twelve members, of which six are elected by the Shareholders' Meeting in accordance with the provisions of the German Stock Corporation Act, and six by the company's employees in accordance with the provisions of the German Co-Determination Act (Mitbestimmungsgesetz).

The shareholders of Knaus Tabbert AG exercise their control and co-determination rights at shareholders' meetings, which are chaired by the Chairwoman of the Supervisory Board. The Shareholders' Meeting decides on all tasks assigned to it by law (including the allocation of profits, approval of the actions of the Management Board and Supervisory Board, election of Supervisory Board members, capital measures and amendments to the Articles of Association). Shareholders may exercise their voting rights at the shareholders' meeting either in person, through an authorized representative, or by a proxy appointed by Knaus Tabbert AG.

MODE OF OPERATION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD AND COMPOSITION AND MODE OF OPERATION OF THEIR COMMITTEES

The Supervisory Board is tasked with advising and monitoring the Management Board in its running of Knaus Tabbert AG. It has established rules of procedure for itself. The Supervisory Board appoints the members of the Management Board in accordance with statutory provisions and the Articles of Association. Monitoring and advising of the Management Board also includes sustainability issues. The Supervisory Board issues rules of procedure for the Management Board, which contain a catalogue of transactions requiring approval, as well as a business responsibility plan.

The Supervisory Board holds at least two meetings per calendar half-year. As a rule, at least five plenary meetings are held per calendar year. The key issues discussed at the meetings in the past financial year are summarised in the Report of the Supervisory Board, which forms part of this Annual Report. Unless otherwise decided by the Chairwoman of the Supervisory Board, the members of the Management Board attend the meetings of the Supervisory Board, provide written and oral reports on the individual agenda items and draft resolutions, and respond to questions from the members of the Supervisory Board.

As a rule, the meetings of the Supervisory Board are convened by the Chairwoman with at least fourteen days' prior notice. The Chairwoman of the Supervisory Board reports to the shareholders on the activities of the Supervisory Board and its committees at the shareholders' meetings. The Management Board regularly updates the Chairwoman of the Supervisory Board on current developments.

The Supervisory Board has established four committees for the efficient performance of its duties: the Presiding Committee, Nomination Committee, Audit Committee and Mediation Committee.

The Presiding Committee consists of the Chairwoman, the Deputy Chairman, a shareholder representative and an employee representative. The Chairwoman of the Supervisory Board also serves as Chairwoman of the Presiding Committee. At the initiative of its Chairwoman, the Presiding Committee discusses important issues and prepares resolutions of the Supervisory Board. Under special circumstances or in urgent cases, the Presiding Committee may approve transactions requiring the consent of the Supervisory Board. The Presiding Committee also advises the Management Board on matters of corporate planning, and prepares the personnel decisions of the Supervisory Board.

The members of the Presiding Committee are Dr. Esther Hackl (Chairwoman), Anton Autengruber (Deputy Chairman), Willem Paulus de Pundert and Ferdinand Sommer.

The Nomination Committee is composed exclusively of shareholder representatives and consists of the Chairwoman of the Supervisory Board and two further shareholder representatives of the Supervisory Board. It proposes suitable candidates for election to the Supervisory Board at the shareholders' meeting. The Chairwoman of the Supervisory Board is also Chairwoman of the Nomination Committee.

The members of the Nomination Committee are Dr. Esther Hackl (Chairwoman), Klaas Mertens and Willem Paulus de Pundert.

Furthermore, an Audit Committee was established. The Audit Committee consists of six members, namely four shareholder representatives and two employee representatives of the Supervisory Board. The Audit Committee convenes as required with the attendance of Management Board members or of the auditor. The Management Board does not attend meetings in which the auditor is called in as an expert, unless the Audit Committee deems its attendance necessary. The Audit Committee is responsible for auditing the accounts, monitoring the financial reporting process and assessing the appropriateness and effectiveness of the internal control system and risk management system, including the consideration of sustainability-related targets in internal auditing and compliance. It is also tasked with verifying the requisite independence of the auditors, issuing audit assignments to the auditors, defining the focal points of the audit, evaluating the quality of the audit and reaching an agreement on the auditor's remuneration. Moreover, the Audit Committee maintains close communication with the auditor, with whom it discusses in particular the assessment of the audit risk, the audit strategy and audit planning as well as the audit results. The Chairwoman of the Audit Committee regularly exchanges information with the auditor on the progress of the audit and reports to the Audit Committee on this. The Audit Committee regularly consults with the auditor, also in the absence of the Management Board.

The members of the Audit Committee are Jana Donath (Chairwoman), Dr. Esther Hackl (Deputy Chairwoman), Anton Autengruber, Klaas Mertens, Willem Paulus de Pundert and Ferdinand Sommer.

In accordance with the provisions of the German Co-Determination Act, the Supervisory Board of Knaus Tabbert AG has also established a Mediation Committee consisting of the Chairwoman and Deputy Chairman of the Supervisory Board, one employee representative of the Supervisory Board and one shareholder representative of the Supervisory Board.

The members of the Mediation Committee are Dr. Esther Hackl (Chairwoman), Anton Autengruber (Deputy Chairman), Willem Paulus de Pundert and Robert Scherer.

The Supervisory Board assesses the effectiveness of its work and the work of its committees at least once a year. In 2022, this was performed by means of a structured questionnaire, the results of which were discussed in detail by the Supervisory Board.

Further information on the Supervisory Board and its members can be found on the company's website at https://www.knaustabbert.de/en/company/supervisory-board/.

There, you can also find the Rules of Procedure of the Supervisory Board at https://www.knaustabbert.de/en/investor-relations/corporate-governance/.

A description of the main features of the internal control system and risk management system as well as a statement on the appropriateness and effectiveness of these systems can be found in the Management Report in the section "Opportunities and risk report".

SUCCESSION PLANNING AND DIVERSITY

A key concern of good corporate governance is to ensure that the composition of the Management Board and Supervisory Board meets the specific needs of the company.

Key criteria in this regard are the professional and personal qualifications of the members of the Management Board and Supervisory Board as well as a diverse composition of both corporate bodies, including an appropriate participation of women (in accordance with the legal requirements of the Second Leadership Positions Act - FüPoG II), and the independence of the Supervisory Board.

With a view to ensuring diversity on the Management Board, the Supervisory Board strives to give due consideration to various professional and international backgrounds, and to ensure that both genders are fairly represented in the long term. In addition to a diverse board composition, Management Board members continue to be selected on the basis of their expertise, professional qualifications and personality. Management Board members should bring a broad range of professional experience and expertise to the table. In this respect, the concept of diversity acts as an additional guideline for the selection of suitable candidates to the Management Board.

FüPoG II stipulates that for listed and co-determined companies with a management board consisting of more than three members and zero female members, appointment of a woman is mandatory from 1 August 2022. As Knaus Tabbert AG fulfils these criteria, this regulation is applicable to the appointment of Management Board members at Knaus Tabbert AG. This requirement has been met with the appointment of Ms Carolin Schürmann as of 1 December 2022. For members of the Management Board, an age limit of 67 generally applies.

The law stipulates that the Supervisory Board of Knaus Tabbert AG must be composed of at least 30 % women and at least 30% men. These quotas are to be fulfilled separately by both the shareholder representatives and the employee representatives as overall fulfilment was objected to (separate fulfilment). It cannot be ruled out that overall fulfilment will become the decisive criterion in the future.

In the 2022 financial year, two female shareholder representatives were appointed to the Supervisory Board, as well as one female employee representative until 30 September 2022, and two female employee representatives as of 1 October 2022. This translates into a women's quota of 33.3 % for the Supervisory Board as a whole.

The Supervisory Board has also decided on a competence profile for its composition, according to which the Supervisory Board as a whole should have the competences deemed essential with respect to the activities of the Knaus Tabbert Group. These include, in particular, in-depth experience and expertise

- in the management of a large or medium-sized, internationally active corporation;
- in industrial business and value creation along diverse value chains;
- in the field of research and development, in particular in the technologies of relevance to the company as well as in adjacent or related areas;
- in the areas of production, marketing, sales and digitalisation;
- in the main markets in which Knaus Tabbert operates;
- in accounting and financial reporting;
- in controlling/risk management;
- in the field of governance/compliance, and
- with regard to sustainability issues.

Moreover, in view of the requirements of Section 100 para. 5 AktG, at least one member of the Supervisory Board must have expertise in the fields of accounting, and at least one other member in the field of auditing, which must be taken into due consideration when appointing new board members. The Supervisory Board as a whole must be familiar with the industry in which the company operates. Within the meaning of Section 100 para. 5 AktG, the Chairwoman of the Supervisory Board, Jana Donath, has expertise in the field of auditing, while Wim Paulus de Pundert has expertise in the field of accounting.

More than half of the shareholder representatives must be independent of the company and the Management Board within the meaning of the GCGC. At least two shareholder representatives must be independent of controlling shareholders within the meaning of the GCGC (this criterion is met by Dr. Esther Hackl, Jana Donath and Manfred Pretscher). The Chairwoman of the Supervisory Board, the Chairwoman of the Audit Committee and the chair of the committee dealing with the remuneration of the Management Board must be independent of the company and the Management Board. Moreover, the Chairwoman of the Audit Committee must be independent of controlling shareholders. Members of the Supervisory Board shall neither exercise any executive or advisory functions for, nor have any personal ties to, significant competitors, customers, suppliers or lenders of the company or other third parties. The Supervisory Board shall not include more than two former members of the Management Board.

As a rule, members of the Supervisory Board should not be older than 72. Deviations from this rule are permitted in exceptional and substantiated cases. Membership of the Supervisory Board should in principle not exceed twelve years.

The Supervisory Board decided on the competence profile prior to the initial public offering of the company, and considers it to be fully implemented at present.

QUALIFICATION MATRIX

	Dr. Esther Hackl	Anton Autengruber	René Ado Oscar Bours	Willem Paulus de Pundert	Jana Donath	Stephan Kern	Klaas Meertens	Daniela Fischer	Manfred Pretscher	Linda Schätzl	Robert Scherer	Ferdinand Sommer
Member since:	2020	2020	2020	2020	2020	2020	2020	2020	2020	2022	2020	2020
Appointed until:	2025	2025	2025	2025	2025	2025	2025	2025	2025	2025	2025	2025
Personal Eligibility:												
ndependence in accordance with the German Corporate Governance Code	x	x	x		x			x	x	x	x	
No Overboadring (<5)	x	x	x	x	x	x	x	x	x	x	x	x
Professional Qualifications:												
Management of a large international corporation			x	x			x		x			
in the caravanning industry and the value creation along different value chains	x	x	x	x	x	x	x	x	x	x	x	x
in the field of research and development, especially in the area of technologies relevant to the company as well as adjacent or related areas				x			x		x			
in the areas of production, marketing, sales and digitalization	x			x			x		x	x	x	x
in the main markets in which Knaus Tabbert operates	x	x	x	x	x	x	x	x	x	x	x	x
in accounting and financial reporting	x	x	x	x	x		x			x		x
with regard to listed companies	x		x	x	x		x		x			
in controlling/risk management	x	x		x	x		x					x
in the area of governance/compliance	x	x		x	x		x		x	x		x
ESG	x				x							x

Targets for filling management positions

When filling management positions in the company, the Management Board pays attention to diversity and strives for an adequate representation of women. In setting these targets, Knaus Tabbert AG, as a technology-oriented company, has to take into account industry-specific circumstances as well as the current quota of women in the workforce.

In September 2020, the Management Board therefore set a target of 33 % for the proportion of women in the first management level of Knaus Tabbert AG below the Management Board, and 22 % for the proportion of women in the second management level below the Management Board. The resolution is valid for a period of five years. These targets were met in the 2022 financial year. However, the Management Board reserves the right to set a higher percentage of women in the first two management levels below the Management Board in the future, provided this can be implemented while taking due account of industry-specific circumstances.

REMUNERATION REPORT AND REMUNERATION SYSTEM

The remuneration report for the 2022 financial year pursuant to Section 162 para. 1 AktG, the auditor's report on the audit of the remuneration report for the 2022 financial year pursuant to Section 162 para. 3 (3) AktG, the applicable remuneration system approved by the Shareholders' Meeting on 23 June 2021 pursuant to Section 87a para. 1 and 2 (1) AktG, and the remuneration resolution adopted by the Shareholders' Meeting on 23 June 2021 pursuant to Section 113 para. 3 AktG are available to the public at https://www.knaustabbert.de/en/investor-relations.

TRANSPARENT CORPORATE COMMUNICATION

Open and transparent corporate communication is an essential component of good corporate governance. In addition to clear and intelligible content, this also calls for equal access to information of the company for all target groups.

Knaus Tabbert AG provides shareholders, financial analysts, the media and the interested public with equal access to up-to-date information on the development of the company and significant events. All mandatory publications as well as further detailed and supplementary information are published on the company's website in a timely manner. Corporate publications such as ad hoc announcements, media releases, interim and annual reports are simultaneously made available to analysts and investors in German and English.

The planned dates of important recurring events such as the publication dates of the annual report and the interim reports as well as the dates of shareholders' meetings are listed in a financial calendar. This is published at the beginning of each financial year and made available on the Knaus Tabbert website. The publication dates are aligned with the requirements of the regulations of the Frankfurt Stock Exchange for securities in the Prime Standard segment.

INVESTOR RELATIONS

CAPITAL MARKET REVIEW

After opening near all-time highs at the beginning of the year, the German stock market came under enormous pressure in spring 2022 due to the Russia-Ukraine conflict. The resulting energy crisis not only caused commodity prices to rise rapidly, but also raised geopolitical questions about deglobalization, as it did at the beginning of the Corona pandemic.

In addition, inflation in the euro zone rose successively over the course of the year, reaching 10.6% year-on-year in October 2022, the highest level since the post-war period. In view of this development, the pressure on central banks to reduce banks to stop the devaluation of the currency, with the result that the European Central Bank raised key interest rates by 0.50 percent on July 21, 2022, thus initiating a turnaround in key interest rates with its first increase since 2011. This was followed by three further adjustments of 0.75 and 0.50 percent each later in the year, bringing the main refinancing rate for banks to 2.50 percent as of Dec. 21. The U.S. Federal Reserve (FED) raised interest rates much earlier and more aggressively, with the Federal Fund rate rising from a target range of 0.00-0.25 percent to 4.25-4.50 percent over the course of the year.

Driven by this development, the euro depreciated massively against the U.S. dollar, temporarily falling below parity for the first time in 20 years. However, the German export industry was only able to benefit to a limited extent from a weak euro, as existing supply chain problems were exacerbated by corona-related lockdowns in China, higher material costs and uncertainty in gas supplies to Europe due to the Ukraine conflict. In the course of this, a recession scenario also became increasingly likely, causing the DAX to fall to its low for the year of 11,976 points on September 29.

Even though some of these losses were recovered towards the end of the year, the DAX selection indices and scale indices all performed negatively over the year as a whole in the market environment described above. It was observed that in phases of high volatility and uncertainty, tech stocks on a high valuation basis and growth companies with financing requirements came under strong pressure due to rising interest rates, while some value stocks held up comparatively well. A similar picture emerged in an international comparison, with the Nasdaq in particular recording high price declines.

THE KNAUS TABBERT SHARE

The share capital of Knaus Tabbert AG amounts to EUR 10,377,259, divided into 10,377,259 no-par bearer shares. At the end of fiscal year 2022, the market capitalization amounts to EUR 332.1 million.

SHARE INFORMATION ACCORDING TO XETRA TRADING SYSTEM

in EUR	*2022*	*2021*	*2020*
Closing price as of Dec. 31	32,00	55,30	63,40
Year high	57,00	73,00	63,50
Year low	23,90	50,50	54,50
Market capitalization as of Dec. 31 (in EUR million)	332,1	573,9	657,9

RESEARCH COVERAGE

In fiscal year 2022, a total of nine international banks and brokerage houses (2021: five) published regular equity research reports on Knaus Tabbert. Of the financial analysts who covered our shares, six issued a buy recommendation. The average price target was EUR 55.6 as of the report's editorial deadline.

Bank	*Target Price*	*Reating*
Alpha Value	74,60	Buy
BNP Paribas	56,00	Outperform
Jefferies	40,20	Buy
Kepler Cheufreux	42,00	Hold
ABN AMRO – ODDO BHF	49,00	Outperform
Raiffeisen Research	37,50	Buy
First Berlin	77,00	Buy
Montega	65,00	Buy
Hauck Auffhäuser	59,00	Buy

CONTINUOUS PARTICIPATION OF SHAREHOLDERS IN BUSINESS SUCCESS

With its defined distribution policy, Knaus Tabbert AG wants its shareholders to participate in the company's success to an appropriate extent.

KEY FIGURES ON THE DIVIDEND			
in EUR	*2022*	*2021*	*2020*
Total dividend payment (in EUR million)	15,6	15,6	15,6
in % of net income acc. to IFRS	53%	60%	50%
Dividend per share	1,50	1,50	1,50
Dividend yield based on closing price	4,7%	2,7%	2,4 %

The Management Board and Supervisory Board consider a payout ratio of around 50% of net income according to IFRS to be the benchmark for the proposal to the Annual General Meeting. This is intended on the one hand to maintain and strengthen the financial and innovative strength of the company for further growth and to avoid payments from the substance. On the other hand, value- and growth-oriented investors are to benefit in the long term from the targeted continuous increase in the value of the company. The dividend is paid out after the Annual General Meeting's resolution on the appropriation of profits, generally on the third business day after the Annual General Meeting.

For the financial year 2022, the Management Board and the Supervisory Board will propose to the Annual General Meeting the distribution of a dividend of EUR 1.50 (previous year: EUR 1.50) per share. This proposal corresponds to a total distribution of EUR 15.6 million and is thus in line with the defined dividend policy of Knaus Tabbert AG.

BASIC DATA ON THE SHARE

BASIC INFORMATION ON THE KNAUS TABBERT SHARE	
ISIN	DE000A2YN504
WKN	A2YN50
Ticker symbol	KTA
Stock exchange	Frankfurt stock exchange
Market segment	Regulated market (Prime Standard)
Type	No-par bearer shares
Total shares issued	10.377.259 shares
First trading day	23.09.2020
Issue price	58,00 Euro per share

COMBINED MANAGEMENT REPORT

CONTENTS

FUNDAMENTALS OF THE GROUP

Organisational structure

Knaus Tabbert AG is the parent of the Knaus Tabbert Group with headquarters in Jandelsbrunn, Germany. The company is registered under the commercial register number HRB 11089 with the registry court in Passau. The Consolidated Financial Statements encompass both the company and its subsidiaries (collectively referred to as "Group"). The executive bodies of the company comprise the Management Board, the Supervisory Board and the Shareholders' Meeting. The balance sheet date is 31 December.

The shares of the company have been traded in the Prime Standard segment of the regulated market of the Frankfurt Stock Exchange since 23 September 2020.

Knaus Tabbert AG holds a 100-percent stake in the following companies:

- Caravan-Welt GmbH Nord, Bönningstedt
- Knaus Tabbert Kft, Vac, Hungary
- HÜTTLrent GmbH, Maintal
- MORELO Reisemobile GmbH, Schlüsselfeld
- CFC Camping Freizeit Center GmbH, Freiburg
- WVD Südcaravan GmbH, Freiburg

The scope of consolidation has been expanded following the acquisition of CFC Camping Freizeit Center and WVD Südcaravan GmbH. For further information, please refer to Note 3.1.

Management Board and Supervisory Board

The Management Board of Knaus Tabbert AG directs the company at its own responsibility. The Supervisory Board appoints, monitors and advises the Management Board, and is directly involved in decisions of fundamental importance to the company. Both bodies cooperate closely for the benefit of Knaus Tabbert. Further details can be found in the chapter "Corporate Governance Statement and Corporate Governance Report".

Business model and strategy

The Knaus Tabbert Group is active in the market for leisure vehicles and ranks among the leading European manufacturers in terms of market share. With its balanced brand portfolio, Knaus Tabbert is represented in all product categories, i.e. caravans, motorhomes and camper vans, and price segments.

Value creation ranges from research and development, production and sales to services. At its four production and administrative sites in Germany and Hungary, Knaus Tabbert employed approximately 4,000 members of staff, including 950 temporary workers, as of the balance sheet date 31 December 2022. The manufacturing facilities are organised as a highly efficient production network. This allows Knaus Tabbert to manufacture motorhomes, caravans and camper vans on one production line. Moreover, consistent standardisation of manufacturing processes enables us to produce the same models at different locations. This provides us with a high degree of flexibility within our production network. As our products are almost exclusively made to order, we are able to react quickly to market changes and sales fluctuations, which contributes to the optimisation of our working capital.

In the 2022 financial year, sales (invoiced units) at our sites in Jandelsbrunn, Mottgers, Schlüsselfeld and Nagyoroszi amounted to 29,556 vehicles.

Our portfolio currently includes the five brands Knaus and Weinsberg (caravans, motorhomes and camper vans), Tabbert and T@B (caravans), and Morelo as a manufacturer of luxury motorhomes. As the customer target groups of the individual brands differ, we offer suitable solutions for both price-conscious beginners and demanding and experienced caravanners. Our offering thus covers all product and price segments, including the high-end luxury segment, and without competing brands within the groups.

We distribute our products through an extensive dealer network that has grown over many years, and which consisted of more than 500 dealers in the Premium segment and 47 dealers in the Luxury segment as of 31 December 2022. The Group sells vehicles in the Premium segment directly to end customers through four of its own trading companies. In addition to the dealer network, Knaus Tabbert offers its customers access to service stations throughout Europe via our cooperation partner MAN.

Furthermore, Knaus Tabbert has been running the digital rental platform RENT AND TRAVEL since 2016, allowing users to rent leisure vehicles from the Group's range of brands. The platform connects customers, travel agencies and rental stations, and has become one of the leading rental platforms for leisure vehicles in Germany in just a few years after its launch. The regular renewal of the hire fleet by our rental partners constitutes an additional sales channel. At the same time, the rental market also serves as an excellent instrument for acquiring new customers. In the 2022 rental season, the rental pool stood at more than 2,000 vehicles.

Our strategic focus in the medium term is on strong organic growth. An important cornerstone of our strategy is also our capacity for innovation (see also "Research and development"). The combination of established products with an innovative margin system in the form of our Caravanning Partner Programme (CAPP) increases our attractiveness for dealers, who are an essential component of the long-term corporate success of Knaus Tabbert.

CONTROL SYSTEM

For internal control purposes, the Knaus Tabbert Group has bundled its operating business into two segments, which constitute segments in accordance with international accounting standards (IFRS 8).

- **Premium segment:** includes the Knaus, Tabbert, Weinsberg and T@B brands, which offer vehicles in a price range of up to approximately EUR 140,000;
- **Luxury segment:** comprises the Morelo brand with prices up to approx. EUR 700,000.

The above prices refer to the respective base vehicle without accessories or special equipment.

Our key financial performance indicators include key figures on growth, profitability and capital structure. The most important key figures for steering the Group are revenue and, from 2020, adjusted EBITDA.

NON-FINANCIAL PERFORMANCE INDICATORS

The areas outlined below cover only a part of our non-financial reporting. Further information will be available from 14 April 2023 in the combined, separate and non-financial report for 2022, published in accordance with Sections 315b and 351c of the German Commercial Code (HGB) in conjunction with Sections 289c to 289e HGB on our website at www.knaustabbert.de/en/sustainability.

Research and development

Alongside the operative business development, research and development provide the foundation for Knaus Tabbert's competitiveness and strong market position. Since our foundation, we have given high priority to the area of research and development in order to continuously improve our product range.

KEY FIGURES RESEARCH AND DEVELOPMENT COSTS

in EUR mill.	*2022*	*2021*
Research and development costs	1.4	1.7
Depreciation and amortization expenses	4.5	3.8
Investments in development costs subject to capitalisation	6.2	5.8
Research and development activities	7.6	7.5
R&D ratio/sales	0.72%	0.87%
Capitalisation rate	81.5%	77.7%

In the 2022 financial year, development costs totalling EUR 6.2 million (previous year: EUR 5.8 million) were capitalised as they fulfilled the respective requirement criteria. Of this amount, EUR 2.2 million (previous year: EUR 2.1 million) resulted from capitalised development costs of third parties in the course of the 2022 financial year. Including capitalised development costs, the R&D ratio in relation to Group revenue decreased to 0.72 % (previous year: 0.87 %).

Innovation and digitalisation significantly influence Knaus Tabbert's customers in their decision to purchase a recreational vehicle. As such, they have become key elements of our brand. For this reason, more than 100 employees are working in our innovation centres in Jandelsbrunn (Premium segment) and Schlüsselfeld (Luxury segment), where they are developing new ideas and solutions and improving existing ones. In total, Knaus Tabbert holds more than 400 trademark protection rights, usage patents, design protection rights and technical patents in its key markets.

The development of new products is a complex process involving multiple areas and departments. Our innovation work currently focuses on:

- sustainable drive systems,
- lightweight components instead of conventional steel constructions,
- greater self-sufficiency (independence from electricity supplies) as well as
- the use of sustainable materials.

Many of Knaus Tabbert's innovations are born from dialogue with our customers. While we maintain ongoing communication with our dealers who sell our products, our work is also shaped by the opinions and wishes of our customers.

Process automation

In the area of process automation, the implementation of bonding by means of robots deserves special mention. This includes positioning, the automated application of adhesive and the controlled joining of individual components.

Due to our positive experience with this type of automation, the process is to be expanded to include other adhesive templates for frame bonding. In the area of thermal insulation, we were able to substantially reduce the previously time-consuming positioning of individual blanks thanks to a new method for applying the insulation. Changeover to series production took place in the 2021 financial year.

Increased use of lightweight construction technologies

The advantages of lightweight construction technologies lie in weight savings and the concomitant reduction in the fuel consumption of vehicles. In addition, this opens up new opportunities for the use of electric mobility in the industry.

Due to its complexity, the overarching " Lightweight Construction" project was divided into several sub-projects. One example of these is “Lightweight Furniture Design”, the aim of which is to replace plywood panels with lightweight panels made from composite wood materials. The knowledge gained from the project to date has helped to ensure that 100 % of the furniture fronts inside the KNAUS SPORT and KNAUS SÜDWIND caravans are made of lightweight panels.

The encouraging results obtained from this project and the positive feedback from customers have encouraged Knaus Tabbert to equip further recreational vehicles with these lightweight panels

Electrification

The electrification of vehicles of the future continues to play a key role in reducing local emissions. With its development projects of the past years, Knaus Tabbert has already implemented the first prerequisites for this. In this context, lightweight construction, fibre-reinforced frame technology and a special lightweight chassis deserve special mention.

In the motorhome segment, too, environmental regulations will require more and more vehicles in the urban environment to be powered without a combustion engine. Knaus Tabbert is therefore cooperating with a specialist vehicle manufacturer to develop a drive system that will enable emission-free operations in restricted areas and a range close to that of contemporary combustion engines. Fulfilling the current subsidy guidelines for electric vehicles in Germany is an integral part of this development project.

As electric vehicles can only cover relatively short distances at present, they do not represent a sufficiently attractive option for caravans for the majority of our customers. Knaus Tabbert is therefore pursuing the approach of significantly reducing the towed load of the towing vehicle by equipping the caravan with a separate electric drive. Secondary effects such as considerably safer and improved trailing characteristics, but also a higher degree of self-sufficiency during camping operations, make the system even more attractive. With the launch of the Weinsberg CaraCito in 2020, we have introduced the first caravan industry-wide that has fully electric equipment and operates entirely without gas installations onto the European market.

In the area of caravans, we are working on an electric drive support system involving two electric drives which support the towing vehicle, thereby ensuring greater safety and smoother running in the process. In addition, these electric motors can generate electrical energy independently of the towing vehicle as the generator operation of the e-machine allows the battery to be charged, for instance through recuperation (energy recovery) when braking. The stored energy can then be used by consumers inside the caravan or be converted into driving power.

Concept vehicle KNAUS E-POWER DRIVE

Knaus Tabbert presented its KNAUS E.POWER DRIVE study for an electrically driven motorhome in September at the Caravan Salon 2021 in Düsseldorf. Together with HWA AG (a leading and experienced development partner in the field of motorsport and engineering), we designed the motorhome with an electric drive on the basis of the Knaus Van TI 650 MEG Vansation. Instead of a diesel engine with a gearbox, an intelligent combination of an electric motor and reduction gearbox was used. The electric motor enables the fully equipped four-seater motorhome to reach a cruising speed of around 110 km/h. However, it can also recuperate in push mode, i.e. generate electrical energy, and is powered by both the battery installed in the underbody of the motorhome and by a range extender. The lithium-ion cells of the system carrier should be fully recharged at a public wallbox within a good three and a half hours. Thanks to the range extender, the charging time can be reduced to about 35 minutes.

Despite these innovations, we wish to retain the popular 3.5-ton vehicle class. This is being achieved in particular through weight savings and an efficient choice of components for the electric system. With the use of electric mobility in the motorhome sector, holidays should in future not be limited by environmental zones or entry restrictions.

In the year under review, further research and development work was conducted for this concept relating to weight and pricing, for example. The development is now entering its next phase and will involve finalising the components to be installed. Concurrently, talks are underway with the manufacturer Stellantis on supplying the requisite components.

Procurement

Balanced procurement and supply chain management plays a particularly important role in production processes of the Knaus Tabbert Group. The production of leisure vehicles requires various components and systems from a large number of different suppliers. For most components, orders are placed just-in-time; only critical components are stocked according to requirements.

Knaus Tabbert purchases the necessary parts, materials and components mainly in Germany, other European countries or via European distributors of international suppliers in order to exclude currency risks. The Knaus Tabbert Group's network currently comprises approximately 2,000 suppliers. The top 10 suppliers continued to account for more than half of the Group's material expenses in 2022.

In principle, Knaus Tabbert is aiming to expand its supplier base in the 2022 financial year as well. This also applies in view of the general dependency of the industry on various systems suppliers. The approach taken by Knaus Tabbert is to reduce this dependency through the targeted development of individual suppliers for certain components and systems.

To significantly ease the procurement situation for chassis in the Premium segment, chassis from Mercedes, Ford and Volkswagen Commercial Vehicles will now be used in addition to chassis from STELLANTIS and MAN from the 2022 financial year onwards.

Chassis from Mercedes and Iveco continue to be used in the Luxury segment.

Employees

As of 31 December 2022, a total of 3,035 members of staff including trainees (previous year: 2,779) were employed by the Knaus Tabbert Group. In addition, a further 951 individuals (previous year: 830) were employed through temporary employment agencies as of the reporting date.

The current growth of the company as planned and the changing work environment are giving rise to an increased demand for qualified employees. At the same time, there is an acute shortage of skilled workers in the German and Hungarian labour markets. To address this, Knaus Tabbert has introduced various concepts for personnel recruitment, and for training and further education.

The total headcount of Knaus Tabbert AG (individual company), including temporary workers, at its sites in Jandelsbrunn and Mottgers stood at 2,186 as of 31 December 2022 (previous year: 2,060).

STAFF DEVELOPMENT

in heads	*2022*	*2021*	*Change*
Total employees	**3,986**	**3,609**	**377**
of which temporary workers	951	830	121
BY LOCATIONS			
Jandelsbrunn	1,722	1,615	107
Schlüssefeld	448	404	44
Mottgers	463	445	19
Nagyoroszi	1,289	1,106	183
Dealers	63	39	24

Personnel development and promotion

Personnel development is embedded in strategic human resources planning and aims to ensure the best possible professional development opportunities by increasing staff qualifications, equipping managers with practical tools and promoting interdivisional process optimisation.

Expanding skills through professional development

Knaus Tabbert considers the commitment of its employees to be fundamental to its success in a constantly evolving world. The Knaus Tabbert Group therefore continuously promotes the competences and individual skills of its employees through targeted professional development. In doing so, the company pursues the essential goal of increasing motivation, job satisfaction and knowledge. With its attractive training programme featuring both in-house and external instructors, Knaus Tabbert offers a comprehensive range of training opportunities. Currently, the focus is on security & data protection, IT user training, technical training, development of leadership skills, communication and health promotion. In Hungary, employees were prepared and trained specifically to manufacture the new products. In addition, an employee training portal was developed for the Jandelsbrunn and Mottgers sites in 2022, with the objective of making the professional development programmes of 2023 accessible to the entire workforce.

Solid training for the talents of tomorrow

Knaus Tabbert invests in young people as the employees of tomorrow. To this end, the company attaches great importance to dual vocational training. With its training programme comprising nine apprenticeships and one dual course of study, the company is acquiring qualified skilled workers for the future and actively preventing a shortage of skilled workers. These training and development opportunities make Knaus Tabbert an attractive employer in the region of each location. The company also actively uses these offers to promote itself to the target groups by participating in training and university fairs. Similarly, Knaus Tabbert organises its own technology programme for children and plant tours for schools to give young people an insight into company practice.

The wide-ranging training programmes are notable for their practical and business-orientated learning, and enable employees to develop their skills. The Knaus Tabbert site in Jandelsbrunn has been awarded German Chamber of Industry and Commerce (IHK) certification as an examination centre.

The apprenticeships are versatile and include the following professions:

- wood technician / carpenter
- electronics technician for industrial installations
- mechatronics technician
- warehouse logistics specialist
- industrial mechanic
- industrial clerk
- foreign language industrial clerk
- technical product designer
- IT specialist
- dual study program in business administration

New apprenticeship for the caravanning industry

The booming caravanning industry urgently needs industry-specific specialists to counteract the impending shortage of skilled manpower which affects both manufacturing and trade. This led to the initiative of the company actively campaigning for the development of a new, nationally recognised apprenticeship specifically tailored to the caravanning industry. Thus, the new apprenticeship "Body and vehicle construction mechanic: specialising in caravan and motor home technology" was developed in collaboration with the German Caravanning Industry Association (CIVD), the German Caravanning Trade Association (DCHV) and the Central Association of Body and Vehicle Technology (ZKF). In this, Knaus Tabbert was a key driver in the industry and will be offering 20 apprenticeship places in Jandelsbrunn when the inaugural training programme is launched in 2023.

Works Council

Knaus Tabbert enjoys an exceptionally trusting and cooperative relationship with its employee representatives. This is shaped by the shared goal of continuing to lead Knaus Tabbert successfully into the future for the benefit of all its stakeholders. The Works Council is valued as an important body and link to its most important resource, namely its employees.

ECONOMIC REPORT

Business environment

The recovery of the global economy from the corona pandemic was curtailed in 2022 by the attack on Ukraine and its aftermath in many countries. The war precipitated both a humanitarian and an economic crisis with global repercussions.

These included massive bottlenecks in supply chains, substantial increases in the cost of raw materials and energy, elevated volatility in financial markets, increased interest rates and uncertainty surrounding investment decisions. Due to its high dependence on Russian energy, the impact of the war was especially palpable in the EU.

According to the European Commission, the eurozone achieved a year-on-year increase of 3.4 % in 2022 compared to a growth of 5.4 % in the previous year. Germany recorded growth of 1.8 %, while Spain and Italy grew by 5.5 % and 3.9 % respectively. The USA attained economic growth of around 2.1 %.

Development within the industry

A total of 218,301 newly registered motorhomes and caravans represent the third best performance ever. This is indeed a remarkable result for the industry given the challenging circumstances.

The European caravanning industry experienced a turbulent year in 2022 with demand for motorhomes and caravans remaining very high throughout Europe and generating a high order backlog for businesses. Nevertheless, a total of 218,301 units meant that 16.1 % fewer new registrations were recorded. The main reasons for this were faltering supply chains and staff shortages among European manufacturers triggered by the pandemic. As a result, demand in Europe clearly exceeded the availability of vehicles.

Germany was once more by far the largest market in 2022, accounting for 90,985 recreational vehicles, even though registrations fell by a total of 14.3 %. This double-digit downward trend was reflected in all major sales markets: France, the second most important market, recorded a drop of 16.5 % (31,941 units). The United Kingdom with 25,638 new registrations (-21.7 %) and the Netherlands with 10,206 units (-13 %) also reported significant declines.

The motorhome segment in particular failed to maintain the top level of previous years, despite strong demand. This was attributable to an industry-wide shortage of vehicle chassis in production. Germany, the largest sales market, reported 66,507 new registrations (-18.3 %). It was followed by France with 24,611 new registrations and a drop of 20.2 %. The United Kingdom, the third largest market for motorhomes, was down more than 17 % on the previous year with around 12,000 units. The reason for the industry-wide decline was a lack of chassis owing to a shortage of semiconductors.

In comparison, new caravan registrations were slightly more stable: Germany, with 24,478 units (-1 %), remained roughly at the level of the previous year. In France, new registrations were 1.6 % (7,330 units) below the figures for 2021. The overall picture is clouded primarily by the significant declines in the United Kingdom with around 14,000 units (-25 %) and the Nordic markets of Norway with 2,177 units (-18.8 %), Sweden with 3,164 units (-18.2 %) and Denmark with 2,260 units (-22.1 %).

OVERALL BUSINESS PERFORMANCE

KEY FINANCIAL INDICATORS KNAUS TABBERT GROUP

in EUR mill.	*2022*	*2021*	*Change*
Revenue	1049.5	862.6	21.7%
Total output	1078.2	889.3	21.2%
EBITDA (adjusted)	70.1	60.7	15.5%
EBITDA margin (adjusted)	6.7%	7.0%	
EBITDA	69.3	59.4	16.6%
EBIT	45.5	38.4	18.5%
EBIT margin	4.3%	4.4%	
Equity ratio	26.4%	38.8%	

In the financial year 2022, business operations of the Knaus Tabbert Group were affected by worldwide bottlenecks in the supply of a wide range of components. Disrupted supply chains and the shortage of semiconductors led to failed deliveries, especially for motorised chassis. As a result, significantly fewer vehicles were produced than planned. It was not possible to exploit the actual sales potential created by the high market demand and the order backlog.

The measures introduced at the end of the 2021 financial year and the beginning of the 2022 financial year to diversify the range of chassis suppliers in the Premium segment - from two chassis suppliers to five suppliers - did not lead to a noticeable easing of the situation or to an improvement in delivery capacity at Knaus Tabbert until the end of the 2022 financial year.

In addition to interruptions to production and downtimes on the assembly lines, earnings for the 2022 financial year were also adversely affected by substantial expenses for retrofitting unfinished vehicles and increased personnel expenditure incurred as a result of the planned capacity expansion. Despite these negative influences, the Knaus Tabbert Group achieved a new sales record with 29,556 (previous year: 25,922) units invoiced (caravans, motorhomes and camper vans).

The delays in delivery were the result of the ongoing corona pandemic, particularly at the beginning of 2022, global problems with the transport of goods, shortages of electronic components and other significant global disparities in supply and demand. Missing or delayed deliveries of specific components such as adhesives, windows, wood, aluminium or even refrigerators, heaters and air-conditioning systems repeatedly lead to disruptions to production spanning multiple locations, to downtimes in assembly lasting hours, days or weeks, or even to incompletely built caravans and motorhomes. Knaus Tabbert is continuing to work intensively on stabilising the supply chains, developing alternative components and optimising its supplier structures.

Due to the limited plannability of the situation at the beginning of the financial year, Knaus Tabbert published a qualified comparative forecast on 30 March 2022.

Given the developments in the first six months of the 2022 financial year, Knaus Tabbert had to revise the forecast, which was published in the Annual Report on 30 March 2022, in May and August for the entire year 2022.

Overall, business development has thus satisfactorily fulfilled the expectations of the Management Board expressed in the revised forecast. This assessment also takes into account findings gained after the end of the financial year.

COMPARISON OF ACTUAL AND FORECAST BUSINESS PERFORMANCE

Key financial performance indicators	*Results 2021*	*Forecast March 2022*	*Prognose Mai 2022*	*Forecast August 2022*	*Ergebnis 2022*
Revenue	862.6	significant revenue growth	significant revenue growth	more than 1 bn.	1049.5
EBITDA-margin (adjusted)	7.0%	significant improvement	slight improvement	more than 6 %	6.7%

Sales

In the 2022 financial year, Knaus Tabbert sold a total of 29,556 vehicles (previous year: 25,922) and was able to maintain its market position in almost all important markets. The increase of 14.0 % relative to the previous year was achieved by consciously focussing on the manufacture and sales of caravans in view of the shortage of motorised chassis. Existing capacities were thus optimally used.

UNITS SOLD BY PRODUCT CATEGORY

in units	2022	2021
Units sold total	**29,556**	**25,922**
thereof caravans	18,130	14,208
thereof mobile homes	7,284	6,659
thereof camper vans	4,142	5,055

The largest sales market was again Germany, with France, the Netherlands and Scandinavia ranking among the main sales markets. The statistics on market shares are broken down into the categories motorhomes (including camper vans) and caravans, for both Germany and Europe (including Germany) respectively.

Order situation secures expected growth

The high demand for recreational vehicles of Knaus Tabbert continued in 2022 with strong momentum. With 30,711 units (previous year: 32,398 units), corresponding to an order volume of approximately EUR 1.3 billion (previous year: 1.3 billion), Knaus Tabbert achieved a record order backlog as of the balance sheet date, providing planning security in both the Premium and Luxury segments for 2023.

In line with the general market trend, the share of the number of motorised vehicles (motorhomes and camper vans) in the order backlog amounted to 58 % (previous year: 61 %) as of 31 December 2022.

ORDER BACKLOG

	31.12.2022	31.12.2021
Number of units	30,711	32,398
Order backlog in EUR mill.	1,342	1,306

Revenue and earnings situation of the Group

The activities of the Knaus Tabbert Group are divided into the Premium and Luxury segments. In order to ensure a transparent presentation of our ongoing business operations, additional adjusted figures have been calculated and are reported for both the Group and the segments. The adjustments include individual items insofar as they lead to significant effects in the reporting year. These individual items may relate, in particular, to restructuring expenses, one-off transaction costs, management services rendered to shareholders, or other special expenses. EBITDA and EBIT, and the corresponding adjusted earnings figures, represent key figures as defined by the International Financial Reporting Standards (IFRS) to be applied in the EU. However, Knaus Tabbert believes that the adjustment for special items improves both transparency and long-term comparability for assessing the performance and profitability of the Knaus Tabbert Group. The adjustments of EUR 0.8 million in the 2022 financial year mainly relate to expenses in connection with the retirement of former Management Board member Marc Hundsdorf (EUR 0.5 million) at the end of the financial year 2022, as well as consulting services in connection with the appointment of the new CFO (EUR 0.3 million).

Information on the control system and the most important performance indicators can be found in the chapter “Fundamentals of the Group / Control system”.

MOST IMPORTANT FINANCIAL PERFORMANCE INDICATORS

FISCAL YEAR 2022

in EUR mill.	Premium segment	Luxury segment	Total
Revenue	918.8	130.7	1049.5
EBITDA adjusted	54.6	15.6	70.2
	5.9%		

FISCAL YEAR 2021

in EUR mill.	Premium segment	Luxury segment	Total
Revenue	740.6	122.0	862.6
EBITDA adjusted	45.2	15.6	60.8

Increase in revenue and total output

Due to the unsatisfactory supply situation and limited availability of basic vehicles for motorhomes and camper vans, the sales potential of motorised vehicles resulting from the high order backlog could by no means be fully exploited.

Motorised vehicles (motorhomes and camper vans) accounted for 65.9 % (previous year: 69.2 %) of total revenue of EUR 1,049.5 million. The sale of caravans contributed 31.8 % (previous year: 27.9 %) to total revenue. Another 2.3 % of revenue is attributable to the after-sales sector.

From a regional perspective, Germany was once again the largest market with a sales share of 68 %, followed by Scandinavia with 8 %, and France and the Netherlands with 5 % respectively. The remaining 10 % was, for the most part, generated by other European countries, with 0.4 % attributable to non-European markets.

The sales forecast, updated by the Management Board in August, was thus met.

Due to bottlenecks on the supply markets, the disposition of motorised vehicles in the first nine months of the 2022 financial year proved challenging. In order to make the best possible use of existing production capacities, and to optimally address the needs of dealers and customers, Knaus Tabbert has increasingly been allocating existing production slots to the manufacture of additional caravans. However, a lack of components in this vehicle segment meant that a large number of customer vehicles were built, but not fully completed. With this decision, Knaus Tabbert has given priority to the optimal utilisation of existing production capacities in spite of material shortages. At EUR 16.3 million, changes in inventories were slightly below the previous year's figure of EUR 19.1 million, and resulted from the greater availability of chassis and other components in the fourth quarter of 2022. However, this figure is still well above the figures for 2019 and 2020.

Own work capitalised increased by EUR 1.9 million to EUR 6.3 million. Taking into account other operating income of EUR 6.0 million (previous year: EUR 3.1 million), total output increased significantly by 21.2 % to EUR 1,078.2 million, compared to EUR 889.3 million in the previous year.

In the reporting period, the cost of materials increased by EUR 151.0 million to EUR 775.9 million. In addition to a general increase in purchasing prices for primary materials, this development was primarily driven by higher revenues and greater total output. Changes in purchasing conditions for chassis due to lower unit numbers, especially at Stellantis, also meant that fewer bonuses were granted to Knaus Tabbert.

The cost-of-materials ratio in relation to total output increased by 1.7 percentage points to 72.0 % due to the above-mentioned cost increases.

Personnel expenses increased by EUR 14.3 million to EUR 141.5 million compared to the previous year. This increase is mainly due to the expansion of production capacities. In the second half of 2021, we began to systematically recruit and train temporary workers at all locations; as a result, production growth was achieved at a high level of quality.

Instead of short-term personnel adjustments, Knaus Tabbert opted for an intensification of qualification measures for employees who were temporarily not needed due to the improved availability of chassis, as expected, in the second half of 2022. As a result, earnings were temporarily impacted.

In relation to total output, personnel expenses, including those for temporary workers, stood at 15.1 %, which is 1.2 percentage points below the previous year's level. Excluding temporary workers, who make a significant contribution to our value creation, the ratio was 13.1 %, which is slightly lower than the previous year's figure of 14.3 %.

Other operating expenses increased by 17.8 %, or EUR 13.8 million in absolute terms, to EUR 91.4 million relative to the previous year. In addition to freight costs, which were significantly higher than in the previous year, and costs for the storage and handling of finished and unfinished vehicles, this change is primarily attributable to legal and consultancy fees as well as higher warranty costs due to higher sales. In relation to total output, other operating expenses decreased by 0.2 percentage points, from 8.7 % to 8.5 %, relative to the previous year.

Profitability marked by tense supply chains

EBITDA adjusted for special expenses for the financial year increased by 15.5 % from EUR 60.7 million to EUR 70.1 million. The adjusted EBITDA margin stands at 6.7 %. The updated earnings forecast of the Management Board has thus been met.

Difficulties along the supply chains as well as the cost development outlined above, particularly as a result of the planned capacity expansion in the personnel area, are also reflected in the development of the operating result.

As a result of higher investment volumes in previous years, depreciation and amortisation increased by 13.3 % to EUR 23.9 million, compared with EUR 21.1 million in the previous year. Accordingly, the operating result (EBIT) amounted to EUR 45.5 million, compared with EUR 38.4 million in the previous year.

The financial result in the year under review amounted to EUR -3.7 million (previous year EUR -1.4 million). The substantial increase of EUR 2.3 million is due to the higher average utilisation of operating credit lines during the year and a generally higher rate of interest.

Taking into account tax expenses of EUR 12.2 million (previous year EUR 11.1 million), the net profit for the 2022 financial year amounts to EUR 29.6 million (previous year EUR 25.9 million). EUR 15.6 million of last year's unappropriated profits were distributed as dividends.

Appropriation of profits includes dividend proposal of EUR 1.50 per share

The appropriation of profits is in principle determined by the annual financial statements of Knaus Tabbert AG as prepared in accordance with commercial law. These amounted to EUR 24.0 million as of 31 December 2022 (previous year: EUR 18.3 million). The dividend policy of Knaus Tabbert AG stipulates that at least 50 % of the consolidated net profit for the year (according to IFRS) is to be distributed to shareholders as dividends, thus ensuring fair participation in the economic success of the Group.

In line with the dividend policy of Knaus Tabbert, we will therefore propose to the Supervisory Board and the Shareholders' Meeting to distribute a dividend of EUR 1.50 per share.

This corresponds to a total volume of EUR 15.6 million, and thus approximately 53 % of the annual net profit (according to IFRS) and 65 % of the annual net profit of Knaus Tabbert AG (according to HGB).

In the event that the number of dividend-bearing shares changes before the shareholders' meeting, the Management Board and Supervisory Board of Knaus Tabbert AG will submit a suitably adjusted proposal for the appropriation of profits to the Shareholders' Meeting.

Development of the Premium segment

At EUR 918.8 million, sales in the Premium segment in the 2022 financial year were 24.1 % higher than in the previous year (EUR 740.6 million). In total, 29,037 vehicles (previous year: 25,421) were sold in this segment.

EBITDA for the segment amounted to EUR 53.8 million, representing an increase of 22.6 % compared to the previous year (EUR 43.9 million). EBITDA adjusted for special charges for the financial year increased from EUR 45.2 million to EUR 54.6 million. The adjusted EBITDA margin stands at 5.9 %.

The investment volume in the Premium segment totalled EUR 61.1 million (previous year: EUR 43.4 million), of which EUR 6.7 million were spent on intangible assets such as development services, industrial property rights and similar assets. A further EUR 54.4 million were invested in property, plant and equipment such as land, machinery and other operating and office equipment, and are largely related to the planned growth investments at the site in Jandelsbrunn (Germany) to significantly expand capacities. Commissioning of the new production hall is scheduled for the first half of 2023.

Development of the Luxury segment

In the Luxury segment, Knaus Tabbert recorded sales of 519 vehicles (previous year: 501). Revenue increased by EUR 8.7 million, or 7.1 %, to EUR 130.7 million.

At EUR 15.5 million, EBITDA for the Luxury segment was up 0.5 % on the previous year's figure of EUR 15.4 million. EBITDA adjusted for special charges for the financial year increased from EUR 15.4 million to EUR 15.6 million. The adjusted EBITDA margin stands at 11.9 %.

The investment volume in the Luxury segment totalled EUR 9.3 million (previous year: EUR 4.8 million) and relates almost exclusively to property, plant and equipment such as land, machinery and other operating and office equipment in connection with planned capacity expansions at the Schlüsselfeld site.

Asset situation and capital structure

ASSETS

in TEUR	*31.12.2022*	*31.12.2021*
Intangible assets	23,265	18,050
Tangible Assets	184,138	130,636
Other receivables and other assets	1,709	2,222
Deffered tax assets	4,755	2,780
Non-current assets	**213,867**	**153,689**
Inventories	252,986	144,948
Trade accounts receivable	33,470	6,948
Other receivables and other assets	37,540	23,634
Tax receivables	6,933	5,750
Cash and cash equivalents	12,614	9,677
Current assets	343,542	190,956
Total balance sheet/assets	**557,409**	**344,645**

On 3 January 2022, Knaus Tabbert AG completed the acquisition of the WVD-Südcaravan Group (Freiburg, Germany), consisting of the operational companies WVD-Südcaravan GmbH (WVD) and CFC Camping Freizeit Center GmbH (CFC), thereby acquiring 100 % of the shares in the two leisure vehicle dealerships. For further information on the accounting treatment, please refer to Note 8 "Business combinations".

At EUR 213.9 million, non-current assets were significantly higher than in the previous year.

These include goodwill of EUR 3.9 million, resulting from the first-time inclusion of WVD-Südcaravan GmbH and CFC Camping Freizeit Center GmbH in the balance sheet.

Of the investments in property, plant and equipment amounting to EUR 63.6 million (previous year: EUR 41.2 million), EUR 54.4 million were made in the Premium segment. This substantial increase compared to the financial year 2021 is related to the planned growth investments at the Jandelsbrunn site (Germany) to significantly expand capacities. A further EUR 9.3 million are attributable to the Luxury segment, mainly comprising expansion investments at the Schlüsselfeld site.

As of the balance sheet date, investments included assets under construction in the amount of EUR 52.7 million (previous year: EUR 12.6 million), mainly in the Premium segment for advance payments in connection with the construction of a new production hall for the manufacture of superstructures in Jandelsbrunn.

So far, liabilities in the amount of EUR 23.1 million (previous year: EUR 26.5 million) have been incurred for the completion of the production hall and for further investments in property, plant and equipment, which are financed from the ongoing cash flow and the syndicated loan.

Additions to intangible assets include investments in development costs of EUR 6.8 million (previous year: EUR 6.9 million), which are mainly related to the new development of caravans and motorhomes.

Investments in development costs relate exclusively to the Premium segment; no development costs were capitalised in the Luxury segment.

At EUR 343.5 million, current assets were EUR 152.6 million higher than at the reporting date of the previous year. This development is primarily attributable to the increase in inventories by EUR 108.0 million, which in turn is related to the significant increase in finished and unfinished vehicles (change in inventories). The improved supply of chassis compared with the balance sheet date of 31 December 2021 also contributed to this significant increase.

Trade receivables increased to EUR 33.5 million (previous year: EUR 6.9 million) as a result of the significant increase in sales in the fourth quarter of 2022, resulting from higher production volumes of high-priced motorised leisure vehicles due to improved chassis availability.

Other assets increased mainly due to higher factoring receivables resulting from the significant increase in revenue in the fourth quarter, as well as prepaid expenses in connection with the CMT trade fair in Stuttgart.

LIABILITIES

T€	31.12.2022	31.12.2021
Share capital	10,377	10,377
Capital reserves	27,087	27,000
Retained earnings	74,678	71,993
Profit-/Loss carry-forwards	7,653	0
Annual net profit	29,620	25,904
Acumulated other comprehensive income	−2,487	−1,395
Total equity	**146,930**	**133,879**
Other provisions	5,393	13,543
Liabilities to financial institutions	102,555	2,331
Other liabilities	13,705	8,284
Deferred tax liabilities	10,046	7,593
Non-current liabilities	**131,699**	**31,751**
Other provisions	17,773	7,661
Liabilities to financial institutions	89,549	93,052
Trade accounts payable	112,923	38,471
Other liabilities	55,647	35,161
Tax liabilities	2,888	4,669
Current liabilities	**278,780**	**179,014**
Liabilities	**410,479**	**210,766**
Total balance sheet/liabilities	**557,409**	**344,645**

The balance sheet equity of the Knaus Tabbert Group amounts to EUR 146.9 million (previous year: EUR 133.9 million). This is mainly attributable to the annual net profit generated. This was offset by the dividend payment to shareholders in the amount of EUR 15.6 million.

The balance sheet equity ratio at the end of 2022 stood at 26.4 % (previous year: 38.9 %).

In the 2022 financial year, Knaus Tabbert AG placed a promissory note loan for a total of EUR 100 million. The volume placed is spread over maturities of 3, 5, 7 and 10 years; 67 % of the transaction volume was also issued in fixed-interest tranches. The promissory note financing will be used for investments in capacity expansions.

As of the reporting date, EUR 75.9 million (previous year: EUR 85.3 million) of the credit line had been drawn down (total volume EUR 150 million).

At EUR 278.8 million, current liabilities as of the balance sheet date were significantly higher than in the previous year (EUR 179.0 million) due to an increase in inventories.

Financial position

The cash flow from operating activities amounted to EUR 2.8 million in the 2022 financial year (previous year: EUR 27.2 million). This figure was derived from the net profit for the year, taking into account non-cash expenses and income as well as the change in working capital.

The reduction in cash flow from operating activities is mainly attributable to the increase in inventories as of the balance sheet date 31 December 2022. This increase is directly related to the higher stock of unfinished and finished vehicles (change in inventories), an increase in chassis inventories as of the balance sheet date, and an increase in liabilities towards suppliers as of the balance sheet date.

At EUR - 72.7 million, the cash flow from investing activities is EUR 24.9 million higher than in the previous year (EUR -47.9 million). This is mainly due to the ongoing investments in capacity expansions. Accordingly, at EUR 63.6 million, investments in property, plant and equipment were significantly higher than the figure of EUR 41.2 million for the same period of the previous year. At EUR 6.8 million, investments in intangible assets such as development services, industrial property rights and similar assets were at the same level as in the previous year.

Knaus Tabbert recorded a cash inflow from financing activities of EUR 72.5 million (previous year EUR 21.0 million). This includes dividend payments to the company's shareholders in the amount of EUR 15.6 million (previous year: EUR 15.6 million). On balance, financial liabilities increased by EUR 93.8 million.

For information on existing repayment obligations and contingent liabilities, please refer to Note 10 and 11.

KNAUS TABBERT AG (HGB)

Knaus Tabbert AG steers its operational business on the basis of two key figures, i.e. revenues and EBITDA adjusted for one-off effects. The adjustments of EUR 0.8 million in the 2022 financial year mainly relate to special expenses in connection with the corona pandemic, expenses in connection with the retirement of former Management Board member Marc Hundsdorf (EUR 0.5 million) at the end of the financial year 2022, as well as consulting services in connection with the appointment of the new CFO (EUR 0.3 million).

MOST IMPORTANT FINANCIAL PERFORMANCE INDICATORS

in EUR mill.	*2022*	*2021*
Revenue	909.1	726.9
EBITDA adjusted	43.5	36.1

Significant increase in revenue and total output

Motorised vehicles (motorhomes and camper vans) accounted for 61.3 % (previous year: 64.7 %) of total revenue of EUR 909.1 million. The sale of caravans contributed 36.3 % (previous year: 32.8 %) to total revenue. Another 2.4 % of revenue is attributable to the after-sales sector.

The revenue trend is therefore in line with the forecast.Knaus Tabbert AG has thus made a substantial contribution to achieving the group revenue forecast updated by the Management Board in August. A separate forecast for Knaus Tabbert AG for the financial year 2022 has not been published.

Due to bottlenecks on the supply markets, the disposition of motorised vehicles in the first nine months of the 2022 financial year proved challenging. In order to make the best possible use of existing production capacities, and to optimally address the needs of dealers and customers, Knaus Tabbert has increasingly been allocating existing production slots to the manufacture of additional caravans. With this decision, Knaus Tabbert has given priority to the optimal utilisation of existing production capacities in spite of material shortages.

However, a lack of components also in this vehicle segment meant that a large number of caravans were constructed but not fully completed.

At EUR 2.6 million, changes in inventories were significantly lower than the previous year's figure of EUR 20.1 million and resulted, among other things, from improved availability of chassis and other components in the fourth quarter of 2022.

Increase in the materials ratio by 1.7 percentage points

In the reporting period, the cost of materials increased by EUR 138.6 million to EUR 691.4 million as a result of the marked increase in revenue, higher material prices and increased purchasing volumes. The cost of materials in relation to total output increased by 1.7 percentage points to 75.1 %.

Decrease in the personnel expenses ratio

Personnel expenses increased by EUR 10.2 million to EUR 109.1 million compared to the previous year. This increase is mainly due to the workforce expansion in connection with the expansion of production capacities in the 2022 financial year. In the second half of 2021, we began to systematically recruit and train temporary workers at all locations. However, the ratio of personnel expenses to total output decreased from 13.1 % in the previous year to 11.9 % in the current financial year.

Other operating expenses up on the previous year

Other operating expenses increased by 14.8 %, or EUR 9.9 million in absolute terms, from EUR 67.0 million to EUR 76.9 relative to the previous year. In addition to freight costs, which were significantly higher than in the previous year, and costs for the storage and handling of finished and unfinished vehicles, this change is primarily attributable to legal and consultancy fees as well as higher warranty costs due to higher sales.

Difficulties along the supply chains as well as the cost development outlined above, particularly as a result of the planned capacity expansion in the personnel area, are also reflected in the development of the operating result, which could nevertheless be increased significantly.

EBITDA adjusted for special charges for the financial year increased by 20.5 % from EUR 36.1 million to EUR 43.5 million. The adjusted EBITDA margin stands at 4.8 % and is therefore below the forecast.

Knaus Tabbert AG has thus made a substantial contribution to achieving the group results forecast updated by the Management Board in August. A separate forecast for Knaus Tabbert AG for the financial year 2022 has not been published.

Depreciation and amortisation increased slightly from EUR 14.1 million to EUR 15.3 million, resulting in an operating result (EBIT) of EUR 27.3 million compared to EUR 20.8 million.

Earnings before taxes for the financial year increased by 28.2 %, from EUR 24.1 million to EUR 30.9 million.

Taking into account tax expenses of EUR 6.9 million (previous year: EUR 5.7 million), the net profit for the financial year 2022 thus amounts to EUR 24.0 million (previous year: EUR 18.3 million). EUR 15.6 million of last year's unappropriated profits were distributed as dividends.

Net asset position and capital structure

At EUR 158.7 million, fixed assets were significantly higher than in the previous year. Investments in property, plant and equipment amounting to EUR 45.1 million (previous year: EUR 22.2 million) relate primarily to investments in capacity expansions at the Jandelsbrunn site, replacement investments in machinery and operating equipment, and in tools required for the production of the new models.

Additions to intangible assets include investments in development costs in the amount of EUR 6.2 million (previous year: EUR 5.8 million), which are mainly related to the development of new caravans and motorhomes.

Financial assets include the acquisition costs for stakes in the subsidiaries, as well as loans to the Hungarian subsidiary, which were granted for the purpose of financing investments at the Hungarian location. A further EUR 4.5 million were lent to Knaus Tabbert Kft. Hungary in the current financial year.

On 3 January 2022, Knaus Tabbert AG completed the acquisition of the WVD-Südcaravan Group (Freiburg, Germany), consisting of the operational companies CFC Camping Freizeit Center GmbH (CFC) and WVD-Südcaravan GmbH (WVD). The company had announced the acquisition of the WVD Südcaravan Group (Freiburg, Germany) back in December 2021. The acquisition price amounted to EUR 6.3 million.

At EUR 271.1 million, current assets were EUR 126.8 million higher than at the end of the previous year. This development is mainly due to the increase in inventories by EUR 88.4 million.

This is related to the significant increase in unfinished vehicles (change in inventories) as a result of supply difficulties with various primary materials and a significant improvement in the availability of chassis at the end of the financial year.

The balance sheet equity of Knaus Tabbert AG amounts to EUR 108.4 million (previous year: EUR 99.9 million). The balance sheet equity ratio in 2022 stood at 25.1 %, representing a decrease of 13.8 percentage points compared with the previous year. This is mainly attributable to the dividend payout to shareholders and the higher financing requirements in connection with the increase in current and non-current assets.

Other provisions increased by EUR 13.0 million relative to the previous year. This increase is related to higher sales-related provisions for dealer bonuses and warranty services.

At EUR 162.5 million, liabilities towards banks for financing higher inventories and the placement of the promissory note loan of EUR 100 million were significantly higher than in the previous year (EUR 87.2 million).

Financial position

The cash flow from operating activities amounted to EUR -0.7 million in the 2022 financial year (previous year: EUR 1.5 million), representing a significant decrease compared to the previous year. This figure was derived from the net profit for the year, taking into account non-cash expenses and income as well as the change in working capital. The reduction in cash flow from operating activities is mainly attributable to the increase in inventories and liabilities towards suppliers.

At EUR -54.24 million, the cash flow from investing activities is EUR 16.8 million lower than in the previous year (EUR -37.4 million). This is mainly due to the investment programme at the Jandelsbrunn site, which was further continued in the 2022 financial year. The commissioning of the new production facility for superstructures is scheduled for the end of the first half of 2023. Accordingly, investments in property, plant and equipment in the amount of EUR 45.1 million were significantly higher than the figure of EUR 22.2 million in the same period of the previous year.

Knaus Tabbert AG recorded a cash inflow from financing activities of EUR 55.7 million (previous year: EUR 35.7 million). This includes dividend payments to the company's shareholders in the amount of EUR 15.6 million (previous year: EUR 15.6 million). In the 2022 financial year, Knaus Tabbert AG placed a promissory note loan for a total of EUR 100 million. The volume placed is spread over maturities of 3, 5, 7 and 10 years; 67 % of the transaction volume was issued in fixed-interest tranches. The promissory note financing will be used for investments in capacity expansions.

For information on existing repayment obligations and contingent liabilities, please refer to Note 3.12.

Forecast

The further economic development of Knaus Tabbert AG is closely tied to the future operating performance of the Group.

No separate forecast has been published for Knaus Tabbert AG.

However, on the basis of the assumptions made for the Group, it can be assumed that the net asset, financial and profit situation will develop considerably more positively.

Our prospects and plans with regard to our operational business are outlined in the chapters "Opportunities and Risk Report" and "Outlook Report".

OPPORTUNITIES AND RISK REPORT

Basic principles and objectives of our risk management system

The Knaus Tabbert Group is exposed to a wide range of risks associated with the business activities of Knaus Tabbert AG and its subsidiaries, or resulting from external influences. A risk is defined as the potential threat of events, developments or actions preventing the Group or one of its segments from achieving its objectives. This includes financial as well as non-financial risks. At the same time, it is important to identify opportunities in order to secure and strengthen competitiveness. An opportunity is defined as the possibility of securing, or surpassing, the planned targets of the Group or of a segment as a result of events, developments or actions. Only those risks are taken that are necessary for the business operations of the Group in order to remain competitive and to be successful in the long term.

The primary objective of the risk management system (RMS) is to safeguard the continued existence and growth of Knaus Tabbert AG and the Group at all locations, taking into account potential opportunities and risks. The entrepreneurial risks and opportunities inherent to our business operations must be recognised, evaluated and actively managed at an early stage, thus enabling proactive corporate management. The identification of risks to be taken can also produce competitive advantages. For this purpose, effective management and control systems are employed, which are bundled into a risk management system (RMS). Risks and opportunities are not offset. Knaus Tabbert strives to limit negative influences on results from the occurrence of risks by taking suitable and economically sensible countermeasures. Developments that pose an existential threat to the company should always be identified at an early stage so as to allow suitable measures to be taken in good time to ensure the company's continued existence as a going concern. Proceeding from an assessment of the potential scope of damage and the probability of occurrence of risks, an overall entrepreneurial risk is determined, which can be borne without endangering the company's existence, not only operationally in the short term, but also strategically in the long term. Aggregate risk is calculated by means of the statistical method of Monte Carlo simulations, whereby the simulation runs were carried out applying a confidence interval of 95 %.

The risks and opportunities faced by Knaus Tabbert AG are essentially dependent on, and similar to, the risks and opportunities faced by the Knaus Tabbert Group. In this respect, statements by management on the overall assessment of the risk and opportunity profile also apply in summary to Knaus Tabbert AG.

Organisation and process

In addition to Knaus Tabbert AG, all subsidiaries are included in the risk and opportunity profile of the Knaus Tabbert Group.

In 2022, a scheduled audit of the risk management system was performed by the internal revision department. No findings were identified that could compromise the appropriateness or effectiveness of the risk management system.

Risks are identified and monitored on a quarterly basis according to a bottom-up and top-down approach by means of a software-based reporting system. The responsibility for the RMS and internal monitoring lies with the Management Board. The RMS is aligned with the framework of the "Internal Control Framework – COSO II ©". A comprehensive risk inventory was performed in the 2022 financial year. For this purpose, personal meetings were held with all risk owners, during which the individual risks were discussed and analysed in detail.

Risk owners have been appointed for the individual locations, divisions and central functions. The broad network of risk owners ensures the effective identification of risks across various hierarchical levels. To this end, risk-relevant developments and processes are continuously monitored according to the areas of responsibility and duties of the risk owners. Risks are identified, evaluated and continuously updated using risk management software. Within the risk management system of Knaus Tabbert AG, central risk management is to be understood as an executive body or link between the Management Board and the risk owners. However, central risk management does not assume direct responsibility for individual risks. These are the responsibility of the respective risk owner.

As part of the risk assessment, the identified risks are systematically evaluated with regard to the maximum amount of damage (potential scope of damage) and the probability of occurrence before, and after, measures have been taken to limit the risks. The time horizon of the assessment is on average one year.

Risks are assessed in terms of their probability of occurrence and are divided into four levels: "very improbable", "improbable", "rare" and "probable". These levels are assigned percentage ranges for the probability of occurrence and, if necessary, can be further specified by defining time intervals in which the risk typically occurs.

LEVEL	PROBABILITY OF OCCURRENCE IN %
highly unlikely	**up to 10 %**
unlikely	**up to 30 %**
rarely	**less than 50 %**
probably	**up to 50 %**

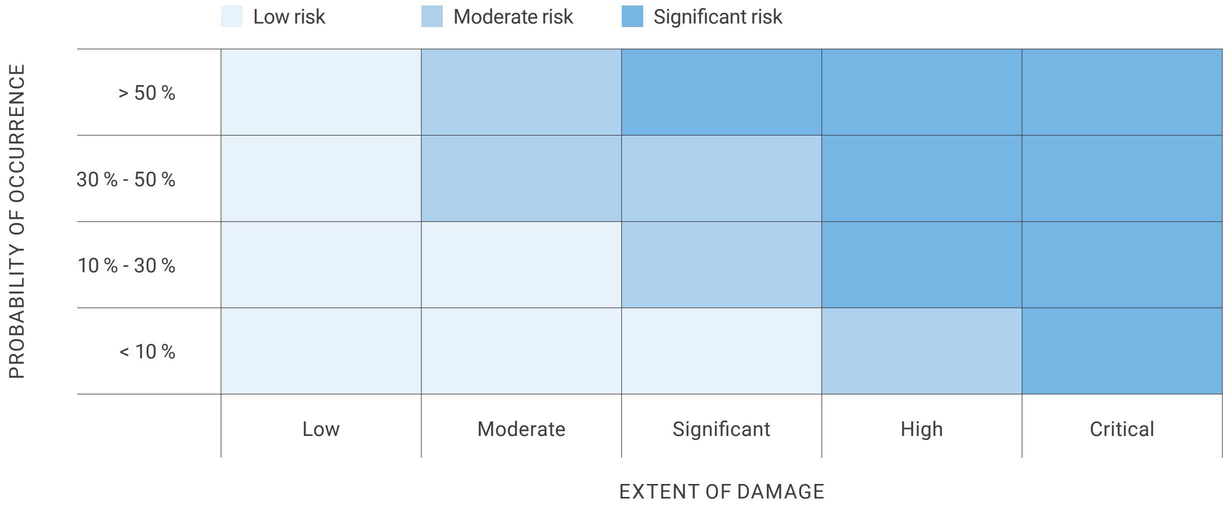
When assessing the possible scope of damage, we distinguish between the six categories "insignificant", "low", "moderate", "significant", "high" and "critical". These categories are each assigned limits in euros with regard to the possible scope of damage to EBITDA and liquidity in the following amount:

Level	*Extent of damage in TEUR*
Insignificant	**0 – 50**
Low	**51 – 250**
Moderate	**251 – 500**
Significant	**501 – 2,500**
High	**2,501 – 5,000**
Critical	**> 5,000**

As in the case of quantifiable risks, non-quantifiable risks such as reputational damage are divided into the categories "low risk", "moderate risk" and "significant risk".

When assessing risks, Knaus Tabbert considers both gross and net risks. Gross risk represents the inherent risk before risk mitigation measures have been implemented; net risk is the remaining risk after all risk mitigation measures have been taken. This approach enables a comprehensive understanding of the impact of risk mitigation measures, and forms the basis for scenario analyses. In this Report, our risk assessments reflect net expected values only. Knaus Tabbert has identified those risks as material risks that exhibit both a probability of occurrence and scope of damage according to the risk matrix presented below. In addition, this risk system also covers non-quantifiable risks, i.e. risks that are not directly convertible into euros. These include, above all, damages that could result from a potential loss of reputation of Knaus Tabbert AG. These risks may also be material.

Assessment categories of risks



Overview and description of the main risks and opportunities

In this Report, Knaus Tabbert presents in detail the financial and non-financial risks and opportunities it faces. With regard to the achievement of the company's goals in 2023, Knaus Tabbert has first divided the identified risks into superordinate areas. The table below provides information on the main net risks after measures have been implemented and become effective. Unless stated separately, the risks described apply equally to both the Premium and Luxury segments.

Knaus Tabbert AG was created through a change in legal form in 2020. Since then, a documented early risk detection system has been in place. Changes in the risk situation occurred primarily in the areas of purchasing (supply bottlenecks/supply chain) and human resources (containment of the pandemic and wage cost increases). All risks and opportunities presented refer to the balance sheet date. No significant changes occurred prior to the preparation of the financial statements. In addition, risks and opportunities that have not yet been identified, or are classified as immaterial, may influence the profit, financial and asset position in the future. Risks arising from the war between Russia and Ukraine usually extend over several risk areas and include higher energy costs, tighter supply chain constraints or an effect on the purchasing behaviour of end customers. These risks are therefore not explained as a single risk area, but as components of the individual areas.

Overview of risks with a net risk classified as at least material in the reporting year or the previous year:

AREAS OF RISK

	Maximum amount of damage	Probability of occurrence	Net exposure	Change in net risk (2021 estimate)
Market & Customer				
Service capacities in the industry	Critical	Highly unlikely	Significant	unchanged
End customer financing France*	High	unlikely	Significant	↑ (moderat)
Finance				
Currency risk Hungary	Significant	probably	Significant	unchanged
Dealer financing risk	Critical	Highly unlikely	Significant	unchanged
Missing chassis deliveries discount effects*	Critical	probably	Significant	
Legal & Compliance				
Fiat Diesel **	Low	Highly unlikely	Low	↓ (essential)
Conformity of products to standards	critical	Highly unlikely	essential	unchanged
Staff				
Corona-pandemic**	Insignificant	Highly unlikely	Low	↓ (essential)
Wage cost increase**	Insignificant	Highly unlikely	Low	↓ (essential)
IT				
Cyber attack	Critical	rarely	Significant	unchanged
Purchasing				
Chassis supply	Critical	unlikely	Significant	unchanged
Monopolists	Critical	Highly unlikely	Significant	unchanged
Suppliers with special production processes*	High	unlikely	Significant	↑ (moderat)
Supply bottlenecks/supply chain	Critical	unlikely	Significant	unchanged
Material price increase	High	unlikely	Significant	unchanged
Power supply failure/blackout*	High	unlikely	Significant	
Production				
Unfinished vehicles	Significant	probably	Significant	unchanged
Gas supply*	Significant	probably	Significant	

*) Risiko im Geschäftsjahr 2022 neu aufgenommen **) kein wesentliches Risiko mehr in 2022

Net risk = scope of damage after measures have been taken and have become effective x probability of occurrence after measures have been taken and have become effective

Market & customers

In spite of careful and detailed sales planning, economic conditions, unexpected market developments and individual customer risks may have an impact on the sales and profit situation of Knaus Tabbert. One major risk facing the global economy since the 2022 financial year has been the Russia-Ukraine war and its after-effects. Increased energy costs and high inflation in the principal sales markets are placing a burden on private households, companies and governments. One of the effects this can have is on consumer spending and thus on medium to long-term sales development. One measure to counteract this risk is to transform the high order backlog, arising from the supply chain disruptions and demand of previous years, into order-related sales, and to replenish the reduced dealer inventories to a healthy level.

Due to the low incidence of infection, the coronavirus pandemic and the associated market and customer risks were largely curtailed in the 2022 financial year. The German federal government has also discontinued the majority of its protective measures in this respect. Consequently, the coronavirus pandemic no longer poses a significant risk. International and regional trade fairs are taking place again and enjoying very high demand. Travel has also normalised in many sectors.

A risk of direct relevance to earnings results from dealer purchase financing in the export business. Unlike the domestic market, where Knaus Tabbert has several cooperative agreements with appropriate financing banks, Knaus Tabbert has worked with only a small number of providers in the export business to date. In this context, Knaus Tabbert has been successful in acquiring new financing partners in the area of dealer financing for its most important export markets with the aim of expanding its business in these markets. New end-customer financing partners are still being sought for caravans on the French market.

In general, Knaus Tabbert distributes its products through a dealer network that has grown over many years. These dealers are free, independent distributors, and are for the most part not tied to individual manufacturers. The loss of a top dealer, measured by their contribution to sales, to a direct competitor of Knaus Tabbert or to external investors could have a major impact on the net asset, financial and profit position of Knaus Tabbert, even though the probability of occurrence is considered to be very low. By maintaining continuous and constructive dialogue with our dealers, we try to identify potential risks in advance and to resolve them in a spirit of partnership. Irrespective of the development of volumes, price pressure from customers due to possible mergers of dealers could also have a negative impact on margins. For this reason, Knaus Tabbert has diversified its dealer network in order to compensate for individual regional developments. In recent years, we have also introduced attractive programmes for individual dealers in order to strengthen their loyalty to our company. In cooperation with our dealers, we also participate in local, regional and national caravanning fairs in Germany and abroad. Furthermore, we have concluded framework financing agreements with various credit institutes to finance the purchase of Group products throughout Europe in order to support the financing options of our dealers (for further details, see also the risk area “Finances”). Due to increasing sales figures in the European caravan industry and a lack of skilled workers in the labour market, the workshop capacities of the current dealer networks may in future no longer be sufficient to serve customers within a reasonable period of time and to their full satisfaction. This, in turn, could negatively impact future sales volumes as customers may turn to other types of holidays. For this reason, we initiated a service cooperation with MAN workshops back in 2019. At the same time, Knaus Tabbert is supporting its dealer network in expanding their after-sales activities.

Finances

Personnel expenses constitute a major cost item affecting the profitability of the Group. In order to meet the growth in business, the Group has increased its workforce accordingly, introduced shift models and implemented overtime in order to achieve the desired production targets. In addition to the number of staff, personnel expenses are also influenced by the development of overtime rates and surcharges, both in Germany and in Hungary, where the Group's production facilities are located. This led to personnel cost increases in Hungary back in 2022, and a similar development in Germany is expected in the coming year. In Germany, Knaus Tabbert AG is subject to existing collective bargaining agreements (so-called collective recognition agreements), in which wage agreements with longer terms had been concluded on a large scale. Effects from collective bargaining adjustments and inflationary compensation are not expected until the following year. In order to keep pace with the changing global framework conditions, the Group makes use of various instruments to manage its personnel structure, such as partial retirement plans for employees. Part of the Group's production staff are employed under subcontracts, temporary or short-term contracts. However, due to statutory regulations in Germany (maximum duration of temporary employment), the number of temporary workers at the German subsidiaries may decrease further, as they are usually automatically awarded fixed-term contracts with the Group subsidiaries after being temporarily employed by the Knaus Tabbert Group for at most 18 months. Under certain conditions, these fixed-term contracts are converted into permanent contracts, which gradually reduces the Group's flexibility with regard to its workforce. In the past, a significant proportion of skilled workers were recruited directly by the company each year, rather than on a subcontract basis. As this trend is expected to continue, the Knaus Tabbert Group may be able to reduce its workforce during periods of low production by incurring severance or social plan costs. In the event of temporary production slumps, companies in Germany can make use of the legal instrument of short-time work. Furthermore, the Group operates a production site in Nagyoroszi, Hungary. The fact that a number of Eastern countries have joined the European Union, along with attractive framework conditions that have led many companies to establish local production facilities, has resulted in a sharp increase in wage levels in the past. In this context, the Group has benefited from the devaluation of the Hungarian forint with regard to labour costs. Consequently, an appreciation of the Hungarian forint would result in an increase in labour costs for the Group. A loan granted to our plant in Hungary has given rise to a foreign currency risk. So far, however, we have not hedged foreign currency risks, as the majority of invoices and purchases are made in euros and act as a natural hedge. Overall, foreign currency risks therefore play a minor role for the Knaus Tabbert Group, but we nevertheless consider the foreign currency risk from the loan to be significant. The products of the Knaus Tabbert Group are distributed through an extensive dealer network. To support our dealers, we have concluded framework agreements with financial institutions, which enable certain dealers to finance the purchase of caravans and motorhomes of the latest model year from the Group's portfolio, using the vehicles as collateral. In the event of termination of individual dealer financing agreements, for instance due to default or insolvency of an authorised dealer, Knaus Tabbert is generally obliged to repurchase the vehicle stock financed by the respective financing partner for the remaining financing amount. In order to monitor market developments and dealer inventories, we have established a number of early warning systems and procedures in recent years. These include the monitoring of stock financing, the observation of general market statistics, regular visits to dealers by sales managers, monthly inventory reports from dealers, and the monitoring of the current order status in the dealers' SAP systems as well as the receivables balance. This allows us to rapidly identify signs of changes in the demand situation as well as any potential financial problems of individual dealers. The terms of the syndicated loan of EUR 150 million require Knaus Tabbert to comply with certain financial covenants relating to the ratio of total net debt to earnings before interest, taxes, depreciation and amortisation (EBITDA), adjusted for certain non-operational effects, to the (net) working capital ratio and the equity ratio. In the event of a breach of these financial covenants, the creditors are entitled to terminate the loan and demand its repayment. The ongoing supply chain disruptions may result in high inventories of raw, auxiliary and operating materials as well as chassis to safeguard production, and in stocks of unfinished vehicles that tie up liquidity and impact the financial covenants. As a precautionary measure, Knaus Tabbert and the syndicate banks have therefore agreed to adjust the covenants of the syndicated loan for 2023 in line with budget planning. A return to the contractual covenants originally agreed is planned for the first quarter of 2024. Renegotiations and increases in key interest rates will lead to higher financing costs, which have been taken into account in the budget.

Legal & Compliance

As a publicly listed group operating internationally, Knaus Tabbert is subject to a wide range of legal and regulatory requirements. Its operating business therefore generally entails risks in connection with possible violations of applicable law or possible legal disputes. Existing and pending legal disputes are continuously recorded, analysed, evaluated in terms of their legal and financial impact, and taken into account in the risk provisions in the balance sheet. In addition, we counter these risks through an internal compliance structure as well as clearly defined rules of conduct, codes and guidelines relating to our process flows, and we have concluded appropriate insurance policies as are customary in the industry. In this field of risk, lawsuits or threats of legal action, involving the allegation that potentially inadmissible defeat devices have been installed in diesel vehicles of the manufacturer Fiat, deserve special mention. In the event that members of our trading network are sued, we become a party to the dispute in support of our trading partners. As one of our main chassis suppliers, Fiat has confirmed several times upon request that the chassis delivered to Knaus Tabbert have not been, and will not be, equipped with such defeat devices. Appropriate provisions have been set up to cover the expected costs of defending against legal action.

A legal assessment suggests that the risk for Knaus Tabbert is limited due to the fact that lawsuits have already been dismissed and there is a chance of recourse against Fiat in the event of damage being sustained. New legal aspects and assessments may arise in the future as a result of rulings pending by the European Court of Justice (ECJ) and the German Federal Court of Justice (BGH), with particular regard to the "VW emissions scandal / diesel proceedings" and the effect of the type approval on the facts of the case. A further potential risk exists for all Knaus Tabbert AG products arising from product compliance with regulatory and country-specific mandatory requirements, preconditions and upper limits for type approvals, dimensions and weights, and material properties. For this reason, a precautionary provision has been created following an official, industry-wide enquiry into weights. There is a risk that additional costs may be incurred. Knaus Tabbert constantly strives to avoid and sharpen awareness of Compliance risks with the help of compliance guidelines, processes and additional safety measures, alongside training courses and special controls.

The Group is also subject to stringent environmental and other regulatory requirements, which may change, give rise to additional costs or liabilities, or restrict the Group's business operations. Several years ago, soil and groundwater contamination was detected at the Mottgers site. A remediation and containment plan has been developed in cooperation with the authorities, and appropriate provisions have been created. There is a risk that additional costs may be incurred. The anticipated costs are covered by the respective provisions. As a rule, environmental risks are identified and assessed at regular intervals. The most important environmental processes are integrated in the management manual. At present, Knaus Tabbert has not identified any environmental risks from current business operations. The Knaus Tabbert Group operates a certified quality management system in the Premium segment, which is supported by further quality-improving processes. Nevertheless, the Knaus Tabbert Group is exposed to the risk of products being delivered in poor quality or with insufficient conformity to standards, thus giving rise to product liability or warranty risks in the form of warranty or goodwill claims, or claims for damages. Moreover, Knaus Tabbert faces the risk of poor product quality leading to a loss of its reputation. The Knaus Tabbert Group responds to such risks in the Premium segment by implementing stringent quality assurance measures and continuous process improvements. Warranty and goodwill risks are addressed by recognising provisions in the balance sheet. The provisions are recognised in the amount of the estimated expenses required to remedy the defects, calculated on the basis of experience and historical values. Items that may offset the obligations are taken into account in the valuation of the provisions, insofar as these items do not have to be capitalised as separate assets.

Personnel

Knaus Tabbert relies on skilled workers and managers in all functional areas. However, competition for talent in general, and for skilled workers in particular, is fierce, especially in technology-driven industries such as the caravanning and automotive business, as well as in Bavaria, where the Knaus Tabbert Group has its headquarters. The regional unemployment rate is relatively low, and it is generally becoming more difficult to recruit qualified personnel locally. Nevertheless, due to the effective recruitment work and Knaus Tabbert's reputation in the recruitment market, we currently see no risk. In the past year, Knaus Tabbert AG was able to recruit employees with the professional skills required to support the company's growth. However, failure to recruit and retain talented employees and specialists could adversely affect the Group's business operations and its ability to achieve its strategic objectives. We are therefore counteracting the risk of employee turnover by offering attractive remuneration systems, job conditions and opportunities for further development. Furthermore, we are responding to the shortage of skilled workers through in-house training.

In previous years, the corona pandemic was a major risk factor for our staff. Due to the currently low number of infections, no major impacts are expected in this area. Should the federal government decide to reactivate measures, the Group is well prepared thanks to its previous action plans.

IT risks

IT systems are critical for maintaining ongoing business operations. In this respect, risks arise in particular from the potential failure of servers, storage media and critical applications. The risk of a cyber attack should not be underestimated, and is given the highest priority within our company. In order to keep IT risks to a minimum, all possibilities of disruptions, including those from outside the company, are constantly monitored with great care and, if necessary, eliminated immediately. Knaus Tabbert seeks to ensure maximum protection through a group-wide IT organisation and up-to-date security systems, such as anti-virus software and firewalls. We are also working on emergency plans to keep damage to the company to a minimum in the event of an attack. In addition, we regularly raise awareness among our employees about such dangers. Since the GDPR came into force, higher requirements have been placed on the organisation of data protection within the Knaus Tabbert Group. Data protection infringements could give rise to fines and damage the company's public reputation. In cooperation with the data protection officers, the Group ensures strict compliance with the relevant rules, and takes them into account in all internal and group-wide processes.

Purchasing

Purchasing risks and opportunities arise, among other things, from fluctuations in raw material and energy prices, which can lead to price fluctuations for parts procured externally by suppliers of the company or the

Group. In addition, occasional delivery or quality problems, or supply disruptions at sub-suppliers, can give rise to risks in our production process. Financial bottlenecks of suppliers, capacity restrictions and a limited scope for negotiating prices can also impact our net asset, financial and profit position. A significant risk arises from possible supply bottlenecks or interruptions in the supply chain in connection with global shortages of various materials. In particular, the supply of chassis to the Knaus Tabbert Group continued to be severely limited in 2022. The main reason for this was the global shortage of electronic components and semiconductor elements. Up until the first half of 2022, Knaus Tabbert sourced a very large proportion of its chassis from the Stellantis Group, making it highly vulnerable to supply bottlenecks. These supply bottlenecks led to a reduction in chassis volumes, which also impacted negatively on the volume-based purchase prices, as did the lack of availability. For this reason, the base of chassis suppliers was expanded in the second half of 2022 to include four additional chassis manufacturers (MAN, Mercedes, Ford and Volkswagen). This enables the company to plan much more flexibly. Furthermore, safety stocks of chassis serve to secure motorhome production. From today's perspective, however, Knaus Tabbert cannot rule out the possibility of similar impairments occurring in the 2023 financial year and beyond, although the risk has been significantly reduced through chassis diversification and safety stocks. Some suppliers in the caravanning industry have a monopoly or oligopoly position, which makes price negotiations difficult. In this sense, Knaus Tabbert is dependent on individual suppliers to a non-negligible extent. In addition to chassis, this particularly concerns systems manufactured by Truma or Dometic and manufacturers offering special production processes, giving rise to availability and price risks. Knaus Tabbert counters the availability and price risks - wherever possible - by recruiting additional suppliers. Moreover, the supply chains of other components and materials are also sensitive. The risk of missing parts and the resultant disruption or incomplete production of company products can arise from having different suppliers. Causes such as a shortage of raw materials, downtime due to corona, a lack of skilled workers, missing electronic components, disrupted transport routes and cyber attacks all place a burden on the supply chains. Knaus Tabbert attempts to reduce the resultant risk to the production of its products by working closely with suppliers in a spirit of partnership. Furthermore, this risk is countered by selectively building up security stocks of crucial components. Nonetheless, the company continues to regard supply chain risks as critical. Energy and electricity prices have risen sharply in recent months and are having an impact on the company's material and energy costs. Knaus Tabbert has allowed for the ensuing increase in costs in its planning for the 2023 financial year. A self-sufficient heating system using waste wood from production is already in operation at the Jandelsbrunn and Mottgers locations, making these sites independent of the gas supply. Knaus Tabbert plans to further develop its self-sufficiency in energy over the next few years by installing photovoltaics and additional heating boilers for wood waste at the sites. The risk of a power cut or problems with the gas supply currently seems extremely unlikely, but could intensify again by the winter of 2023/2024 and lead to disruptions in the supply chain at Knaus Tabbert. Global developments along the supply chain have led to significant price increases in many industries, which have also affected Knaus Tabbert. However, the high demand for caravanning products allows price increases to be passed on to customers to a large extent. Thus, significant price increases in both purchasing and sales have also been taken into account in our corporate planning for 2023

Production

In principle, bottlenecks may occur in production due to a lower availability, or failure, of production capacities. This, in turn, can give rise to temporary production downtimes and thus to lower sales volumes. To counteract this, Knaus Tabbert is investing heavily in the expansion of its production capacities. In addition, our group-wide production network allows us to flexibly offset bottlenecks between locations.

Short development times can render the proactive search for suppliers and timely disposition more difficult, thus resulting in a lack of parts and an increase in the stock of unfinished vehicles. Similar effects can arise from a disproportionate increase in production and from unstable supply chains, which in turn can lead to delivery bottlenecks at suppliers, for example. As a result, an increasing number of unfinished vehicles continue to leave the assembly line, giving rise to subsequent reworking costs. High inventories of unfinished vehicles also lead to the appropriation of liquid funds and the utilisation of credit lines. Therefore, plans are in place to optimise inventories in the long term by increasing management focus. In addition, these risks are countered with an integrated planning process that is aligned with production and delivery schedules. Optimised warehouse management ensures a balance between availability on the one hand and capital-preserving stockpiling on the other. Risks also arise from the termination of supply contracts by suppliers. Knaus Tabbert counteracts these risks through coordinated production planning and contractual assurances.

Sustainability

Growing legal and non-legal requirements with regard to ESG can lead to additional expenses. Likewise, non-compliance with regulatory and internal sustainability and climate protection targets can result in liability and reputational risks. Knaus Tabbert AG has set itself ambitious sustainability targets, which are presented in its sustainability report (https://www.knaustabbert.de/en/sustainability/). In the 2022 financial year, Knaus Tabbert initiated and implemented all necessary measures to ensure compliance with the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz) from 2023 onwards, in addition to its sustainability reporting.

Other risks

The objective of our quality management is to reliably meet the requirements of our customers. To prevent risks, we have implemented a supplier management system with the aim of ensuring components of the required quantity and quality for the production of our vehicles. In the event that products of unsatisfactory quality are delivered to our customers in exceptional cases, and in spite of our extensive quality assurance measures, we run the risk of incurring additional costs due to rectification or warranty claims. We generally set up appropriate provisions for this, which as a rule cover these risks in full. One such example relates to the voluntary measures we have taken to repair the lateral attachment parts of certain partially integrated vehicle series that have become detached as a result of the material used. In the meantime, we have developed a technical solution to this problem, which will be applied to vehicles under warranty in cooperation with our dealers. The planned start is scheduled for 2023. The expected costs are covered by the general quality provisions.

Risk reporting in connection with the use of financial instruments

The use of financial instruments does not pose a significant risk within the Knaus Tabbert Group. Explanations on market price, default and liquidity risks can be found in the Notes under item 7.3.

Opportunities in connection with our sales strategy

Knaus Tabbert currently distributes its products primarily through an established dealer network. We are constantly reviewing our sales strategy with regard to new distribution channels. The opening of new distribution channels could have a positive effect on our revenue and profit situation.

Opportunities in connection with our procurement strategy

We are currently dependent on a small number of suppliers in certain areas. The addition of new suppliers could reduce our degree of dependence in these areas, which would give us greater flexibility in planning production quantities while also strengthening our bargaining position. As a result, we could generate more savings than originally planned. Additional opportunities arise from raw material prices that are overall lower than expected, and from volume effects in the context of our further growth.

Opportunities in connection with our process optimisation

Continuous optimisation of key business processes and rigorous cost controls are essential to ensure profitability and returns on investments. Knaus Tabbert believes that it has far from exhausted the opportunities to increase the effectiveness and efficiency of its processes, and to further optimise the cost structures within the company. Moreover, Knaus Tabbert will continue to focus on standardising, simplifying, automating and digitizing its processes.

Opportunities in connection with social megatrends

Knaus Tabbert benefits from various societal developments, some of which have established themselves as megatrends in recent years. These include, for instance, demographic developments, the growing interest in alternative and eco-friendly forms of holidaying, the shift towards regional tourism, and new, flexible work arrangements. As a key driver in the rental market, the sharing economy also deserves special mention. These developments are simultaneously creating new opportunities that can have a positive impact on our business.

Opportunities in connection with inorganic growth

For Knaus Tabbert, inorganic growth means examining and seizing opportunities with regard to acquisitions and partnerships. To this end, we continuously monitor market developments. Essential aspects include the strengthening of our market position, also at the regional level, the expansion of our capacities, and supplementing or expanding our product portfolio. In 2022, we acquired 100 % of the shares of a dealer for recreational vehicles based in Freiburg, Germany.

Overall assessment of risks and opportunities

After a thorough review of the risk situation, Knaus Tabbert has come to the conclusion that the measures and precautions taken provide an adequate response to the identified risks. Taking into account the financial impact and the probability of occurrence against the background of a healthy balance sheet structure, our earning power and the current business outlook, we are not aware of any risks that could jeopardise the continued existence of the company. At the same time, we have sufficient resources at our disposal to take advantage of opportunities as they arise.

Risk-bearing capacity

The risk-bearing capacity determines the maximum risk value that the company or the Group can bear over time without jeopardising its continued existence. Thus, the risk-bearing capacity can also be referred to as the "risk coverage potential" or "resilience" of the company. In order to quantify the distance between the status quo and the point to be considered a development endangering the company's continued existence, it is advisable to use predefined key figures. For the Knaus Tabbert Group, the Management Board has defined the following key figures, which put the total risk volume in relation to the risk coverage potential:

- available liquidity [> total risk]
- ratio of total risk to equity [< 50 %]

Total risk results from the aggregation of all individual risks within the Group. The total risk volume therefore does not correspond to the result of a mere addition of individual risks, but is determined by a so-called risk aggregation procedure. Possible interdependencies of significant risks are taken into account in the process. Developments that threaten the continued existence of the company can therefore also result from the interaction of multiple risks which, when viewed in isolation, do not pose an existential threat. For the 2021 financial year, a Monte Carlo simulation with confidence intervals of 95 % and 5 % was used for the first time as a risk aggregation method. This showed that the aggregate risk does not exceed the company's risk-bearing capacity with a probability of at least 95 %. We therefore do not see any substantial threat to the company's ability to continue as a going concern.

Characteristics of the internal control system (ICS)

Knaus Tabbert's internal control system comprises the principles, procedures and measures established by management, and as such applies to all employees throughout the Group. All key business processes that support the organisational implementation of management decisions must be taken into due account.

At Knaus Tabbert, the methodology of its internal control system is based on the "Internal Control Framework - COSO II ©", which describes internal control and monitoring elements for key processes within the company. The objective is to ensure proper financial reporting, to improve the efficiency and effectiveness of processes, and to support compliance with legislation. The Knaus Tabbert control framework is designed to apply to the Group as a whole - one main requirement is to ensure protection against significant risks by means of appropriate control activities. The aim is to continuously improve the internal control system and to systematically identify risks and potential for improvement in the control environment, at the process level, in order to determine appropriate recommendations for action and to implement these in a timely manner by those responsible for the process. Independent monitoring bodies such as the Supervisory Board and Audit Committee support the continuous updating of the control environment. The overall responsibility for the internal control system lies with the Management Board of Knaus Tabbert AG.

Knaus Tabbert has not become aware of any facts indicating that the internal control system may not be adequate or effective.

Features of the internal control system with regard to the group accounting process

The objective of the internal control system (ICS) for accounting processes is to ensure the reliability of external reporting by preparing financial statements in compliance with rules and regulations. The ICS is embedded in the corporate governance system that applies throughout the company. To monitor the effectiveness of the ICS, regular reviews of accounting-relevant processes are carried out through internal controls. In addition, the Audit Committee of the Supervisory Board monitors the effectiveness of the system.

Furthermore, the ICS includes non-accounting related controls to provide reasonable assurance regarding the effectiveness and efficiency of operating processes and compliance with applicable laws and regulations.

With regard to non-accounting activities, the ICS also focuses on the identification, assessment, mitigation, monitoring and communication of relevant risks. Moreover, it is embedded in the group-wide corporate governance system and comprises various sub-processes.

The main features of the existing internal control and risk management system with regard to the (Group) accounting process can be described as follows:

- ensuring that the individual financial statements of Knaus Tabbert AG are prepared in accordance with standards by means of system-based and manual controls
- ensuring uniform group accounting in accordance with IFRS by applying uniform accounting regulations and guidelines
- control functions are regularly performed within the divisions, primarily by Controlling
- clarification of special technical questions and complex issues on a case-by-case basis with the involvement of external experts
- standard software is used in Finance and Accounting wherever possible
- the software used within the company is protected against unauthorised access through the relevant IT facilities
- an ICS manual and ICS process documentation are available
- regular spot checks are carried out to ensure that accounting data are complete and correct
- all significant, accounting-relevant entries are made using the dual control principle (separation of audit, accounting and payment processes)

1) The declaration on the appropriateness and effectiveness of the internal control system was not checked for accuracy.

FORECAST REPORT

General economic development

Given the deteriorating macroeconomic environment during 2022, the global economy is poised to face challenging conditions in 2023.

Restrictive monetary policy and higher real interest rates, ongoing high inflation, persistently inflated energy prices, weak growth in real household incomes and declining consumer confidence are expected to combine to weaken global economic growth.

According to the OECD, global GDP growth is set to weaken to 2.6 % in 2023 and will only recover moderately to 2.9 % in 2024. This will be particularly true for Europe and the USA. For example, GDP growth in the European Union is estimated at only 0.8 % and 1.5 % for 2023 and 2024, respectively. In addition, Germany faces great uncertainty in view of volatile energy prices. German GDP is expected to shrink by 0.3 % in 2023 and increase again by 1.5 % in 2024. In addition to weak GDP growth, high inflation is reducing real income and savings, thus curbing private consumption. Inflation in the eurozone stood at 8.4 % in 2022. It is expected to remain at an elevated level of 6.2 % in 2023, easing to 3.0 % in 2024. Unless wages keep pace with inflation - a scenario that would itself pose a long-term risk of inflation - 2022 and 2023 will see a decline in real disposable income and a prolonged slowdown in private consumption growth.

Source: OECD Economic Outlook, Interim Report March 2023

Industry outlook

Free, flexible and informal holidays well away from mass tourism have been enjoying ever-increasing popularity for a number of years. The target group ranges from purist minimalism through to luxury equipment - glamping, from the adventurous traveller to the sedentary permanent camper.

Here are the most important reasons for choosing a caravanning holiday, according to a study conducted by the Allensbach Institute for Public Opinion Research on behalf of the Caravanning Industry Association (CIVD) in 2022:

- independence and not being tied to a particular place (88 %)
- close to nature (75 %)
- an eco-friendly way to travel (21 %)

Another factor contributing to the growth of the camping industry is that an increasing number of young people, especially young families, are becoming enthusiastic about this form of travel. Camping has already become an important economic factor.

A recent study puts the gross turnover of the camping industry in Germany at EUR 14.1 billion. Roughly one third of this is accounted for by camping equipment, which also includes the appropriate vehicles.

A comprehensive analysis of the target groups in caravanning also yielded valuable insights.

There are the "explorers", the "thrifty", the "flexible", the "price-conscious", the "passionate", the "constant" and the "full-time motorhome travellers". The newly identified target group of "explorers", with a share of 17 % among the respondents, travels primarily with children and in a caravan on shorter trips. The same proportion is also found among the “flexible” target group of so-called double-income-no-kids, middle-aged couples who like to spend short holidays in a motorhome in places that are not bustling with crowds. Well-off best-agers are the “full-time” motorhome travellers, who enjoy the privilege of being on the road in their own motorhome all year round, with a penchant for visiting cities.

The study also provides information about the next generation of caravanners. This next generation of buyers, the "millennials", attach particular importance to sustainability and environmental protection, which they have discovered for themselves in caravanning as a mode of travel.

Industry optimistic about 2023

Although the caravanning industry is unable for the first time in many years to report a fresh record in new registrations due to the challenges in the supply chains, the industry is nevertheless satisfied with the annual results, and is looking ahead optimistically to the calendar year 2023.

Motorhomes and caravans are still very much in vogue. It is generally assumed that the supply situation will also improve in the course of this year, and that waiting times for ordered vehicles will consequently become shorter.

Forecast report

Notwithstanding the current geopolitical challenges and the associated uncertainties, the Knaus Tabbert Group aims to further pursue its corporate policy geared towards sustainable and profitable growth. The Management Board is carefully monitoring further developments in order to take adequate decisions at an early stage in line with the company's growth strategy.

Supplier management

Balanced procurement and supply chain management play a particularly important role in production processes of the Knaus Tabbert Group. In principle, Knaus Tabbert strives to continuously expand its supplier base for selected components and materials. Due to the dominance of various systems suppliers, Knaus Tabbert is working on new strategies to make its procurement even more flexible and resilient in the future.

In order to improve the procurement situation for chassis relative to the 2022 financial year while increasing its offering for dealers and end customers, Knaus Tabbert has been using chassis from Mercedes, Volkswagen Commercial Vehicles and Ford, in addition to chassis from Stellantis and MAN, in the Premium segment since the beginning of the 2023 financial year. This will have a positive effect on shifting the product mix towards high-end motorhomes. No further expansion of the chassis supplier base is planned for the 2023 financial year.

Investments

In 2023, the Management Board will focus its activities on optimising free cash flow and free liquidity in particular. In this context, planned investments will be re-evaluated in terms of their timing and distributed over the following years, consistent with Knaus Tabbert's growth strategy.

At the same time, Knaus Tabbert remains fundamentally committed to implementing its corporate strategy of profitable growth. The company has created the essential conditions for this with the investments it made in 2021 and 2022. Once the new bodywork production facility in Jandelsbrunn goes into operation in the first half of 2023, the site will benefit significant higher technical capacity. Part of it to use in the 2023 financial year.

Dividends

The Knaus Tabbert Group's dividend policy is to be continued in the coming years. Taking into account the overall economic development as well as the economic and financial situation of the company, the Management Board and Supervisory Board plan to continue to distribute at least 50 % of the consolidated net profit (according to IFRS) as dividends to shareholders, thus enabling them to participate fairly in the economic success of the Group.

Forecast for the Knaus Tabbert Group

Further consequences of the war between Russia and Ukraine and the associated impact on the global economy due to inflation, interest rate changes and energy price developments remain to be seen. The supply chain disruptions caused by the crises of the past few years may also continue to influence the industrial development.

Management of Knaus Tabbert is carefully monitoring the aforementioned economic and geopolitical developments and their possible impact on the Group's profit, financial and net asset position, and will take appropriate measures in good time if the need arises.

Taking into account the general environment, briefly outlined above, and the measures implemented in the financial year to improve chassis availability, the Management Board is optimistic about the financial year 2023.

Based on the order backlog of EUR 1.3 billion as of the end of December 2022, as well as the expected positive product mix effects and the changed purchasing strategy for chassis (see section "Supplier management"), the

Management Board expects strong revenue growth, before price increase effects, in the 2023 financial year. Price increases towards dealers of the Knaus Tabbert Group are generally planned in a range of 6-8 % in the 2023 financial year.

Profitability, expressed in terms of adjusted EBITDA and the adjusted EBITDA margin, will improve significantly as a result of targeted revenue growth and the resulting economies of scale and improved product mix.

In summary, the Management Board of Knaus Tabbert AG expects strong revenue growth compared to the previous year and an adjusted EBITDA margin ranging between 7.5 % and 8.5 % for the 2023 financial year. However, this requires an easing of the supply chains and, consequently, the availability of components and other materials in line with the carefully considered planning premises.

Moreover, this forecast is based on the assumption that the global economic and industry-specific environment, particularly with regard to the further unfolding of the conflict between Russia and Ukraine and the supply chain situation, will not deteriorate further than expected.

Knaus Tabbert AG (financial statements) is expected to have a slightly lower adjusted EBITDA margin than the Group.

REMUNERATION REPORT AND REMUNERATION SYSTEM

The Remuneration Report for the 2022 financial year and the auditor's report pursuant to Section 162 of the German Stock Corporation Act (AktG), the applicable remuneration system approved by the 2021 Shareholders' Meeting pursuant to Section 87a para. 1 and 2 (1) AktG, and the remuneration resolution adopted by the 2021 Shareholders' Meeting pursuant to Section 113 para. 3 AktG are available to the public at www.knaustabbert.de/en/investor-relations.

CORPORATE GOVERNANCE STATEMENT PURSUANT TO SECTIONS 289F AND 315D HGB AND CORPORATE GOVERNANCE REPORT

The Corporate Governance Statement pursuant to Sections 289f and 315d HGB and the Corporate Governance Report are published in the Group Annual Report, and on the company website at www.knaustabbert.de/en/investor-relations.

DISCLOSURES AND EXPLANATIONS OF RELEVANCE TO ACQUISITIONS (SUPPLEMENTARY DISCLOSURES PURSUANT TO SECTIONS 289A AND 315A HGB)

Composition of the subscribed capital

As of 31 December 2022, the share capital of Knaus Tabbert AG amounts to EUR 10,377,259.00, and is divided into 10,377,259 ordinary bearer shares with no par value. Each share entitles the holder to one vote and an equal share in the profits in accordance with the dividend distribution resolved by the Shareholders' Meeting. There are no treasury shares as of 31 December 2022.

The rights and obligations of the shareholders are defined according to the German Stock Corporation Act in conjunction with the company's Articles of Association, the full text of which is available on the company website under Investor Relations/Corporate Governance.

Under the Articles of Association, shareholders are not entitled to demand securitisation of their shares.

Restrictions affecting voting rights or the transfer of shares

The company does not derive any rights from its treasury shares. In cases pursuant to Section 136 AktG, voting rights from the shares concerned are excluded by law.

Shareholdings in excess of 10 % of the voting rights

To the company's knowledge, the following direct or indirect shares in the voting capital exceeded 10 % of the voting rights as of the balance sheet date:

Name	*Share in %*
H.T.P. Investments 1 B.V.(NL)	**40.75**
Catalina Capital Partners B.V (NL).	**25.06**

The voting rights of H.T.P. Investments 1 B.V. and Catalina Capital Partners B.V. are not attributed to further companies and individuals according to notifications pursuant to the German Securities Trading Act.

Changes in the above voting rights shares may have occurred since the reporting date. Since its shares are bearer shares, the company only becomes aware of such changes insofar as these are subject to notification requirements under the German Securities Trading Act or other regulations.

Shares with special rights conferring powers of control

The company does not have any shares with special rights conferring powers of control.

Type of voting right control in the event that employees hold shares in the capital

The company is not aware of any employees who hold shares in the capital and who do not exercise their voting rights directly.

Rules and regulations on the appointment and dismissal of members of the Management Board, and on amendments to the Articles of Association

Members of the Management Board are appointed and dismissed in accordance with Sections 84 and 85 AktG, and Section 31 of the German Co-Determination Act (Mitbestimmungsgesetz). Pursuant to Section 84 AktG, Management Board members are appointed by the Supervisory Board for a maximum term of five years. Pursuant to Article 7 of the Articles of Association, the Management Board consists of one or more persons. The number of members is determined by the Supervisory Board. According to Section 84 para. 2 AktG, the Supervisory Board may appoint a member of the Management Board as chair. The appointment of Management Board members, the conclusion of service contracts and the revocation of appointments, as well as the amendment and termination of service contracts, are performed by the Supervisory Board.

Pursuant to Section 179 AktG, the Articles of Association may only be amended through a resolution of the Shareholders' Meeting. Unless mandatory provisions of the law stipulate otherwise, resolutions of the Shareholders' Meeting are passed by a simple majority of the votes cast and, if applicable, by a simple majority of the represented capital in accordance with Article 20 of the Articles of Association. Pursuant to Section 179 para. 2 AktG, a majority of 75 % of the share capital represented is required to change the object of the company; in the Articles of Association, no use is made of the option to specify a larger capital majority for this purpose. Amendments to the Articles of Association that only affect the wording and drafting can be decided by the Supervisory Board in accordance with Article 11 para. 4 of the Articles of Association. Amendments to the Articles of Association become effective upon entry in the commercial register in accordance with Section 181 para. 3 AktG.

Powers of the Management Board to issue or repurchase shares

The Management Board is authorised, subject to the approval of the Supervisory Board, to increase the share capital of the company by up to EUR 5,000,000.00 by issuing up to 5,000,000 ordinary bearer shares with no par value against cash and/or non-cash contributions until 6 August 2025 (authorised capital). The authorisation may be exercised in whole or in part, at one or several occasions. The shareholders generally hold subscription rights.

To date, no use has been made of the authorised capital.

Furthermore, the Management Board is authorised to exclude shareholders' subscription rights once or several times, always subject to the approval of the Supervisory Board, in the following cases:

- in the case of capital increases against cash or non-cash contributions, insofar as this is necessary to compensate for share fractions;
- in the case of capital increases against non-cash contributions, in particular for the purpose of a business combination or the acquisition of companies, parts of companies, enterprises or shares in companies, industrial property rights (i.e. patents, utility models, trademarks or licences thereto) or other product rights; or
- in the case of capital increases against cash contributions, if the issue price of the new shares is not significantly lower than the stock price of shares offering the same terms at the time of the final determination of the issue price (simplified exclusion of subscription rights). The shares issued under the exclusion of subscription rights must not exceed 10 % of the share capital existing at the time the authorisation becomes effective, or at the time the authorisation is exercised. This maximum limit of 10 % of the share capital is reduced by the proportionate amount of the share capital attributable to those shares that are sold as treasury shares during the period of effectiveness of this authorisation under exclusion of subscription rights pursuant to Section 186 para. 3 (4) AktG.

  The proportionate amount of the share capital attributable to shares issued against cash or non-cash contributions, under the exclusion of shareholders' subscription rights, must not exceed a total of 50 % of the company's share capital existing at the time of the resolution of the Shareholders' Meeting.

To date, no use has been made of the exclusion of subscription rights.

Furthermore, the share capital is conditionally increased by up to EUR 5,000,000, divided into up to 5,000,000 ordinary bearer shares with no par value (conditional capital). The conditional capital increase shall only be carried out to the extent that the holders or creditors of option or conversion rights, or those obliged to exercise option or conversion rights, make use of their option or conversion rights arising from option bonds and/or convertible bonds, profit participation rights and/or participating bonds (or combinations of these instruments), issued or guaranteed against cash or non-cash contributions by the company or a subordinate Group company until 20 September 2025, and by virtue of the authorisation of the Management Board by resolution of the Shareholders' Meeting of 21 September 2020, or to the extent that they fulfil their obligation to exercise option or conversion rights if they are obliged to exercise such rights, or to the extent that the company exercises its right to partially or fully grant shares in the company in lieu of payments, whose value equals the amount of money due.

By resolution of the Shareholders' Meeting of 21 September 2020, the Management Board was authorised, subject to the approval of the Supervisory Board, to issue option bonds or convertible bonds, participation rights and/or participating bonds, in bearer or registered form, or a combination of these instruments, on one or more occasions against cash or non-cash contributions, up to a total nominal value of EUR 400 million and with or without a maturity restriction, and to grant option rights or obligations to the holders or creditors of option bonds, participation certificates or participating bond options, or to grant, or impose, ordinary no-par-value bearer shares of Knaus Tabbert AG at a proportionate amount of the share capital of up to EUR 5 million to the holders of convertible bonds, convertible participatory certificates, convertible participating bonds, or conversion rights or obligations.

To date, no use has been made of the authorisation to issue convertible bonds and/or option bonds.

Moreover, until 20 September 2025, the Management Board is authorised to acquire treasury shares in an amount of up to ten percent of the share capital existing at the time of the resolution or, if this value is lower, of the share capital existing at the time this authorisation becomes effective, or at the time this authorisation is exercised. In all cases, this authorisation may be exercised in whole or in part, on one or more occasions and for any legally permissible purpose, by the company, by a subordinate Group company, or by third parties on their own account or for the account of the company. At the discretion of the Management Board, the shares may be acquired on the stock exchange, through public purchase offer, or by means of a public invitation to the shareholders to submit an offer for sale. The Management Board may sell the acquired treasury shares on the stock exchange, by submitting an offer to all shareholders or, subject to the approval of the Supervisory Board, against cash or non-cash consideration. The latter is of particular relevance in connection with the acquisition of companies, parts of companies or shareholdings. Furthermore, the Management Board is authorised, subject to the approval of the Supervisory Board, to use treasury shares to fulfil obligations arising from conversion or option rights or conversion obligations resulting from convertible bonds, option bonds, participation rights or participating bonds (or combinations of these instruments), which were issued by the company or a subordinate Group company and grant a conversion or option right, or impose a conversion or option obligation. The Management Board may also grant treasury shares to the holders of these instruments to the extent that they would be entitled to a subscription right to shares of the company after exercising conversion or option rights, or after fulfilling conversion or option obligations. The treasury shares may also be offered for purchase as employee shares to members of staff of the company or of one of its affiliates. The shares may also be withdrawn. Acquisition for the purpose of trading in treasury shares is excluded. The shares acquired on the basis of the authorisation, together with other treasury shares held by the company or attributable to it pursuant to Sections 71a et seq. AktG, may not account for more than ten percent of the respective share capital of the company.

Significant agreements of the company subject to the condition of a change of control

Knaus Tabbert AG has entered into the following significant agreements, which contain provisions for a change of control, such as may occur as a result of a takeover bid:

Syndicated loan agreement

A special right of termination in connection with a change of control has been agreed in cases where an individual, or a group of individuals acting in concert, other than Mr. Wim de Pundert and Mr. Klaas Meertens, acquire direct or indirect control of 30 % or more of the shares or voting rights in the company.

Promissory note loan

A special right of termination in connection with a change of control was granted in the event that a third party, or a group of third parties acting in concert, with the exception of Mr. Wim de Pundert and Mr. Klaas Meertens, directly acquires or controls at least 30 % of the shares or voting rights in the debtor.

Agreements of the company on compensation for members of the Management Board or staff in the event of a takeover bid

The company has not concluded any agreements on compensation in the event of a takeover bid with members of the Management Board or staff.

Jandelsbrunn, 27 March 2023

Wolfgang Speck | Carolin Schürmann | Werner Vaterl | Gerd Adamietzki

CONSOLIDATED FINANCIAL STATEMENTS 2022

CONTENTS

CONSOLIDATED BALANCE SHEET

ASSETS

in KEUR	*Note*	*31.12.2022*	*31.12.2021*
Assets			
Intangible assets	5.1	23,265	18,050
Property, plant and equipment	5.2	184,138	130,636
Other assets	5.7	1,709	2,222
Deferred tax assets	6.9	4,755	2,780
Non-current assets		**213,866**	**153,688**
Inventories	5.3	252,986	144,948
Trade receivables	5.4	33,470	6,948
Other assets	5.7	37,540	23,634
Tax receivables	5.5	6,933	5,750
Cash and cash equivalents	5.6	12,614	9,677
Current assets		**343,543**	**190,957**
Balance sheet total		**557,409**	**344,645**

CONSOLIDATED BALANCE SHEET

LIABILITIES

in KEUR	*Note*	*31.12.2022*	*31.12.2021*
Equity			
Subscribed capital	5.8	10,377	10,377
Capital reserves	5.8	27,087	27,000
Retained earnings	5.8	74,678	71,993
Profit- / loss carry forwards		7,653	–
Consolidated net income		29,620	25,904
Consolidated net income	5.8	−2,487	−1,395
Total equity		**146,930**	**133,879**
Liabilities			
Other provisions	5.9	5,393	13,543
Liabilities to banks	5.10	102,555	2,331
Other liabilities	5.12	13,705	8,284
Deferred tax liabilities	6.9	10,046	7,593
Non-current liabilities		**131,699**	**31,751**
Other provisions	5.9	17,773	7,661
Liabilities to banks	5.10	89,549	93,052
Trade payables	5.11	112,923	38,471
Other liabilities	5.12	55,647	35,161
Tax liabilities	5.13	2,888	4,669
Current liabilities		**278,780**	**179,014**
Liabilities		**410,479**	**210,765**
Balance sheet total		**557,409**	**344,645**

CONSOLIDATED PROFIT AND LOSS STATEMENT

in KEUR	*Note*	*01.01. to 31.12.2022*	*01.01. to 31.12.2021*
Revenue	6.1	1,049,520	862,620
Changes in inventory	6.2	16,343	19,083
Other own work capitalised	6.2	6,308	4,448
Other operating income	6.3	6,002	3,103
Cost of materials	6.4	−775,874	−624,918
Personnel expenses	6.5	−141,539	−127,264
Depreciation and amortisation	6.6	−23,856	−21,059
Other operating expenses	6.7	−91,432	−77,628
Financial income	6.8	224	91
Finance costs	6.8	−3,921	−1,510
Tax expense	6.9	−12,155	−11,062
Consolidated net income		**29,620**	**25,904**
Earnings per share (undiluted) in EUR	**6.10**	**2.85**	**2.50**
Earnings per share (diluted) in EUR	**6.10**	**2.85**	**2.50**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in KEUR	*01.01. to 31.12.2022*	*01.01. to 31.12.2021*
Consolidated net income	**29,620**	**25,904**
Items that may be reclassified to profit or loss if certain conditions are met:		
Currency translation differences	–1,092	–304
Other comprehensive income	**–1,092**	**–304**
Total comprehensive income	**28,529**	**25,600**

CONSOLIDATED CASH FLOW STATEMENT

CASH FLOWS FROM OPERATING ACTIVITIES

in KEUR	*Note*	*2022*	*2021*
Consolidated net income		29,620	25,904
Adjustments for:			
Depreciation and amortisation/write-ups on intangible assets and property, plant and equipment	6.6	23,856	21,059
Increase/decrease in provisions	5.9	1,962	1,887
Other non-cash income/expenses		2,773	1,485
Increase/decrease in inventories, trade receivables and other assets not related to investing or financing activities		−147,376	−30,546
Increase/decrease in trade payables and other liabilities not related to investing or financing activities		89,666	6,230
Net finance costs	6.8	2,734	1,419
Income tax expense	6.9.1	11,822	10,807
Income taxes paid		−12,259	−11,046
Cash flows from operating activities		**2,798**	**27,200**

CASH FLOWS FROM INVESTING ACTIVITIES

in KEUR	*Note*	*2022*	*2021*
Proceeds from the sale of property, plant and equipment		353	218
Payments for investments in property, plant and equipment		−62,880	−41,232
Payments for investments in intangible assets		−6,812	−6,942
Payments from the acquisition of a subsidiary, net of cash acquired		−3,424	–
Income taxes paid		75	64
Cash flows from investing activities		**−72,688**	**−47,892**

CASH FLOWS FROM FINANCING ACTIVITIES

in KEUR	*Note*	*2022*	*2021*
Dividend payments	5.8	−15,566	−15,566
Proceeds from liabilities to banks		287,937	104,395
Repayments of liabilities to banks		−194,146	−63,648
Interest paid		−2,589	−1,402
Repayment of liabilities from leases		−3,144	−2,779
Cash flows from financing activities		**72,492**	**21,001**

Net change in fund of means of payment		**2,603**	**309**
Impact of exchange rate fluctuations on fund of means of payment		30	22
Fund of means of payment at the beginning of the period		**3,170**	**2,839**
Fund of means of payment at the end of the period	5.6	**5,803**	**3,170**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FINANCIAL YEAR 2022

in KEUR	*Note*	*Subscribed capital*	*Capital reserves*	*Currency translation reserves*	*Retained earnings*	*Profit/loss carry-forwards*	*Consolidated net income*	*Total*
Status as of 1.1		**10,377**	**27,000**	**–1,395**	**71,993**	**-**	**25,904**	**133,879**
Allocation of consolidated net income in profit/loss carry-forwards		–	–	–	–	25,904	–25,904	–
Transfer of profit/loss carried forward to retained earnings		–	–	–	2,685	–2,685	–	–
Profit before tax from continuing operations		–	–	–	–	–	29,620	29,620
Other comprehensive income		–	–	–1,092	–	–	–	–1,092
Total comprehensive income		**–**	**–**	**–1,092**	**2,685**	**23,219**	**3,716**	**28,529**
Transactions with owners								
Contributions and distributions								–
Share-based payment	13		87					87
Distributions	5.8	–	–	–	–	–15,566	–	–15,566
Total contributions and distributions		**–**	**87**	**–**	**–**	**–15,566**	**–**	**–15,478**
Total transactions with owners of the company		**–**	**87**	**–**	**–**	**–15,566**	**–**	**–15,478**
Status as of 31.12.		**10,377**	**27,087**	**–2,487**	**74,678**	**7,653**	**29,620**	**146,930**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FINANCIAL YEAR 2021

in KEUR	*Note*	*Subscribed capital*	*Capital reserves*	*Currency translation reserves*	*Retained earnings*	*Profit/loss carry-forwards*	*Consolidated net income*	*Total*
Status as of 1.1		**10,377**	**26,926**	**–1,091**	**6,435**	**49,797**	**31,327**	**123,770**
Transfer of consolidated net income to profit/loss carried forward		–	–	–	–	31,327	–31,327	–
Transfer of profit/loss carried forward to retained earnings		–	–	–	65,558	–65,558	–	-
Profit before tax from continuing operations		–	–	–	–	–	25,904	25,904
Other comprehensive income		–	–	–304	–	–	–	–304
Total comprehensive income		**–**	**–**	**–304**	**65,558**	**–34,231**	**–5,422**	**25,600**
Transactions with owners								
Contributions and distributions								–
Share-based payment	13		74					74
Distributions	5.8	–	–	–	–	–15,566	–	–15,566
Total contributions and distributions		**–**	**74**	**–**	**–**	**–15,566**	**–**	**–15,492**
Total transactions with owners of the company		**–**	**74**	**–**	**–**	**–15,566**	**–**	**–15,492**
Status as of 31.12.		**10,377**	**27,000**	**–1,395**	**71,993**	**-**	**25,904**	**133,879**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

1.1. Reporting entities

Knaus Tabbert AG (individually referred to as "KTAG" or "Company", and together with its subsidiaries as "Group") is a capital market-oriented stock corporation based in Germany with its registered office at Helmut-Knaus-Str. 1, 94118 Jandelsbrunn. The Group mainly produces and distributes products for the leisure and commercial vehicle market. These include, in particular, caravans, motorhomes and camper vans. The Group's main sales market is the European Union (EU).

Knaus Tabbert AG (formerly Knaus Tabbert GmbH) was entered in the commercial register of the district court of Passau on 14 August 2020 under the commercial register number HRB 11089. The Company has been listed on the regulated market segment of the Frankfurt Stock Exchange (Prime Standard) since 23 September 2020. The Securities Identification Number (WKN) is A2YN50, and the International Securities Identification Number (ISIN) is DE000A2YN504.

The Consolidated Financial Statements of Knaus Tabbert AG as of 31 December 2022 include Knaus Tabbert AG and its subsidiaries.

1.2. Basis of accounting

The financial year of the Group comprises twelve months and ends on 31 December. The Consolidated Financial Statements of the Company have been prepared in accordance with uniform Group accounting policies for all reporting periods presented. The Consolidated Statement of Comprehensive Income has been prepared according to the total cost method.

The Consolidated Financial Statements of Knaus Tabbert AG have been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), as applicable in the European Union (EU) as of 31 December 2022, including the interpretations of the International Financial Reporting Interpretations Committee on IFRS (IFRIC) and the supplementary provisions of commercial law applicable under Section 315e para. 1 of the German Commercial Code (HGB).

The Management Board of Knaus Tabbert AG prepared the Consolidated Financial Statements as of 31 December 2022 under the going-concern assumption. The Consolidated Financial Statements were approved for publication by the Management Board on 22 March 2023.

1.3. Functional and presentation currency

These Consolidated Financial Statements are presented in euros, the Company's functional currency. Unless otherwise stated, all amounts reported in the Consolidated Financial Statements are rounded to the nearest thousand (KEUR). Deviations of up to one unit (KEUR) are rounding differences occurring for computational reasons.

1.4. Use of judgements and estimates

The preparation of the Consolidated Financial Statements requires management to make judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may deviate from these estimates.

Both estimates and the underlying assumptions are reviewed on an ongoing basis. Changes in estimates are recognised prospectively.

The following section explains those balance sheet items for which judgements and/or estimates may have a significant impact on the values recognised in the Consolidated Financial Statements within the next financial year. For judgements in connection with consolidation procedures, please refer to Note 3.1.

Determining fair values

A number of accounting policies and disclosures of the Group require the determination of fair values for financial and non-financial assets and liabilities.

In determining the fair value of an asset or liability, the Group uses observable market data to the extent possible. On the basis of the input factors used as part of the valuation techniques, the fair values are categorised into different levels of the fair value hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities
- Level 2: valuation parameters other than the quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: valuation parameters for assets or liabilities that are not based on observable market data

If the input factors used to determine the fair value of an asset or liability can be categorised into different levels of the fair value hierarchy, the fair value measurement is allocated in its entirety to the level of the fair value hierarchy that corresponds to the input factor of the lowest level that is significant to the measurement as a whole.

The Group recognises reclassifications between levels of the fair value hierarchy at the end of the reporting period in which the change has occurred.

For further details, please refer to Notes 3.5, 3.8 and 3.10.

Capitalisation of self-created intangible assets

When capitalising development costs, estimates by management of the technical and economic feasibility of the development projects are taken into account in the recognition decision. The valuation of capitalised development costs and thus the assessment of their recoverability depends on assumptions about the amount and period of the inflow of expected future cash flows as well as the discount rates to be applied. For further information, please refer to Note 3.3.

Determining the useful lives of property, plant and equipment, software and licences

Estimates of the useful lives of assets are based on past experience of the Group. However, due to increasingly rapid technological progress, the useful lives of some assets may be shorter than others. For further details, please refer to Notes 3.3 and 3.4.

Determining leases terms with extension/termination options

When determining its lease terms, the Knaus Tabbert Group makes judgements while taking extension or termination options into account. The assessment of whether the extension or termination options will be exercised with a sufficiently high degree of probability has an impact on the term of the lease, and can thus significantly impact the rights of use or lease liabilities. For further information, please refer to Note 3.6.

Provisions

Provisions differ from other liabilities in that the timing and/or amount of future expenditure required is subject to uncertainty. A provision must be recognised if the Company has a present obligation (legal or de facto) as a result of a past event, it is probable that an outflow of resources of economic value will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Due to differing economic and legal assessments and the difficulties in determining probabilities of occurrence, considerable uncertainties with regard to recognition and valuation exist.

Please refer to Note 5.9 for information on the methodology used to determine the amount of the warranty provision and for further details.

Impairment testing of intangible assets with indefinite useful lives and goodwill

As part of subsequent valuation, intangible assets with an indefinite useful life and goodwill are not subject to scheduled amortisation. Instead, they are tested for impairment at least once a year. In this context, inherent uncertainties exist with regard to the assumptions and estimates of the parameters used to determine the recoverable amount (see section 5.1 b). In particular, when determining discounted cash flows, changes in the planning assumptions, which depend significantly on the overall economic market environment, can have a major impact on the assessment of recoverability.

Determining the net realisable value of inventories

Inventories are to be recognised at the lower of purchase or production cost and net realisable value. When determining the net realisable value, assumptions must be made, in particular regarding the development of sales prices and costs still to be incurred prior to sale. For further information, please refer to Note 5.3.

Revenue recognition from the sale of goods

The Group has determined, based on the existence of certain indicators, that the performance obligation will be settled when control of the motorhomes, caravans and camper vans is transferred to the customer, and revenue is recognised as of that date. For details, please refer to Note 3.16.1. In recognising revenue from the sale of goods, judgment is required in particular to determine the extent to which any follow-up work required after completion of the vehicles is significant and may preclude performance of the contract with the customer in accordance with the terms of the contract. In addition, estimates regarding the receipt of the consideration from the customer (creditworthiness) are necessary on a case-by-case basis and require the exercise of judgment

1.5. Effects of COVID-19

Business continued to be overshadowed by the coronavirus pandemic and its repercussions in the 2022 financial year. Interrupted supply chains and shortages of semiconductors resulted in a shortfall in deliveries. As a result, vehicles were produced in significantly lower numbers than originally planned, or were only partially completed. The actual sales potential offered by the high market demand and the order backlog could not be fully exploited. Further production downtimes and major expenses for retrofitting the unfinished vehicles negatively impacted the result of the 2022 financial year.

Protecting the health of our employees as best as possible while maintaining our operational performance and safeguarding our earnings and liquidity position remained our key priority in 2022.

All estimates and assumptions of relevance to these Consolidated Financial Statements were made to the best of our knowledge, taking into account current events and measures. Due to the ongoing situation, predicting the effects on recognised assets and liabilities, and on income and expenses, is fraught with difficulty. The specific impacts of the coronavirus pandemic are described, where relevant, in the individual Notes to the Consolidated Financial Statements.

Recourse to support measures

Apart from short-time allowances (see section 6.5 "Personnel expenses"), no other government support measures, such as loans, were claimed in the reporting period.

Recoverability of non-current assets

After analysing all relevant circumstances and conditions, also in the second year of the pandemic, management found no indications of impairment of goodwill or brands with indefinite useful lives in the financial year 2022. This is still primarily due to the unchanged strong demand for luxury Morelo motorhomes. While the first half of the year initially progressed according to plan in the Premium segment, the increasing shortage of raw materials in the second half of the year prompted us to adjust our planning. The mandatory impairment tests performed on the reporting date for goodwill and the brands also revealed no need for impairment. For further details, please refer to Note 5.1.

Management considered COVID-19-related impairments for other non-current assets in property, plant and equipment, and intangible assets, to be unnecessary.

Value adjustments for inventories and trade receivables

In the course of the financial year, missing or delayed deliveries of raw materials gave rise to temporary production disruptions or standstills across all locations. Due to the gradual lifting of global restrictions, the economic situation stabilised as the year progressed. Due to the continued high demand, increased value adjustments on inventories and trade receivables were not required as of the reporting date. For more information, please refer to Notes 5.3 and 5.4.

The Group experienced no other significant, direct effects of the COVID-19 pandemic.

1.6. Effects of climate change

When preparing the Consolidated Financial Statements, the Group assessed the impact of climate risks and future regulatory requirements related to the implementation of the Paris Climate Agreement, and concluded that these factors do not have a material impact on the Consolidated Financial Statements as of 31 December 2022. In particular, the effects on non-current assets, the recoverability of property, plant and equipment, intangible assets as well as provisions were assessed to the extent possible within the scope of the material estimates and judgements made. These estimates are reviewed by the Company on an ongoing basis. Due to the high uncertainty surrounding the effects of climate change and resulting future regulations, the conclusion reached may be subject to change in the future.

2. Valuation principles

The Consolidated Financial Statements were prepared on the basis of historical acquisition and production costs, with the exception of derivative financial instruments, which were measured at their fair value as of the reporting date.

3. Key accounting policies

3.1. Consolidation principles

Scope of consolidation

The scope of consolidation of Knaus Tabbert AG as of 31 December 2022 comprised the following fully consolidated subsidiaries:

SCOPE OF CONSOLIDATION

	Registered office	Shareholding in %
Domestic		
Caravan-Welt GmbH Nord[1)]	**Bönningstedt**	**100.00**
HÜTTLrent GmbH[1)]	**Maintal**	**100.00**
WVD-Südcaravan GmbH[1)]	**Freiburg**	**100.00**
CFC Camping Freizeit Center GmbH[1)]	**Freiburg**	**100.00**
MORELO Reisemobile GmbH	**Schlüsselfeld**	**100.00**
Foreign		
Knaus Tabbert Kft	**Vac (Ungarn)**	**100.00**

[1)] The Company makes use of the exemption from disclosure of the annual financial statements pursuant to Section 264 (3) HGB

Business combinations

Acquired subsidiaries are accounted for using the acquisition method in accordance with IFRS 3. The consideration transferred in the course of a business combination is measured at fair value, which is calculated as the sum of the fair values of all assets transferred as consideration for control, the liabilities incurred or assumed by the seller, and the equity instruments issued.

All contingent consideration obligations are measured at fair value as of their acquisition date. If the contingent consideration is classified as equity, it is not revalued, with settlements recognised in equity. Otherwise, other contingent consideration is measured at fair value at each reporting date, and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

In the course of the initial consolidation, the identifiable assets and liabilities are measured at fair value. The fair value of property, plant and equipment is generally determined using appraisals based on observable market data, while the fair value of financial instruments, retirement benefits and similar obligations and inventories is determined on the basis of available market information. The fair value of key intangible assets is calculated using adequate valuation methods based on projected future cash flows or multiples. Expenses in connection with business combinations are recognised to profit or loss as incurred.

For each company acquisition, the Group decides on a case-by-case basis whether the non-controlling interests in the acquired company are to be recognised at fair value, or according to the proportional share of the net assets of the acquired company.

Goodwill is equal to the positive difference between the acquisition costs and the fair value of the assets and liabilities acquired in the course of a business combination. If the amount thus determined is negative, the difference is recognised directly to profit or loss in the Consolidated Profit and Loss Statement following a further examination.

Subsidiaries are fully consolidated from the date of acquisition, i.e. from the date on which the Group obtains control. Inclusion in the consolidated financial statements ends as soon as the Group loses control. If control is subsequently lost, the consolidated financial statements are to include the results for that part of the financial year during which the Group exercised control.

Changes in the Group's ownership interests in subsidiaries, that do not result in a loss of control, are recognised as equity transactions.

Intercompany results from deliveries and services that have not yet been realised from the Group's perspective are eliminated in the Consolidated Financial Statements. Receivables, liabilities, provisions, revenue, expenses and income between Group companies are eliminated. Differences resulting from the consolidation of debts are reported under other operating expenses; differences from the consolidation of expenses and income are recognised directly in equity; differences from the consolidation of expenses and income are recognised under other comprehensive income.

Deferred taxes are recognised for temporary differences arising from consolidation.

Where necessary, the annual financial statements of the subsidiaries are adapted to the accounting and valuation policies of Knaus Tabbert AG.

3.2. Foreign currencies

Business transactions in foreign currencies

Business transactions in foreign currencies are translated into euros at the exchange rate prevailing at the time of the transaction. In subsequent periods, monetary assets and liabilities denominated in a foreign currency are translated using the closing rate. Non-monetary items measured at historical acquisition or production cost in a foreign currency are translated using the exchange rate at the date of the transaction. Gains and losses arising from foreign currency translations are recognised in other operating income or other operating expenses.

Foreign operations

Assets and liabilities of the Hungarian subsidiary Knaus Tabbert Kft, whose functional currency is the Hungarian forint (HUF), are translated into euros at each balance sheet date using the closing rate. The income and expenses of this subsidiary are translated using the exchange rate at the time of the respective business transaction.

Currency translation differences are recognised in other comprehensive income and reported in the currency translation reserve under equity. The following exchange rates for HUF were used as the basis for the currency translation:

CURRENCY EXCHANGE RATES

	AVERAGE EXCHANGE RATES		EXCHANGE RATES PER 31 DECEMBER	
1 euro is equal to	*2022*	*2021*	*2022*	*2021*
Hungary (HUF)	**390.94**	**358.46**	**400.87**	**369.19**

3.3. Intangible assets and goodwill

Recognition and measurement

Goodwill and acquired trademarks
Goodwill arising from business combinations is measured at cost less accumulated impairment losses.

Acquired trademark rights of the umbrella brands "Weinsberg", "Knaus", "Tabbert", "T@B" and "MORELO" are measured at acquisition cost less accumulated impairment losses. An indefinite useful life is assumed for the trademark rights of the umbrella brands, as there is no indication of a foreseeable limit to the period in which these assets are expected to generate net cash flows for the Company. In the process, the assumption of an unlimited useful life of these trademark rights is checked for plausibility in each period, taking into account all relevant events and circumstances.

Self-created intangible assets
Expenditures for research activities are recognised in other operating expenses as incurred.

Development costs are capitalised only if they meet the definition of an intangible asset and can be measured reliably, the product or process is technically and commercially suitable, future economic benefits are probable, and the Group both intends and has sufficient resources to complete the development, and to use or dispose of the asset. Other development costs are recognised in other operating expenses as incurred.

In order to consistently check whether development costs can be capitalised, ongoing development projects are centrally monitored and divided into multi-stage project phases. If the above-mentioned requirements are fulfilled from a certain project phase onwards, the associated expenses are capitalised as production costs of the self-created intangible asset.

Other intangible assets

Other intangible assets that have been acquired by the Group and have finite useful lives are measured at acquisition cost less accumulated depreciation and amortisation and accumulated impairment losses.

Subsequent expenditure
Subsequent expenditure is capitalised as a material improvement only if it will increase the future economic value of the asset to which it relates. All other expenditure, including expenditure on self-created goodwill and self-created brand names, is recognised in other operating expenses as incurred.

Amortisation
Intangible assets are generally amortised on a straight-line basis over their estimated useful lives, with amortisation recognised to profit or loss. In contrast, goodwill and intangible assets with indefinite useful lives are not subject to scheduled amortisation.

Goodwill is tested for impairment at least once a year, and more frequently if state of affairs or changes in circumstances indicate that the carrying amount of goodwill may not be recoverable.

The acquired brands have an indefinite useful life as they are well-established in their markets, and will continue to be promoted accordingly in the future in order to maintain their market position. There are no other legal, regulatory or competition-related factors limiting the use of the brands. Therefore, the brands are not subject to scheduled amortisation. Instead, they are tested for impairment at least once a year. Impairment testing of the acquired trademark rights was performed as of 31 December 2022.

Capitalised development projects are generally subject to scheduled amortisation from the beginning of their useful life over a period of five years, which corresponds to the life cycle of the product. At each balance sheet date, the Group assesses whether there are any indications that a self-created intangible asset may be impaired.

The useful lives of other intangible assets such as patents, software and licences range from two to eight years.

Amortisation methods, useful lives and residual values are reviewed at each balance sheet date and adjusted if necessary.

3.4. Property, plant and equipment

Recognition and measurement

Property, plant and equipment is measured at amortised acquisition or production cost, less accumulated, scheduled depreciation and accumulated impairments.

The acquisition cost of an item of property, plant and equipment comprises the purchase price as well as all costs directly incurred in bringing the asset to operable condition. Rebates, discounts and bonuses are deducted from the purchase price. The costs of self-constructed property, plant and equipment include all costs directly attributable to the manufacturing process as well as proportionately allocated overheads. Financing costs are generally not recognised as part of the acquisition or production costs. However, if they are directly attributable to the acquisition, construction or production of a qualifying asset, they are capitalised in accordance with IAS 23 (Borrowing Costs). For borrowed capital not directly attributable to the acquisition, the borrowing costs eligible for capitalisation are determined by applying a financing cost rate to the expenditure on the qualifying asset. The financing cost rate is the weighted average of the borrowing costs of the Company's loans outstanding during the period, but excluding borrowings made specifically for the purpose of acquiring a qualifying asset. Repair and maintenance costs are immediately recognised as an expense if they do not generate any additional economic benefit.

Where relevant, acquisition and production costs include the estimated costs incurred for the demolition and removal of the asset and the restoration of the site.

Subsequent acquisition and production costs

Subsequent expenditure is capitalised only if the future economic benefits associated with the expenditure are expected to accrue to the Group.

Depreciation

Property, plant and equipment is depreciated on a straight-line basis over its useful life, based on the following estimated useful lives of key property, plant and equipment for the current and comparative years:

USEFUL LIVES FOR PROPERTY, PLANT AND EQUIPMENT

Buildings	10 to 50 years
Other constructions an property facilities	5 to 33 years
Technical plants and machinery	1 to 18 years
Other plants, operating and office equipment	1 to 14 years

When an item of property, plant and equipment is disposed of, gains or losses are determined by comparing the disposal proceeds with the carrying amount of the corresponding item of property, plant and equipment. These gains and losses are reported in other operating income or other operating expenses, with the exception of rental vehicles. The proceeds from the sale of these asset classes are reported under revenue.

The residual values, useful lives and depreciation methods of the assets are reviewed, and adjusted if necessary, at the end of each financial year.

Impairment losses are recognised if the carrying amount of property, plant and equipment exceeds the recoverable amount and there are indications of impairment of that asset. The recoverable amount is the higher of the fair value less costs of disposal, and the value in use. If the reason for an impairment loss already recognised no longer applies, the impairment loss is reversed to amortised acquisition or production cost.

3.5. Assets and disposal groups held for sale

Non-current assets or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be realised primarily through disposal rather than through their continued use.

These assets are measured at the lower of their carrying amount or fair value less disposal costs. Impairment losses arising from the initial classification as assets held for sale, and subsequent gains and losses on revaluation, are recognised in profit or loss.

Intangible assets and property, plant and equipment are no longer subject to scheduled amortisation or depreciation, but recognised at fair value less costs to sell, if this value is lower than the carrying amount. The fair value is derived from purchase prices with potential buyers.

3.6. Leases

The Group as lessee

At the start of each contract, the Group assesses whether the contract constitutes, or contains, a lease in accordance with IFRS 16. This is the case if the contract entitles the lessee to control the use of an identified asset for a specified period of time in return for payment of a consideration.

The Group leases various types of assets, mainly land and buildings, technical plants and machinery, cars as well as operating and office equipment. The contracts are usually concluded for a fixed period of up to 15 years, but may also include extension or termination options. The terms are negotiated on an individual basis and may include a host of different provisions.

The Group recognises and values its leases in accordance with the provisions of IFRS 16, and recognises lease payment obligations and rights of use for the underlying assets. Furthermore, the Group continues to make use of the exemption for short-term leases and leases of low value provided under IFRS 16.5, and recognises lease payments for these leases as expenses on a straight-line basis over the respective lease term.

On the date of commencement, the Group recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at acquisition cost, corresponding to the initial measurement of the lease liability and adjusted for payments made on, or before, the commencement date, plus any initial direct costs and the estimated costs of dismantling or removing the underlying asset, or of restoring the underlying asset or the site on which it is located, less any lease incentives received.

Subsequently, the right of use is amortised on a straight-line basis from the date of commencement to the end of the lease term, unless ownership of the underlying asset is transferred to the Group at the end of the lease term, or the cost of the right of use takes into account the Group's intention to exercise a purchase option. In this case, the right of use is amortised over the useful life of the underlying asset, which is determined in accordance with the regulations for property, plant and equipment. In addition, the right of use is continuously adjusted for impairments, where necessary, and for certain revaluations of the lease liability.

The lease liability is initially measured at the present value of the lease payments outstanding as of the commencement date, discounted at the interest rate applicable to the lease or, if this cannot be readily determined, at the Group's incremental borrowing rate. The Group usually applies its incremental borrowing rate as its discount rate.

To determine its incremental borrowing rate, the Group obtains interest rates from various external funding sources and applies certain adjustments to take into account the terms of the lease and the nature of the underlying asset.

The lease payments included in the measurement of the lease liability include:

- fixed payments, including de facto fixed payments,
- variable lease payments linked to an index or (interest) rate, measured for the first time using the index or (interest) rate applicable on the commencement date, amounts expected to be payable under a residual value guarantee, and the exercise price of a purchase option if the Group is reasonably certain to exercise it, lease payments for a renewal option if the Group is reasonably certain to exercise it, and penalties for early termination of the lease unless the Group is reasonably certain not to terminate the lease prematurely.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured if the future lease payments change due to a change in an index or (interest) rate, if the Group adjusts its estimate of the expected payments under a residual value guarantee, if the Group revises its assessment of whether it will exercise a purchase, extension or termination option, or if there is a change in a de facto fixed lease payment.

When the lease liability is thus remeasured, the carrying amount of the right of use is adjusted accordingly, or recognised to profit or loss if the carrying amount of the right of use has decreased to zero.

The Group records rights of use to property, plant and equipment and lease liabilities under other financial liabilities.The Group as lessor

The Group leases motorhomes and caravans on a small scale through its subsidiaries HÜTTLrent GmbH, CaravanWelt GmbH Nord and WVD-Südcaravan GmbH. From the perspective of a lessor, all leases are classified as operating leases, as not all major risks and rewards associated with ownership are transferred when leasing the vehicles. For further details, please refer to Note 6.1

3.7. Inventories

Inventories are generally measured at the lower of net realisable value and acquisition or production cost. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs until completion and the estimated costs necessary to make the sale. When determining the net realisable value, the marketability, age as well as all apparent storage and inventory risks are taken into account.

Acquisition costs are determined on the basis of the moving average method. In addition to material, manufacturing and special manufacturing costs, the production costs of finished goods and work in progress also include overheads attributable to production as well as depreciation as a result of manufacturing. Overhead costs are allocated on the basis of normal operating capacity.

3.8. Financial instruments

Recognition and initial measurement

Trade receivables are recognised from the date on which they are incurred. All other financial assets and liabilities are first recognised on the day of trading when the Company becomes a party to the contract under the contractual provisions of the instrument.

Financial assets and financial liabilities are generally measured at fair value upon initial recognition. For a financial asset or liability that is not subsequently measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue are added to the fair value. Trade receivables without a significant financing component are measured at their transaction price upon initial recognition.

Classification and subsequent measurement

Financial assets:
At initial recognition, a financial asset is classified and measured as follows:

- at amortised acquisition cost
- FVOCI debt instruments (investments in debt instruments measured at fair value with changes in other comprehensive income)
- FVTPL (at fair value with changes to profit or loss)

Financial assets are not reclassified after their initial recognition unless the Group changes its business model for managing its financial assets. In this case, all affected financial assets are reclassified on the first day of the reporting period following the change of the business model.

A financial asset is measured at amortised acquisition cost if both of the following conditions are met, and it has not been classified as FVTPL:

- It is held within a business model whose objective is 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.

A debt instrument is classified as FVOCI if both of the following conditions are met, and it has not been classified as FVTPL:

- The financial asset is held within a business model whose objective is to both hold financial assets in order to collect contractual cash flows, and to sell financial assets; and
- its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not measured at amortised cost or FVOCI are measured at FVTPL.

Financial assets – assessment of the business model
The Group evaluates the objectives of the business model, in which the financial asset is held, at a portfolio level as this best reflects the way in which business is managed and information is provided to management. The information to be considered includes:

- the specified policies and objectives for the portfolio and the implementation of those policies in practice; this includes whether management's strategy is geared towards collecting contractual interest income, maintaining a particular interest rate profile, aligning the maturity of a financial asset with the maturity of an associated liability or expected cash outflows, or realising cash flows through the sale of assets;
- the manner in which the results of the portfolio are evaluated and reported to the Group's management;
- the risks affecting the results of the business model (and the financial assets held under that business model) and the manner in which those risks are managed; and
- the frequency, amount and timing of sales of financial assets in prior periods and expectations about future selling activities.

Financial assets – assessment of whether the contractual cash flows are solely payments of principal and interest
For the purpose of this assessment, principal is defined as the fair value of the financial asset at initial recognition. Interest is defined as consideration for the time value of money and for the credit risk associated with the principal outstanding over a period of time, other fundamental credit risks, costs (for example, liquidity risks and administration costs) and a profit margin.

The Group considers the contractual terms of the instrument when assessing whether the contractual cash flows are solely payments of interest and principal on the principal amount outstanding. This includes an assessment of whether the financial asset contains a contractual arrangement that could change the timing or amount of the contractual cash flows such that they no longer meet those conditions. In making this assessment, the Group takes into account:

- certain events that could change the amount or timing of cash flows;
- conditions that would lead to an adjustment of the interest rate, including variable interest rates;
- early repayment and extension options; and
- conditions that restrict the Group's right to collect cash flows from a specific asset (e.g. no right of recourse).

FINANCIAL ASSETS - MEASUREMENT SUBSEQUENT TO INITIAL RECOGNITION AND GAINS AND LOSSES

Financial assets at FVTPL	**These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in financial income or financial expenses**
Debt instruments at FVOCI	**These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, exchange rate gains and losses and impairments are recognised in profit or loss. Other net gains or losses are recognised in other comprehensive income. Upon derecognition, the accumulated other comprehensive income is reclassified to profit or loss**
Financial assets at amortised cost	**These assets are subsequently measured at amortised cost using the effective interest method. Impairment losses are deducted from the amortised cost. Interest income, exchange rate gains and losses and impairment losses are recognised in profit or loss. A gain or loss resulting from derecognition is recognised in profit or loss**

As of the balance sheet date, the Group holds financial assets in the form of trade receivables, receivables from shareholders, receivables from factoring and cash and cash equivalents.

These financial instruments are measured at amortised cost due to the fulfilment of the cash flow and business model condition. In the case of receivables from factoring, the original receivables from the customer were sold to the factoring company at the time of their occurrence.

Financial liabilities – classification, subsequent measurement, and gains and losses
Financial liabilities are classified and measured at amortised cost, or at fair value through profit or loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or if it is a derivative or designated as such at initial recognition.

Financial liabilities at FVTPL are measured at fair value, and net gains or losses, including interest expenses, are recognised in financial income or finance costs.

Other financial liabilities are measured, subsequent to initial recognition, at amortised cost using the effective interest method. Interest expenses are recognised in financial income or finance costs, and foreign currency translation differences are recognised in other operating income or other operating expenses. Gains or losses from derecognition are recognised to profit or loss.

As of the balance sheet date, with the exception of derivative financial instruments, the financial guarantee and the contingent consideration, the Group only holds financial liabilities measured at amortised cost.

Derecognition

Financial assets
The Group derecognises financial assets if the contractual rights to the cash flows from the financial assets have expired, or if the Group transfers the rights to the cash flows in a transaction together with all significant risks and rewards of ownership of the financial assets.

Derecognition also occurs when the Group neither transfers nor retains all the significant risks and rewards of ownership, and does not retain control of the transferred assets.

Financial liabilities
The Group derecognises financial liabilities when the contractual obligations are discharged, cancelled or expire. The Group also derecognises financial liabilities if their contractual terms are modified, and the cash flows of the modified liabilities have changed significantly. In this case, a new financial liability is recognised at fair value on the basis of the amended contractual terms.

When a financial liability is derecognised, the difference between the carrying amount of the extinguished liability and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised to profit or loss.

Offsetting

Financial assets and liabilities are offset and reported in the balance sheet as a net amount when the Group has a current, legally enforceable right to offset the reported amounts, and it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derivative financial instruments

The Group holds derivative financial instruments to hedge interest rate and currency risks.

Derivatives are measured at fair value at initial recognition and thereafter. Derivatives are subsequently measured at fair value. Any changes in the fair value are generally recognised in financial income or finance costs.

The Group does not apply hedge accounting to its derivative financial instruments.

Financial guarantee

The financial guarantee is measured at fair value upon initial recognition. Subsequently, the financial liability is to be measured at the higher of the value adjustment, determined in accordance with IFRS 9, and the adjusted fair value at initial recognition, if applicable. Resulting changes are generally recognised in financial income or finance costs.

Contingent consideration

All contingent consideration obligations are measured at fair value as of the acquisition date. If the contingent consideration is classified as equity, it is not remeasured, and settlements are recognised in equity. Otherwise, other contingent consideration is measured at fair value at each reporting date, and subsequent changes in the fair value of the contingent consideration are recognised to profit or loss.

Dealer financing models and factoring agreements of the Group

Due to the high capital intensity of the independent dealers' sales business, agreements were concluded with various credit institutes for the purchase financing of dealers. Under these models, the dealers may conclude financing agreements with one of the credit institutes for the vehicles purchased by them from the Group. In this case, the Group shall receive the purchase price from the respective credit institute in the name and for the account of the respective dealer, who is granted a certain financing facility by the credit institute for their purchases. The existing trade receivable from the dealer is derecognised upon payment by the credit institute, as the contractual rights to the cash flows arising from the financial asset expire at that point.

In addition, the Group maintains several factoring agreements. Under these agreements, the underlying receivables from customers are sold to the respective factoring company as soon as they arise. In this context, the Group retains neither significant risks nor rewards from these sales of receivables and derecognises the trade receivables accordingly. Until payment is received, the Group holds a receivable from the factoring company, which is reported under other current financial assets.

3.9. Cash and cash equivalents

Cash and cash equivalents consist mainly of cash and other current, highly liquid investments with a term of three months or less. Cash and bank deposits are recognised at their nominal value. Due to the good financial standing of the banks, expected losses were not recognised due to a lack of materiality.

3.10. Impairment

Non-derivative financial assets

Expected credit losses – general approach
The Group recognises impairment losses for expected credit losses on financial assets measured at amortised cost.

With the exception of trade receivables, impairment losses for financial assets are determined according to the general impairment model. Impairment losses for trade receivables are always measured in the amount of the credit loss to be expected over the term of the loan. The extent of the impairment and the interest received are determined according to the allocation of the financial instrument to the three levels listed below:

Level 1:
In principle, all relevant instruments are initially assigned to the first level. The present value of the expected credit losses resulting from possible default events within the next twelve months after the balance sheet date is to be recognised as an expense. Interest is recognised on the basis of the gross carrying amount. Consequently, the effective interest method is applied on the basis of the carrying amount before taking the risk provision into account.

Level 2:
This category includes all instruments that have been exposed to a significant increase in default risk since their initial recognition. The Group assesses whether the default risk has significantly increased on each balance sheet date. In principle, a significant increase in the default risk is assumed if an instrument is more than 30 days overdue. The extent of the impairment is equivalent to the present value of the expected credit losses from possible default events over the entire remaining term of the instrument. The recognition of interest remains unchanged from the procedure in the first level.

Level 3:
If, in addition to an increased risk of default, there are objective indications of an impairment of an instrument, the impairment is measured on the basis of the present value of the expected losses from possible default events over the remaining term. In this category, interest is recognised on the basis of the net carrying amount, i.e. on the basis of the carrying amount after taking risk provisions into account.

Expected credit losses – simplified approach
The Group applies the simplified approach to determine the expected credit losses for its trade receivables. Consequently, the expected credit losses over the contractual term are used for all trade receivables.

To measure the expected credit losses, the receivables are assigned to the groups of a provision matrix according to their maturity or past-due status. The loss rates of these groups are calculated according to the roll rate method, which is based on the probability of a receivable moving through successive stages of delinquency.

Expenses resulting from expected credit losses are recognised in the Profit and Loss Statement under other operating expenses.

Default and write-off
The Group considers a financial asset to be in default if:

- it is unlikely that the debtor will be able to pay their credit obligation to the Group in full without the Group having to resort to measures such as the realisation of collateral (if any); or
- the financial asset is more than 180 days past due.

In this case, the gross carrying amount of a financial asset is written off directly as in these cases, the Group cannot assume the financial asset to be realisable in full or in part.

Non-financial assets

The carrying amounts of the Group's non-financial assets, with the exception of inventories and deferred tax assets, are reviewed on each balance sheet date to determine whether there is any indication of impairment. If this is the case, an estimate of the recoverable amount of the asset is made. Goodwill and intangible assets with an indefinite useful life are tested annually for impairment.

To test for impairment, assets are combined into the smallest group of assets that generate cash flows from continuing use, that are largely independent of the cash flows from other assets or cash-generating units (CGUs for short). Goodwill acquired in a business combination is allocated to the CGUs or groups of CGUs that are expected to benefit from the synergies of the business combination.

The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs to sell. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market valuations of the interest effect and the risks specific to the asset or CGU.

An impairment loss is recognised when the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised under depreciation and amortisation. Impairment losses recognised for CGUs are first allocated to any goodwill allocated to the CGU, and subsequently to the carrying amounts of the other assets of the CGU (group of CGUs) on a pro-rata basis.

Impairment losses with respect to goodwill are not reversed. For other assets, an impairment loss is reversed only to the extent that the carrying amount of the asset does not exceed the carrying amount less scheduled depreciation and amortisation that would have been determined if no impairment loss had been recognised.

3.11. Share-based payment arrangements

The fair value of share-based payment arrangements granted to employees, determined at the grant date, is recognised as an expense with a corresponding increase in equity over the period in which the employees acquire an unconditional right to the award. The amount recognised as an expense is adjusted to reflect the number of awards for which the relevant service conditions and non-market conditions are expected to be satisfied, so that the final amount recognised as an expense is based on the number of awards that satisfy the relevant service conditions and non-market performance conditions at the end of the vesting period.

3.12. Provisions

A provision is recognised whenever the Group has a present legal or de facto obligation as a result of a past event, the amount of which can be reliably estimated, and it is probable that an outflow of resources of economic value will be required to settle the obligation (probability of occurrence greater than 50 %). If the recognition criteria for provisions are not met, a contingent liability may be recognised under certain conditions.

Non-current provisions are recognised at present value if the interest effect is material. To this end, the expected future cash outflows are discounted using a pre-tax discount rate that reflects current market expectations of the time value of money and the risks specific to the liability. Interest effects, including effects from changes in interest rates, are reported in the financial result.

3.13. Employee benefits

The Group has no benefit obligations from defined benefit pension plans, but only from defined contribution plans in the form of payments to statutory pension insurance. These obligations to make contributions to defined contribution plans are recognised as an expense once the associated work has been performed. Prepaid contributions are recognised as an asset insofar as these give rise to a right of reimbursement or the reduction of future payments.

Benefits resulting from the termination of an employment relationship are recognised as an expense at the earlier of the following dates: the date on which the Group is no longer able to withdraw the offer of such benefits, or the date on which the Group recognises reorganisation costs. The benefits are discounted if they are not expected to be settled in full within twelve months after the reporting date.

3.14. Accrued liabilities

Accrued liabilities include future expenses of uncertain amount or timing, but with a lower degree of uncertainty than provisions. They represent payment obligations for goods or services received or supplied, which have neither been paid nor invoiced by the supplier or formally agreed. In addition, they comprise amounts owed to employees (in connection with the accrual of holiday pay, for instance).

Accrued liabilities are recognised in the amount of the expected utilisation.

3.15. Government grants

Other government grants related to assets are initially recognised as deferred income when there is reasonable assurance that they will be received and the Group will comply with the conditions attached to the grant. Subsequently, these other government grants are recognised on a systematic basis as other operating income to profit or loss over the useful life of the asset.

Grants that compensate the Group for expenses incurred are systematically recognised to profit or loss for the periods in which the expenses are recognised.

3.16. Income and expense recognition

3.16.1. Revenue recognition

The Group recognises the majority of its revenue in accordance with IFRS 15 (Revenue from Contracts with Customers). To a lesser extent, the Group generates revenue from the rental of caravans and motorhomes, which qualify as operating leases under IFRS 16.

The Group generates revenue primarily from the production and distribution of motorhomes, caravans and camper vans. In addition, further revenue streams are derived from the sale of spare parts, the provision of repair services and the leasing of motorhomes and caravans, which are, however, of minor importance.

Revenue according to IFRS 15

Revenue is recognised in accordance with IFRS 15 when control of the goods or services is passed to the customer and it is probable that consideration will be received from the customer. Customer contracts of the Group typically contain performance obligations that are to be fulfilled either over a period of time or at a specific point in time.

The standard requires revenue to be recognised at the amount to which the Company expects to be entitled as control of the goods or services is passed from the Company to the customer, either over time or at a point in time.

Sale of goods
The Group has determined, based on the fulfilment of the criteria below, that the performance obligation will be fulfilled when the control of motorhomes, caravans and camper vans is transferred to the customer, and that revenue will be recognised at a point in time:

- The Company has a present right to payment for the asset;
- the customer has legal title to the asset;
- the Group companies have notified the customer that the vehicle is ready for collection, and enable the customer to take physical possession of the vehicle;
- the significant risks and rewards related to the ownership of the asset have been transferred to the customer.

Revenue from the sale of goods, i.e. motorhomes, caravans, camper vans and spare parts, is thus recognised upon provision for collection to the customer, as control of the asset is usually transferred to the customer at this point. The purchase price is due for payment within 30 days of the invoice date. If advance payments are made by customers, these are recognised as accrued contract liabilities. The transaction price is determined on the basis of the contractually agreed purchase price, taking into account various types of variable consideration in the form of price discounts, the estimate of which is regularly unlimited, and which are determined by the Company on the basis of empirical values. There are no significant financing components in this regard. Moreover, customers generally have no right of return for products of the Group. The warranty claims for goods purchased by the customer do not qualify as separate performance obligations, as they cannot be purchased separately and, moreover, do not exceed the statutory or customary provisions.

Provision of repair services
For simplicity, revenue from the provision of repair services is recognised at the point in time when the Group has provided the contractually agreed services. Repairs are predominantly performed in a short period of time. The transaction price amounting to the contractually agreed remuneration is due for payment within 30 days of the invoice date. No significant financing components exist in this context. Moreover, when determining the transaction price, the Group takes into account variable consideration determined on the basis of past experience.

Customer loyalty programme for dealers
The Group offers a customer loyalty programme under which dealers are credited with bonus points (CAPP points) for each motorhome or caravan purchased. The points can then be redeemed in exchange for selected Group-related bonuses in kind, and are valid for one year. In accordance with IFRS 15, this points programme and the associated option to purchase additional goods constitutes a material right of the customer. The transaction price allocated to the points in a contract for the sale of a motorhome/caravan is therefore recognised as a deferred contract liability. This contract liability is released to revenue when the points are redeemed, but at the latest when these expire.

Bonus and incentive programme for sales advisors at dealerships
Since the 2021 financial year, the Group has also been offering a voluntary bonus and incentive programme for sales advisors at dealerships. Each registered participant is credited bonus points for each documented sale of a new vehicle and submission of a contract approved by the dealership. The points can be redeemed in exchange for bonuses in kind or service bonuses, and generally expire after two years. In accordance with IFRS 15, this bonus programme and the associated option to purchase additional goods represent a material right of the customer. The transaction price allocated to the points in a contract for the sale of a motorhome/caravan is therefore recognised as a deferred contract liability. This contract liability is released to revenue when the points are redeemed, but at the latest when they expire.

Special bonuses
The Group grants special upfront bonuses to strategic dealers in order to bind them to the Group. The sales-related bonuses are offset against the special bonuses paid in advance in the amount of a certain percentage of annual sales until the advance bonus payment is used up, or the end of the term of the agreement is reached. Advance payments of special bonuses qualify as payments to customers, and are therefore deferred as other assets and released to profit or loss, depending on the share of the special bonus earned each year, thereby reducing earnings.

As the performance obligations of the Group from the above business transactions result from contracts with an expected term of less than one year, the Group makes use of the practical expedient according to IFRS 15.121.

Revenue according to IFRS 16

Lease of caravans and motorhomes
According to IFRS 16, lease payments under operating leases are to be recognised as income by the lessor, either on a straight-line basis or on another systematic basis. The latter is to be applied if it is more representative of the pattern in which the benefit derived from the use of the underlying asset decreases. The Group recognises revenue from the rental of caravans and motorhomes at the end of the lease contract for the purpose of simplification due to the minor significance of this revenue stream and the short term of the lease contracts.

3.16.2. Expense recognition

Expenses are recognised in the balance sheet at the time the service is used, or when they are incurred.

3.17. Financial income and finance costs

The financial income and finance costs of the Group comprise:

- interest income
- interest expenses
- net gain or loss from changes in the fair value of derivatives recognised to profit or loss
- income and costs from the disposal of financial instruments and
- fees and commissions

Interest income and interest expenses are recognised to profit or loss using the effective interest method.

3.18. Income taxes

Tax expenses comprise current and deferred taxes. Current taxes and deferred taxes are recognised in profit or loss, except to the extent that they are connected with a business combination or with an item recognised directly in equity or in other comprehensive income.

Current taxes

Current taxes are expected tax liabilities or tax assets for the taxable income or tax loss for the financial year, based on tax rates that have been enacted or substantively enacted by the reporting date, and any adjustments to tax liabilities for prior years. The amount of the expected tax liabilities or tax assets reflects the amount that represents the best estimate, taking into account any tax uncertainties. Current tax liabilities also include any tax liabilities arising as a result of the determination of dividends.

Current tax assets and liabilities are offset under certain conditions.

Deferred taxes

Deferred taxes are recognised with respect to temporary differences between the carrying amounts of assets and liabilities for Group accounting purposes, and the amounts used for tax purposes. Deferred taxes are not recognised for

- temporary differences arising at the initial recognition of assets or liabilities in a transaction other than a business combination that affects neither the accounting nor taxable profit;
- temporary differences associated with investments in subsidiaries, to the extent that the Group is able to control the timing of the reversal of the temporary differences, and it is probable that the reversal will not take place in the foreseeable future, and
- taxable temporary differences at the initial recognition of goodwill.

A deferred tax asset is recognised for unused tax losses, unused tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available for which these can be used. Future taxable profits are determined on the basis of the individual business plans of the subsidiaries. Deferred tax assets are assessed at each reporting date and reduced to the extent that it is no longer probable that the associated tax benefit will be realised. Write-ups are recognised if the probability of future taxable profits increases.

Unrecognised deferred tax assets are reassessed at each reporting date, and are recognised to the extent that it is probable that future taxable profits will allow them to be recovered.

Deferred taxes are measured using the tax rates expected to apply to temporary differences once they reverse, and using tax rates enacted or announced on the reporting date. The following tax rates were applied:

GROUP COMPANY	2022	2021
Knaus Tabbert AG	27.68 %	27.68 %
Knaus Tabbert Kft (HU)	9.00%	10.00 %
MORELO Reisemobile GmbH	27.03 %	27.03 %
Caravan-Welt GmbH Nord	29.83 %	29.83 %
HÜTTLrent GmbH	30.18 %	30.18 %
WVD-Südcaravan GmbH	30.88%	
CFC Camping Freizeit Center GmbH	30.88%	

The measurement of deferred taxes reflects the tax consequences arising from the Group's expectation as to the manner in which the carrying amounts of its assets will be recovered or its liabilities settled at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if certain conditions are met.

3.19. Effects of new accounting standards

The Group has prepared these Consolidated Financial Statements in accordance with IFRS; all IFRS accounting standards applicable in the European Union on 31 December 2022 have been applied.

New standards and interpretations to be applied for the first time

The accounting policies adopted in these Consolidated Financial Statements are in general the same as those adopted in the Consolidated Financial Statements as of 31 December 2021. The IASB has not published any new IFRS for which the first-time application is mandatory in the 2022 financial year.

The following table lists the most recent amendments to the standards, the first-time application of which is mandatory for entities with financial years beginning on 1 January 2022. This did not have any material impact on the Group in the 2022 financial year.

FIRST-TIME APPLICATION	NEW OR AMENDED STANDARDS AND INTERPRETATIONS
Financial years beginning on or after 1 January 2022	COVID-19-related tenant relief after 30 June 2021 (amendments to IFRS 16, for annual periods beginning on or after 1 April 2021)
	Onerous contracts - costs of fulfilling contracts (Amendments to IAS 37)
	Property, Plant and Equipment: Revenue before Intended Use (Amendments to IAS 16)
	Reference to the Framework (Amendments to IFRS 3)
	Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41)

New standards and interpretations to be used for the first time

The following new standards must be applied for reporting periods of a financial year commencing after 1 January 2022, with early application permitted. However, the Group has not resorted to the early application of the new or amended standards in the preparation of these Consolidated Financial Statements, and does not plan to apply any new or amended standards in the future prior to the date of mandatory application.

DATE OF FIRST APPLICATION	NEW OR MODIFIED STANDARDS	POSSIBLE EFFECTS ON THE CONSOLIDATED FINANCIAL STATEMENTS
Financial years beginnung on or after January 2023	Insurance contracts (IFRS 17)	No effects
	Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	No significant effects
	Definition of estimates (amendments to IAS 8)	No significant effects
	Deferred taxes relating to assets and liabilities arising from a single transaction (Amendments to IAS 12)	No significant effects
Financial years beginnung on or after January 2024	Classification of liabilities as current or non-current and non-current liabilities with credit terms (amendments to IAS 1)	No significant effects
	Lease liabilities from sale and leaseback transactions (amendments to IFRS 16)	No effects
Date of first application still open	Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and an Associate or Joint Venture	No effects

4. Operating segments

Segment information is provided on the basis of the Group's internal reporting system in order to assess the nature and financial impact of the business activities conducted by the Group and the economic environment in which it operates.

Internal management reporting of the Group plays a decisive role in this regard. The Group is set up as a divisional organisation as its business activities are organised around both the Premium product division (i.e. caravans, motorhomes and camper vans), which includes the “Knaus”, “Tabbert”, “Weinsberg” and “T@B” brands, and the Luxury product division, which comprises luxury motorhomes of the “MORELO” brand.

Results are reviewed by the CODM (Chief Operation Decision Maker). Within the meaning of IFRS 8, the CODM is the management, i.e. the Management Board of Knaus Tabbert AG.

The profitability of each segment is assessed on the basis of EBITDA, which is short for “earnings before interest, taxes, depreciation and amortisation". This key figure thus includes consolidated net income before depreciation and amortisation, financial income, finance costs and tax expenses. It does not include any interest or financing elements. The accounting policies for segment reporting are based on the IFRS standards applied in these Consolidated Financial Statements. The segment assets and segment liabilities are legally attributable to the corresponding units. The Group holds no cross-segment assets or liabilities.

4.1. Basis of segmentation

Segment information is published according to management's specifications for the Premium and Luxury segments. There are no other segments within the Group. Although the segments offer similar products with regard to motorhomes, the production processes and customer target groups differ considerably.

Reportable segments	*Business segments*
Premium segment	**Production and distribution of caravans, motorhomes and camper vans, rental of caravans and motorhomes.**
Luxury segment	**Production and distribution of luxury motorhomes**

Transfer prices between the segments for goods sold and services rendered are determined on the basis of normal market conditions.

4.2. Information on the segments

Information on the segment results, and on the assets and liabilities for the financial years 2022 and 2021, is presented below.

2022

KEUR	Luxury segment	Premium segment	Total
Revenues from external customers	130,727	918,793	1,049,520
Inter-segment revenues	–	51	51
Segment revenues	**130,727**	**918,844**	**1,049,571**
EBITDA	**15,527**	**53,800**	**69,328**
Financial income	57	167	224
Finance costs	523	3,398	3,921
Scheduled depreciation and amortisation	2,195	21,660	23,856
Assets	**76,752**	**480,656**	**557,408**
Additions to non-current assets	9,318	66,578	75,896
Liabilities	**48,944**	**361,535**	**410,478**

2021

KEUR	Luxury segment	Premium segment	Total
Revenues from external customers	122,047	740,573	862,620
Inter-segment revenues		25	25
Segment revenues	**122,047**	**740,598**	**862,646**
EBITDA	**15,450**	**43,995**	**59,444**
Financial income	28	64	91
Finance costs	263	1,247	1,510
Scheduled depreciation and amortisation	2,047	19,011	21,059
Assets	**59,711**	**284,919**	**344,629**
Additions to non-current assets	4,813	47,260	52,073
Liabilities	**35,493**	**175,257**	**210,750**

Revenues from external customers of the segments are divided between the product groups caravans, motorhomes, camper vans and after-sales/other as follows:

2022

					PRODUCT GROUP
KEUR	Caravans	Motorhomes	Camper Vans	After sales / other	Total
Luxury segment	–	129,102	–	1,625	130,727
Premium segment	332,982	366,950	196,144	22,718	918,793
Total	**332,982**	**496,052**	**196,144**	**24,343**	**1,049,520**

2021

					PRODUCT GROUP
KEUR	Caravans	Motorhomes	Camper Vans	After sales / other	Total
Luxury segment	–	114,930	–	7,118	122,047
Premium segment	240,416	280,590	198,194	21,372	740,573
Total	**240,416**	**395,520**	**198,194**	**28,490**	**862,620**

With information presented according to geographic region, revenue is broken down according to customers' geographic locations. Broken down according to the geographic regions of Germany, Europe and the rest of the world, revenue of the segments from external customers is shown below.

Revenue of substantial volume which can be attributed to a single country was neither generated in Europe nor in the rest of the world.

2022

			GEOGRAPHICAL REGION	
KEUR	Germany	Europe	Rest of the world	Total
Luxury segment	98,831	30,712	1,184	130,727
Premium segment	609,917	306,138	2,738	918,793
Total	**708,748**	**336,850**	**3,922**	**1,049,520**

2021

			GEOGRAPHICAL REGION	
KEUR	Germany	Europe	Rest of the world	Total
Luxury segment	96,494	25,102	452	122,047
Premium segment	489,287	248,493	2,792	740,573
Total	**585,782**	**273,594**	**3,244**	**862,620**

4.3. Reconciliation of segment information

Eliminations of intra-group interrelationships between the segments are reported in a summarised form in the reconciliation.

in KEUR	2022	2021
Revenue		
Segment revenue	1,049,571	862,646
Elimination of inter-segment revenue	−51	−25
Revenue, consolidated	**1,049,520**	**862,620**
EBITDA		
EBITDA of the segments, consolidated	69,328	59,444
Depreciation and amortisation of the segments	−23,856	−21,059
Financial result of the segments	−3,697	−1,419
Profit before taxes, consolidated	**41,775**	**36,966**
Assets		
Assets of the segments	557,408	344,629
Consolidation effects	1	15
Consolidation effects	**557,409**	**344,645**
Liabilities		
Liabilities of the segments	410,478	210,750
Consolidation effects	1	15
Liabilities, consolidated	**410,479**	**210,765**

4.4. Geographic information

The segments are managed in Germany. The only foreign production facility is the Hungarian-based subsidiary Knaus Tabbert Kft, which operates in the Premium segment.

Non-current assets outside Germany are therefore exclusively held by the Hungarian subsidiary. Non-currents are distributed as follows:

GEOGRAPHICAL INFORMATION - NON-CURRENT ASSETS

in KEUR	2022	2021
Germany	177,088	122,629
Hungary (HUF)	32,023	28,280
Non-current assets	**209,112**	**150,909**

5. Notes to the Consolidated Balance Sheet

5.1. Intangible assets

For information on accounting policies, please refer to Note 3.3. Changes in intangible assets are shown in the Asset Schedule at the end of the Notes to the Consolidated Financial Statements.

a) Description of significant items
The development of the carrying amounts of the Group's intangible assets for the financial years 2022 and 2021 can be found in the Asset Schedule.

Goodwill
As in the previous year, KEUR 841 of goodwill totalling EUR 4,625 results from the first-time inclusion of MORELO Reisemobile GmbH in the Consolidated Financial Statements. Goodwill in the amount of KEUR 3,784 is attributable to the first-time inclusion of WVD-Südcaravan GmbH and CFC Camping Freizeit Center GmbH in the Consolidated Financial Statements (see Note 8 "Business combinations"). Goodwill is not subject to scheduled amortisation, but is tested for impairment at least once a year. Impairment testing of goodwill was performed as of 31 December 2022.

Intangible assets acquired for consideration
Concessions, industrial property rights and similar rights and assets acquired for consideration, as well as licences to such rights and assets, mainly relate to expenses to third parties incurred in connection with the acquisition of user software and acquired trademark rights. With the exception of acquired trademark rights, intangible assets acquired for a consideration are subject to scheduled amortisation over their expected useful life. The acquired trademark rights, on the other hand, have an indefinite useful life and are therefore not subject to scheduled amortisation. They are tested for impairment at least once a year.

Intangible assets acquired for consideration include the following significant items:

in KEUR	31.12.2022	31.12.2021
Concessions, industrial property rights and similar rights and assets acquired for consideration, as well as licences to such rights and assets	3,108	3,273
thereof		
WEINSBERG brand	*87*	*87*
T@B brand	*57*	*57*
KNAUS brand	*856*	*856*
TABBERT brand	*576*	*576*
MORELO brand	*373*	*373*
Software	*932*	*1,036*
Licences	*227*	*285*
Other	-	*2*

The Morelo brand is exclusively allocated to the Morelo cash-generating unit (CGU). All other brands with indefinite useful lives are allocated to the CGU Premium.

Self-created intangible assets
In connection with self-created intangible assets, the Group primarily distinguishes between new developments and model maintenance. New developments are projects that result in the development of a product that is clearly recognisable as a new product to an outsider. Provided that the development projects meet the necessary requirements, they are capitalised as self-created intangible assets.

Model maintenance refers to visual and technical revisions of existing vehicle models. Model maintenance measures are recognised by the Group as expenses at the time they are incurred.

Self-created intangible assets are subject to scheduled amortisation over their useful life of five years.

In the 2022 financial year, research and development costs of KEUR 1,403 (2021: KEUR 1,678) were recognised as expenses (see Note 6.7). While research costs are always recognised as expenses, the development costs included in these expenses did not meet the respective requirements for capitalisation as an intangible asset.

b) Depreciation, amortisation and impairment tests
For a presentation of the scheduled depreciation and amortisation and the impairment of intangible assets, please refer to Note 6.6.

Goodwill
The Group tests goodwill for impairment at least once a year. Goodwill is allocated to both the Morelo Reisemobile GmbH CGU and the Premium segment.

The recoverable amount of each CGU was determined on the basis of the fair value less costs to sell, which was estimated using discounted cash flows. The fair value measurement was classified as Level 3 based on the input factors of the valuation technique used (see Note 1.4).

The key assumptions underlying the estimate of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future developments in the relevant industry, and are based on historical values obtained from external and internal sources.

DETERMINATION OF THE RECOVERABLE AMOUNT - ASSUMPTIONS

Figures in percent	31.12.2022	31.12.2021
CGU Luxury		
Discount rate (WACC)	10.5	8.3
Sales growth rate detailed planning period (CAGR)	16.4	15.5
Planned EBITDA growth rate (average of the next four years)	13.4	12.2
Sustainable growth rate	1.0	1.0
CGU Premium		
Discount rate (WACC)	10.5	–
Sales growth rate detailed planning period (CAGR)	23.1	–
Planned EBITDA growth rate (average of the next four years)	46.4	–
Sustainable growth rate	1.5	–

As part of the calculations, the cash flow forecast is determined on the basis of the long-term plan approved by management and valid at the time of the impairment test. This multi-year planning is based on expectations regarding future market shares, growth in the respective markets and the profitability of the products, and includes a detailed planning period of three years along with a terminal growth rate for subsequent years. The planning of investments and short-term working capital is mainly based on historical experience. Management is of the opinion that the underlying growth rates do not exceed the long-term average growth rates of the respective business segment (see note 4.1). The sustainable growth rate was determined based on management's assessment of long-term inflation expectations and is consistent with assumptions that a market participant would make.

The discount rate applied was the weighted average cost of capital (WACC) after corporate taxes, calculated on the basis of historical data of a group of benchmark companies (peer group).

In the course of the impairment test performed as of 31 December 2022, no goodwill impairment was identified.

The Management Board has established that a change in two key assumptions, which is considered possible, could result in the carrying amount of each CGU exceeding the recoverable amount. This occurs for the Luxury CGU, to which only Morelo Reisemobile GmbH is assigned, if:

- the discount rate (WACC) exceeds 18.8 % (previous assumption: 19.2 %);
- the sustainable EBIT margin in the annuity year is lower than 3.8 % (previous assumption: 2.1 %).

For the CGU Premium, the situation occurs when:

- the discount rate (WACC) exceeds the amount of 29.0%
- the sustainable EBIT margin in the annuity year is lower than 4.3%.

The calculations were based on the presupposition that the other of the two assumptions remains unchanged.

The fair value less costs to sell of the CGU Morelo exceeds its carrying amount by KEUR 63,059 (31.12.2021: KEUR 89,070).

Due to the acquisition of the WVD Group and the resulting goodwill, the goodwill of the CGU Premium was tested for impairment for the first time in the reporting year. Goodwill took place for the first time. For the Premium CGU, to which WVD is allocated, the recoverable amount exceeds the carrying amount.

Acquired brands with indefinite useful lives

The Group tests the acquired brands with indefinite useful lives for impairment at least once a year. The impairment test is carried out at the level of the individual brands.

Impairment of the brands is determined by comparing their carrying amount with their fair value less costs to sell. To evaluate their fair value, the Group must estimate the expected future cash flows of the individual brands and, in addition, select an appropriate discount rate to determine the present value of these cash flows.

The fair value less costs to sell of the brands is determined in this context using the Relief from Royalty method. With this method, the fair value of the intangible asset is calculated as the present value of royalty fees saved. This involves determining the notional royalties that would be payable if the brand were owned by a third party. The notional royalties are calculated on the basis of royalty rates that can be observed on the market for comparable brands. In the present case, the sales figures of the respective brand are used as a reference value for these rates. The royalty rate, expressed in EUR/unit, is then multiplied by the planned sales volume of the brand. The fair value of the respective brand is obtained by discounting the notional royalties thus determined and then deducting corporate tax.

Calculations are based on the following royalty rates: WEINSBERG brand EUR 25, T@B brand EUR 20, KNAUS brand EUR 20, TABBERT brand EUR 35, and MORELO brand EUR 150.

All other key assumptions used in estimating the fair value are outlined below.

The values assigned to the key assumptions represent management's assessment of future developments in the relevant industry, and are based on historical values obtained from external and internal sources.

DETERMINATION OF THE FAIR VALUE - ASSUMPTIONS

Figures in percent	2022	2021
WEINSBERG brand		
Sales growth rate detailed planning period (CAGR)	13.4	10.2
T@B brand		
Sales growth rate detailed planning period (CAGR)	−11.2	−4.5
KNAUS brand		
Sales growth rate detailed planning period (CAGR)	17.2	12.4
TABBERT brand		
Sales growth rate detailed planning period (CAGR)	0.3	6.9
MORELO brand		
Sales growth rate detailed planning period (CAGR)	24.4	28.0
The following applies to all brands:		
Discount rate (WACC)	10.5	8.3
Sustainable growth rate	1.0	1.0

As part of the calculations, the sales forecast is determined on the basis of the long-term plan approved by management and valid at the time of the impairment test. This multi-year planning is based on expectations regarding future market shares and growth in the respective markets, and includes a detailed planning period of three years along with a terminal growth rate for subsequent years.

The discount rate applied was the weighted average cost of capital (WACC) after corporate taxes, calculated on the basis of historical data of a group of benchmark companies (peer group).

In the course of the impairment test performed as of 31 December 2022, no impairment of the acquired brands with indefinite useful lives was identified.

The Management Board has established that a change in two key assumptions, which is considered possible, could result in the carrying amount exceeding the recoverable amount of the trademark right. This situation occurs if:

- the discount rate (WACC) exceeds 20.6 % for the Tabbert brand (previous assumption: 21.6 %), 12.3 % for the T@B brand (previous assumption: 11.2 %), 39.5 % for the Knaus brand (previous assumption: 40 %), 680.0 % for the Weinsberg brand (previous assumption: 720.0 %), and 31.1 % for the Morelo brand (previous assumption: 30.8 %);
- the average sales volume in the detailed planning period in percent (CAGR) decreases by 24.7 % for the Tabbert brand (previous assumption: increase of 27.9 %), decreases by 18.0 % for the T@B brand (previous assumption: increase of 16.5 %), decreases by 31.8 % for the Knaus brand (previous assumption: increase of 40.1 %), decreases by 75.4 % for the Weinsberg brand (previous assumption: increase of 77.6 %), and decreases by 21.1 % for the Morelo brand (previous assumption: increase of 28.4 %).

The calculations were based on the presupposition that the other of the two assumptions remains unchanged.

5.2. Property, plant and equipment

For the accounting policies, see Note 3.4. For the development of property, plant and equipment, please refer to the Asset Schedule at the end of the Notes to the Consolidated Financial Statements.

a) Description of significant items

The development of the carrying amounts of property, plant and equipment of the Knaus Tabbert Group for the financial years 2022 and 2021 can be found in the Asset Schedule.

b) Depreciation and amortisation, reversal of impairment losses and impairment testing

For a detailed presentation of the scheduled depreciation and amortisation of property, plant and equipment, please refer to Note 6.6.

As in previous years, there were no indicators necessitating the performance of an impairment test in the 2022 financial year.

c) Collateral
As of 31 December 2022, properties with a carrying amount of KEUR 15,100 (31.12.2021: KEUR 15,100) are pledged as collateral for bank loans.

d) Property, plant and equipment under construction
During the financial year, the Group began with, and continued, the construction of new production buildings and warehouses. The acquisition and production costs incurred up to the balance sheet date amount to KEUR 30,990 (31.12.2021: KEUR 9,291). Of the aforementioned costs, debt capital costs of KEUR 1,029 (31.12.2021: KEUR 94) were capitalised. The calculation was based on a financing cost rate of 3.7 % (31.12.2021: 2.0 %).

5.3. Inventories

For the accounting policies, see Note 3.7.

Inventories are divided into the following main groups:

INVENTORIES

in KEUR	31.12.2022	31.12.2021
of which	160,692	69,386
Work in progress	47,572	18,433
Finished goods and merchandise	44,592	57,068
Advance payments made on inventories	130	61
Total	**252,986**	**144,948**

The significant increase in inventories is due to the improved supply of chassis, and to changes in stocks of work in progress as a result of delivery difficulties for various primary materials.

The impairment losses recognised on inventories to the net realisable value amount to KEUR 6,658 (31.12.2021: KEUR 6,667) in the 2022 financial year.

Inventories are no longer pledged as collateral for liabilities to banks (see Note 5.10).

5.4. Trade receivables

For the accounting policies, see Note 3.8. The gross carrying amounts and net carrying amounts of the trade receivables are composed as follows:

TRADE RECEIVABLES

in KEUR	31.12.2022	31.12.2021
Gross carrying amount	**34,027**	**7,190**
Expected credit losses	–557	–243
Net carrying amount	**33,470**	**6,948**

Trade receivables increased due to the significant increase in revenue in the fourth quarter of 2022.

Trade receivables are no longer pledged as collateral for liabilities to banks (see Note 5.10.).

Regarding default risks and further information on trade receivables, please refer to Note 7.3.2.

5.5. Tax receivables

Tax receivables as of 31 December 2022 and 31 December 2021 are composed as follows:

TAX RECEIVABLES

in KEUR	31.12.2022	31.12.2021
Tax receivables	6,933	5,750

Tax receivables relate exclusively to income tax. For the development of deferred tax assets, please refer to Note 6.9.3.

5.6. Cash and cash equivalents

For the accounting policies, see Note 3.9. Cash and cash equivalents are composed as follows:

CASH AND CASH EQUIVALENTS

in KEUR	31.12.2022	31.12.2021
Cash	30	39
Bank deposits	12,584	9,638
Total	**12,614**	**9,677**

Bank deposits include cash subject to limitations on disposal in the amount of KEUR 6,811 (31.12.2021: KEUR 6,507). This concerns the collateral fund within the framework of the purchase financing model for dealers (see Notes 3.9 and 10).

The reconciliation of cash and cash equivalents to the fund of means of payment shown in the Cash Flow Statement is as follows:

in KEUR	31.12.2022	31.12.2021
Cash and cash equivalents	**12,614**	**9,677**
Less bank balances from dealer purchase financing model	6,811	6,507
Fund of means of payment	**5,803**	**3,170**

5.7. Other assets

For accounting policies regarding other assets, see Note 3.8. Other financial assets are composed as follows:

OTHER ASSETS

in KEUR	31.12.2022	31.12.2021
Other non-current assets		
Other financial assets	41	–
Other non-financial assets	1,667	2,222
Total	**1,709**	**2,222**
Other current assets		
Other financial assets	21,891	10,160
Other non-financial assets	15,649	13,474
Total	**37,540**	**23,634**
Total non-current	**1,709**	**2,222**
Total current	**37,540**	**23,634**
Total other assets	**39,248**	**25,856**

5.7.1. Other financial assets

Other financial assets include the following items:

OTHER FINANCIAL ASSETS

in KEUR	31.12.2022	31.12.2021
non-current other financial assets		
Derivative financial instruments	41	–
Total	**41**	**–**
Other current financial assets		
Receivables from factoring	21,412	9,898
Vendors with debit balances	409	262
Derivative financial instruments	70	–
Total	**21,891**	**10,160**
Total current	**21,891**	**10,160**
Total other financial assets	**21,932**	**10,160**

The derivative financial instruments comprise an interest rate swap and an interest rate cap, which were concluded in the 2016 financial year, and a new forward exchange contract concluded in 2022. The interest rate swap and the interest rate cap had negative fair values in the previous year, and were reported under other financial liabilities (see section 5.12.1).

The nominal values and fair values of the financial instruments as of 31 December 2022 and 31 December 2021 are as follows:

DERIVATIVE FINANCIAL INSTRUMENTS

	NOMINAL VALUE		FAIR VALUE	
in KEUR	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Interest rate swap	300	900	1	–14
Interest rate cap	942	1,054	41	–1
Forward exchange contract	500	–	69	–
Total	**1,742**	**1,954**	**111**	**–15**

5.7.2. Other non-financial assets

Other non-financial assets are composed as follows:

OTHER NON-FINANCIAL ASSETS

in KEUR	31.12.2022	31.12.2021
Other non-current, non-financial assets		
Special bonuses	1,399	2,222
Other	268	–
Total	**1,667**	**2,222**
Other current, non-financial assets		
Prepaid expenses and deferred charges	4,530	1,397
Added-value tax receivables	1,818	2,885
Special bonuses	980	794
Bonus receivables	6,604	7,245
Other	1,716	1,154
Total	**15,649**	**13,474**
Total non-current	**1,667**	**2,222**
Total current	**15,649**	**13,474**
Total other non-financial assets	**17,316**	**15,697**

The bonus receivables result from agreements with suppliers on retroactive reductions in remuneration.

5.8. Equity

The development of Group equity is shown in the Consolidated Statement of Changes in Equity, which is presented as a separate component of the Consolidated Financial Statements.

Subscribed capital

The subscribed capital of Knaus Tabbert AG stood at KEUR 10,377 as of the reporting date (31.12.2021: KEUR 10,377) and consists of 10,377,259 ordinary bearer shares with no par value, each representing a notional value of EUR 1.00 of the Company's share capital and conferring dividend rights.

The subscribed capital of Knaus Tabbert AG is fully paid up. Each share entitles the shareholder to one vote at the shareholders' meeting.

Conditional capital

By resolution of the Shareholders' Meeting on 21 September 2020, the conditional capital of Knaus Tabbert AG was increased by up to KEUR 5,000 by issuing up to 5,000,000 new ordinary bearer shares with no par value with a notional value of EUR 1.00 of the share capital of the Company (Conditional Capital 2020/I).

Capital reserve

The capital reserve as of 31 December 2022 amounts to KEUR 27,087 (31 December 2021: KEUR 27,000). The increase in the capital reserve is attributable to share-based payments. The Group recognises an expense for share-based payments settled with equity instruments in the amount of the fair value of the options granted. Expenses are recognised and transferred to the capital reserve over the contractually agreed vesting period.

Other retained earnings

Retained earnings as of 31 December 2022 stand at KEUR 74,678 (31 December 2021: KEUR 71,993). Retained earnings include the results generated in the past by the entities included in the Consolidated Financial Statements and the consolidated net income generated in the current reporting period, insofar as it has been transferred to retained earnings, and not distributed.

Differences in equity from currency translations

The currency translation differences resulting from the translation of the functional currency of the Hungarian subsidiary, HUF, into EUR are recognised directly in Group equity, with no effect on net income, under the item equity difference from currency translation, and amount to KEUR -2,487 as of 31 December 2022 (31 December 2021: KEUR -1,395).

Distributions

Distributions in the 2022 financial year amount to KEUR 15,566 (31.12.2021: KEUR 15,566). This corresponds to a distribution of EUR 1.50 per dividend-bearing no-par value share.

For the 2022 financial year, a distribution of EUR 1.50 per dividend-bearing no-par value share was proposed. This corresponds to a distribution of KEUR 15,566 in the 2023 financial year.

5.9. Provisions

For the accounting policies, see Note 3.12.

The following table shows the development of other provisions:

OTHER PROVISIONS

in KEUR	Warranties	Restoration and deconstruction obligations	Other	Total
Status as of 1 January 2021	**13,259**	**2,190**	**3,868**	**19,317**
Additions	10,846	151	1,933	12,930
Used	–9,893	–63	–971	–10,927
Reversals	–65	–	–37	–102
Change in carrying amount due to compounding or discounting	–	–14	–	–14
Status as of 31 December 2021	**14,147**	**2,264**	**4,792**	**21,204**
non-current	**11,056**	**2,264**	**222**	**13,543**
current	**3,091**	**–**	**4,570**	**7,661**
Status as of 1 January 2022	**14,147**	**2,264**	**4,792**	**21,204**
Additions	14,542	45	1,836	16,423
Used	–11,573	–35	–2,059	–13,667
Reversals	–72	–	–783	–855
Acquisition through business combinations	59	–	11	70
Change in carrying amount due to compounding or discounting	–	–8	–1	–9
Status as of 31 December 2022	**17,102**	**2,267**	**3,797**	**23,166**
non-current	**2,883**	**2,267**	**243**	**5,393**
current	**14,219**	**–**	**3,554**	**17,773**

The figures for current and non-current warranty provisions in the above table have been adjusted with respect to the prior-year figure as the figures for current and non-current provisions had been switched.

Warranty provisions are formed for both statutory and guaranteed constructive properties such as tightness. This concerns in particular expenses for the free rectification of defects, deliveries of spare parts, compensation and similar expenses. Furthermore, provisions are also created for general warranty risks. To this end, percentage rates based on historical data and, if necessary, modified by qualitative factors are applied to sales under warranty for the current and the last three financial years. The general risk, and thus the percentages used, are estimated on the basis of historical actual warranty costs in relation to sales. The time at which the warranties are asserted may extend over the entire warranty period. The cash outflows for non-current provisions as of 31 December 2022 are largely expected within a period up to 2025 (31.12.2021: up to 2024).

Remediation and asset retirement obligations mainly relate to the soil decontamination of a production site. The resulting cash outflows are mainly expected until 2025 (31.12.2020: until 2025).

Other provisions mainly comprise current provisions for legal disputes (31.12.2022: KEUR 1,395; 31.12.2021: KEUR 1,802) and miscellaneous other provisions (31.12.2022: KEUR 2,095; 31.12.2021: KEUR 2,684). The cash outflows for non-current provisions as of 31.12.2022 are largely expected within a period up to 2032 (31.12.2021: up to 2031).

In principle, the uncertainties regarding the amount or due date of the cash outflows from provisions are considered to be relatively minor from the Group's point of view.

5.10. Liabilities to banks

For the accounting policies, see Note 3.8.

Liabilities to banks are composed as follows:

LIABILITIES TO BANKS

in KEUR	31.12.2022	31.12.2021
Liabilities to banks		
non-current	102,555	2,331
current	89,549	93,052
Total	**192,104**	**95,382**

As part of its long-term financing strategy, the Group has issued a promissory note loan consisting of various tranches with different maturities. Total liabilities from the promissory note loan amount to KEUR 100,000, of which KEUR 80,000 have a remaining term of between three and five years, and KEUR 20,000 have a remaining term of between seven and ten years; 67% of the transaction was also issued in fixed-interest tranches. The promissory note financing will be used for investments in capacity expansions.

As of 31 December 2022, property with a carrying amount of KEUR 15,100 (31.12.2021: KEUR 15,100) was pledged as collateral for bank loans (see Note 5.2). The carrying amount of inventories (31.12.2021: KEUR 139,450) and trade receivables (31.12.2021: KEUR 6,638), which were pledged as collateral for liabilities to banks in the past year, were released by the syndicate banks in connection with the issue of the promissory note on 20 June 2022.

Please refer to Note 7.3.3 for disclosures on the Group's currency and liquidity risks relating to liabilities to banks. The reconciliation of the change in liabilities to banks to the cash flows from financing activities is shown in the Liabilities Schedule after Note 5.12.1.

The ongoing supply chain disruptions may result in high inventories of raw, auxiliary and operating materials and chassis to safeguard production, as well as high stocks of unfinished vehicles which tie up liquidity and affect the financial covenants. As a precautionary measure, an adjustment of the covenants in the syndicated loan was therefore agreed with the syndicate banks for 2023 in line with budget planning. A return to the original contractual covenants is planned for the first quarter of 2024. The adjusted financial covenants were met as of 31 December 2022.

5.11. Trade payables

For the accounting policies, please see Note 3.8.

Trade payables are composed as follows:

TRADE PAYABLES

in KEUR	31.12.2022	31.12.2021
current	112,923	38,471
Total	**112,923**	**38,471**

Of the current trade payables, KEUR 0 (2021: KEUR 523) are trade payables to related parties.

Please refer to Note 7.3.3 for disclosures on the Group's currency and liquidity risks and other disclosures concerning trade payables.

5.12. Other liabilities

Other liabilities comprise other financial liabilities, accrued liabilities and other non-financial liabilities, and are composed as follows:

OTHER LIABILITIES

in KEUR	31.12.2022	31.12.2021
Other non-financial liabilities		
Other financial liabilities	10,825	5,831
Other non-financial liabilities	2,879	2,454
Total	**13,705**	**8,284**
Other current liabilities		
Other financial liabilities	18,126	10,043
Accrued liabilities	17,687	14,251
Other non-financial liabilities	19,834	10,867
Total	**55,647**	**35,161**
Total non-current	**13,705**	**8,284**
Total current	**55,647**	**35,161**
Total other liabilities	**69,352**	**43,445**

5.12.1. Other financial liabilities

For the accounting policies, see Note 3.8.

Other financial liabilities include the following items:

OTHER FINANCIAL LIABILITIES

in KEUR	31.12.2022	31.12.2021
Other non-current financial liabilities		
Leasing liabilities	10,325	5,816
Derivative financial instruments	–	15
Contingent consideration	500	–
Total	**10,825**	**5,831**
Other current financial liabilities		
Leasing liabilities	2,969	2,396
Liabilities to shareholders	50	50
Refund liabilities	14,882	7,404
Financial guarantee	225	193
Total	**18,126**	**10,043**
Total non-current	**10,825**	**5,831**
Total current	**18,126**	**10,043**
Total other financial liabilities	**28,952**	**15,874**

Refund liabilities result from the granting of bonuses to dealers who achieve certain sales targets, where this is expected with a high degree of probability.

The financial guarantee recognised as part of the valuation amounts to KEUR 225 (31.12.2021: KEUR 193). This guarantee remains connected with the purchase financing model for dealers, and is used to compensate for any financial losses from the destruction or liquidation of the financed vehicles (see Notes 3.8 and 5.6).

The liabilities from derivative financial instruments recognised in the previous year consist of an interest rate swap and an interest rate cap concluded in the 2016 financial year. The fair values of the instruments as of 31 December 2022 are positive and are thus recognised under financial assets (see Note 5.7.1).

The reconciliation of changes in financial liabilities to cash flows from financing activities is presented below.

								EQUITY	
in KEUR	Liabilities to banks	Liabilities to share-holders	Lease liabilities	Liabilities from derivative financial intruments	Subscribed capital	Capital reserve	Retained earnings	Profit-carry-forward	Total
Status as of 1 January 2022	**95,382**	**50**	**8,212**	**15**	**10,377**	**27,000**	**71,993**	**-**	**213,029**
Changes in cash-flow from finncing avtivities									
Incurrence of financial liabilities	287,937	–	–	–	–	–	–	–	287,937
Repayment of financial liabilities	–194,146	–	–	–	–	–	–	–	–194,146
Incurrence of lease liabilities	–	–	–3,022	–	–	–	–	–	–3,022
Interest paid	–2,419	–	–171	–	–	–	–	–	–2,589
Distribution to shareholders	–	–	–	–	–	–	–	–15,566	–15,566
Total change in cash flow from financing activities	**91,373**	**–**	**–3,193**	**–**	**–**	**–**	**–**	**–15,566**	**72,614**
Other changes in relation to liabilities ans equity									
Supervisory Board remuneration	–	–	–	–	–	–	–	–	–
Interest expenses	3,750	–	171	–	–	–	–	–	3,921
New leases	–	–	2,694	–	–	–	–	–	2,694
New leases from business combinations mergers		–	5,405	–	–	–	–	–	5,405
other non-cash expenses and income	-	–	5	–	–	–	–	–	5
Net gains/losses from derivative financial instruments	–	–	–	–15	–	–	–	–	–15
Allocation of net income to profit/loss carried forward	–	–	–	–	–	–	–	25,904	25,904
Allocation of profit/loss carried forward to retained earnings	–	–	–	–	–	–	2,685	–2,685	–
Payments from acquisition of a subsidiary, less acquired cash and cash equivalents	1,599	–		–	–	–		–	1,599
Share-based payment	–	–	–	–	–	87	–	–	87
Total other changes in relation to liabilities	**5,349**	**–**	**8,275**	**–15**	**–**	**87**	**2,685**	**23,219**	**39,601**
Status as of 31 December 2022	**192,104**	**50**	**13,295**	**–**	**10,377**	**27,087**	**74,678**	**7,653**	**325,245**

					EQUITY				
in KEUR	Liabilities to banks	Liabilities to shareholders	Lease liabilities	Liabilities from derivative financial intruments	Subscribed capital	Capital reserve	Retained earnings	Profit-carry-forward	Total
Status as of 1 January 2021	**54,616**	**14**	**8,558**	**42**	**10,377**	**26,926**	**6,435**	**49,797**	**156,765**
Changes in cash-flow from finncing avtivities									
Incurrence of financial liabilities	104,395	–	–	–	–	–	–	–	104,395
Repayment of financial liabilities	−63,648	–	–	–	–	–	–	–	−63,648
Incurrence of lease liabilities	–	–	−2,779	–	–	–	–	–	−2,779
Interest paid	−1,305	–	−96	–	–	–	–	–	−1,402
Distribution to shareholders	–	–	–	–	–	–	–	−15,566	−15,566
Total change in cash flow from financing activities	**39,442**	**–**	**−2,875**	**–**	**–**	**–**	**–**	**−15,566**	**21,001**
Other changes in relation to liabilities ans equity									
Supervisory Board remuneration	–	36	–	–	–	–	–	–	36
Interest expenses	1,321	–	96	–	–	–	–	–	1,417
New leases	–	–	2,438	–	–	–	–	–	2,438
other non-cash expenses and income	4	–	−5	–	–	–	–	–	−1
Net gains/losses from derivative financial instruments	–	–	–	−28	–	–	–	–	−28
Allocation of net income to profit/loss carried forward	–	–	–	–	–	–	–	31,327	31,327
Allocation of profit/loss carried forward to retained earnings	–	–	–	–	–	–	65,558	−65,558	–
Share-based payment	–	–	–	–	–	74	–	–	74
Total other changes in relation to liabilities	**1,325**	**36**	**2,530**	**−28**	**–**	**74**	**65,558**	**−34,231**	**35,264**
Status as of 31 December 2021	**95,382**	**50**	**8,212**	**15**	**10,377**	**27,000**	**71,993**	**-**	**213,029**

5.12.2. Accrued liabilities

For the accounting policies, see Note 3.13.

Accrued liabilities are exclusively current in nature and include the following significant items:

ACCRUED LIABILITIES

in KEUR	31.12.2022	31.12.2021
Personnel-related accruals	12,381	10,927
Outstanding invoices	2,830	1,522
Audit costs and expenses for preparing the annual financial statements	584	516
Insurance premiums	751	767
Dealer financing	605	362
Miscellaneous accrued liabilities	536	157
Total accrued liabilities	**17,687**	**14,251**

Accrued liabilities for dealer financing are interest expenses for vehicles financed by dealers relating to other accounting periods. Knaus Tabbert bears the interest charges for such financing.

5.12.3. Other non-financial liabilities

Other non-financial liabilities, with the exception of deferred income (see Note 5.12.4), are current in nature and include the following significant items:

OTHER NON-FINANCIAL LIABILITIES

in KEUR	31.12.2022	31.12.2021
Added-value tax receivables	1,359	370
Vendors with debit balances	1,580	2,273
Other taxes	1,502	1,256
Liabilities from wages and salaries	2,212	1,870
Contractual liabilities	11,796	4,027
deferred income	3,050	2,604
Other liabilities	1,214	921
Total other non-financial liabilities	**22,713**	**13,321**

Contractual liabilities include, in particular, advance payments for ordered vehicles and liabilities from customer loyalty programmes (see Note 6.1).

5.12.4. Government grants

For the accounting policies, see Note 3.15.

DEFERRED INCOME

in KEUR	31.12.2022	31.12.2021
Government grants	3,050	2,603
Total deferred income	**3,050**	**2,603**
Total non-current	**2,879**	**2,454**
Total current	**170**	**150**
Total deferred income	**3,050**	**2,603**

In the 2022 financial year, Knaus Tabbert Kft was awarded an additional government grant within the meaning of IAS 20 as part of a further subsidy programme for the acquisition of production machinery. The above figure includes the grant of KEUR 811, which was reported under other liabilities in the previous year. Under these subsidy programmes, Knaus Tabbert Kft undertakes to implement and complete the investment by 31 December 2024 at the latest, as well as to create and maintain new jobs. Knaus Tabbert AG continues to act as guarantor for the subsidies already granted in previous years in the amount of the subsidy paid out.

The assistance recognised as deferred income is amortised over the useful life of the assets. In 2022, KEUR 237 of this amount was released and reported under other operating income.

5.13. Tax liabilities

Tax liabilities as of 31 December 2022 and 31 December 2021 are as follows:

TAX LIABILITIES

in KEUR	31.12.2022	31.12.2021
Tax liabilities	2,888	4,669

The liabilities relate exclusively to income tax. For the development of deferred tax liabilities, please refer to Note 6.9.3.

6. Notes to the Profit and Loss Statement

6.1. Revenues

Revenues are divided between the product groups caravans, motorhomes, camper vans and after-sales/other as follows:

REVENUES BY PRODUCT GROUPS

in KEUR	2022	2021
Caravans	332,982	240,344
Motorhomes	496,052	396,776
Camper Vans	196,144	199,769
After sales / other	24,343	25,731
Total	**1,049,520**	**862,620**

Revenues are divided between the geographic regions of Germany, Europe and the rest of the world as follows:

REVENUES BY GEOGRAPHICAL REGION

in KEUR	2022	2021
Germany	708,748	588,624
Europe	336,850	270,757
Rest of the world	3,922	3,239
Total	**1,049,520**	**862,620**

Revenues mainly fall within the scope of IFRS 15 and are recognised in full at a point in time. In addition, revenues accounted for under IFRS 16 in the amount of KEUR 1,816 (2021: KEUR 1,142) are included. For further information on revenue, please refer to Note 3.16.1. For the breakdown of revenue between the Luxury and Premium segments, please see Note 4.2.

The following table provides information on receivables and contractual liabilities from contracts with customers.

RECEIVABLES AND CONTRACTUAL LIABILITIES

in KEUR	Note	31.12.2022	01.01.2022	31.12.2021	01.01.2021
Trade receivables	5.4	33,470	6,948	6,948	10,577
Contractual liabilities	5.12.3	11,796	4,027	4,027	4,278

The contractual liabilities result from advance payments received from customers and outstanding bonus points within the framework of a customer loyalty programme (see Note 3.16.1). The reversal of these contractual liabilities is expected in the next financial year.

In the 2022 financial year, a further bonus and incentive programme for sales advisors at dealerships was introduced (see Note 3.16.1). The reversal of these contractual liabilities is expected in the next two financial years.

The main changes in contractual liabilities within the financial year result, on the one hand, from the complete derecognition of the opening balance of the contractual liabilities with an effect on revenue due to the fulfilment of the associated performance obligations (KEUR 4,027; 2021: KEUR 4,278), from the receipt of advance payments by customers for vehicles ordered, and the granting of bonus points under a one-year customer loyalty programme (KEUR 10,073; 2021: KEUR 3,021). The remaining contract liabilities (KEUR 1,723; 2021: KEUR 1,006) are attributable to bonus points of a two-year customer loyalty programme, that was newly introduced in the financial year.

6.2. Changes in inventory and other own work capitalised

CHANGES IN INVENTORY AND OTHER OWN WORK CAPITALISED

in KEUR	2022	2021
Changes in inventory finished goods	−12,796	7,061
Changes in inventory work in progress	29,139	12,022
Changes in inventory	**16,343**	**19,083**
Other own work capitalised	**6,308**	**4,448**

For the development of inventory changes, please refer to Note 5.3 providing information on inventories.

6.3. Other operating income

Other operating income comprises the following items:

OTHER OPERATING INCOME

in KEUR	2022	2021
Income from the disposal of assets	13	15
Income from currency translation	324	291
Insurance compensation	290	282
Subsidies	29	62
Government grants	2,024	171
Remuneration in kind	602	491
Revenues from material recourse from suppliers	1,702	1,144
Income from changes in default risks	79	148
Other income	938	499
Total	**6,002**	**3,103**

The increase in other operating income is mainly due to higher government grants received under subsidy programmes for the construction of an additional production hall and an office building (see section 5.12.4).

Other income mainly comprises income from settlement agreements in the amount of KEUR 100 (2021: KEUR 0), income from cost reimbursements in legal proceedings in the amount of KEUR 95 (2021: KEUR 0), bonus credits in the amount of KEUR 79 (2021: KEUR 70), and proceeds from canteen operations in the amount of KEUR 78 (2021: KEUR 61).

6.4. Cost of materials

The cost of materials increased as a result of the greater total output in the financial year and higher prices in purchasing, and comprises the following items:

COST OF MATERIALS

in KEUR	2022	2021
Expenses for raw, auxiliary and operating materials	726,592	586,782
Purchased services	49,282	38,136
Cost of materials	**775,874**	**624,918**

6.5. Personnel expenses

In the reporting year, an average of 2,347 (2021: 2,158) industrial workers and 546 (2021: 478) salaried employees were employed. The increase in wage and salary expenses is mainly due to the expansion of production capacities, and the targeted recruiting and training of temporary workers. Personnel expenses include social security contributions and expenses for pensions and other benefits.

PERSONNEL EXPENSES

in KEUR	2022	2021
Wages and salaries	117,771	106,046
Social security contributions and expenses for pensions and other benefits	23,768	21,217
of which retirement benefits	21,886	19,597
Personnel expenses	**141,539**	**127,264**

As a traditional manufacturing enterprise with a high degree of vertical integration, the Group ranks among the most labour-intensive companies. The personnel expense ratio (personnel expenses to total operating revenue) stands at 13 % in the 2022 financial year (2021: 14 %).

The retirement benefits exclusively comprise employer contributions to the German statutory pension scheme.

In connection with the partial recourse to government support measures, reimbursements of short-time working allowances granted by the German Federal Employment Agency in the amount of KEUR 113 were recognised as income under personnel expenses in the reporting period.

Personnel expenses include an amount of KEUR 87 (2021: KEUR 74) from a remuneration programme for the Management Board (Long Term Incentive Plan, LTIP), which was introduced in the previous year. The personnel expenses for the respective LTIP tranche granted are generally allocated on a straight-line basis over the four-year term, whereby an estimate of the fulfilment of service conditions and non-market conditions is included in the assessment of the amount of the personnel expenses to be allocated.

6.6. Depreciation and amortisation

Depreciation, amortisation and impairment losses are as follows:

DEPRECIATION AND AMORTISATION

in KEUR	2022	2021
Intangible assets	5,380	4,857
Property, plant and equipment	18,476	16,202
of which on rights of use from leases	2,988	2,294
Scheduled depreciation and amortisation	**23,856**	**21,059**

6.7. Other operating expenses

In the 2022 financial year, other operating expenses increased by KEUR 13,804 relative to the previous year, and comprise the following items:

OTHER OPERATING EXPENSES

in KEUR	2022	2021
Costs for premises, energy and maintenance	11,652	9,728
Expenses for advertising, trade fairs and sales	30,534	28,979
Research and development costs	1,403	1,678
Expenses from foreign currency translation	1,740	913
Insurance policies and legal and consultancy costs	8,625	5,649
Warranty and goodwill expenses	12,356	10,128
Order-related expenses	9,471	6,437
Travel and representation expenses	2,044	1,744
Vehicle expenses	1,933	1,490
Costs for IT, tools and small devices	4,748	4,072
Contributions and fees	858	878
Other personnel-related expenses	1,008	870
Incidental costs of monetary transactions	792	653
Expected credit losses	40	40
Other expenses	4,229	4,369
Total	**91,432**	**77,628**

The increase in other operating expenses is partly the result of higher rental expenses due to the short-term expansion of warehousing capacities, and of higher sales costs, mainly due to higher freight costs as a result of higher sales.

Moreover, higher legal and consultancy fees were incurred as a result of the acquisition of the WVD Group and legal disputes. In addition, order-related expenses increased in the financial year due to supply chain issues. The increase in warranty and goodwill expenses is attributable to the rise in sales and the associated increase in warranty and guarantee provisions.

6.8. Financial result

The main components of the financial result are shown in the following table:

FINANCIAL RESULT

in KEUR	2022	2021
Interest income	75	64
Income from investments	23	–
Income from derivative financial instruments	126	28
Financial income	**224**	**91**
Interest expenses	3,109	1,182
Expenses from the financial guarantee	32	93
Credit commissions and pool management fees	779	235
Finance costs	**3,921**	**1,510**
Financial result	**−3,697**	**−1,419**

The marked increase in interest expenses, credit commissions and pool management fees is mainly due to the placement of the promissory note loan in 2022 and the resulting increase in liabilities to banks.

Income and expenses from derivative financial instruments include the changes in fair value through profit or loss of the interest rate swap, interest rate cap and financial guarantee, and the effect of the fair value measurement of forward exchange transactions concluded in 2022.

Interest expenses, recognised using the effective interest method, are attributable to liabilities to banks and lease liabilities, which are allocated to the category of financial liabilities to be measured at amortised cost (see Note 7.1).

The net gains and losses from the measurement through profit or loss of derivative financial instruments, which are allocated to the category of financial liabilities measured at fair value through profit or loss (see Note 7.1), are shown in the following table:

in KEUR	2022	2021
Net gains from derivate financial Instruments	126	28

6.9. Income tax

Taxes recognised in profit or loss

TAXES RECOGNISED IN PROFIT OR LOSS

in KEUR	2022	2021
Current year	10,939	9,388
Previous years	11	70
Current tax expense	**10,950**	**9,458**
Creation / reversal of temporary differences from tax losses	477	1,025
Deferred tax expense	**477**	**1,025**
Income tax expense	**11,427**	**10,483**

Tax expenses of KEUR 12,155 (2021: KEUR 11,062), recognised in the Consolidated Profit and Loss Statement, include other taxes in the amount of KEUR 728 (2021: KEUR 579).

Reconciliation of the effective tax rate

The expected tax expense for the 2022 financial year is calculated on the basis of an income tax rate of 28.0 % (2021: 28.7 %), which corresponds to the combined trade and corporate income tax rate plus a solidarity surcharge of the parent company.

RECONCILIATION OF THE EFFECTIVE TAX RATE

	31.12.2022		31.12.2021	
	%	KEUR	%	KEUR
Profit before tax from continuing operations		41,050		36,388
Expected taxes	27.7%	11,363	27.7%	10,072
Deviations in tax rates	−0.5%	−200	−0.3%	−109
Tax corrections (permanent effects)	0.6%	237	1.1%	416
Non-recognition of losses of the current year and change / value allowance of tax loss carry-forwards and temporary differences	0.2%	62	0.0%	–
Prior-year taxes	0.0%	16	0.2%	70
Other	−0.1%	−51	0.1%	33
Effective taxes	**28.0%**	**11,427**	**28.7%**	**10,483**

Change in deferred taxes in the balance sheet during the year

FINANCIAL YEAR 2022

in KEUR	Net as of 01.01.	In profit/loss	In other comprehensive income	Recognised in equity	Business combinations	Other	STATUS AS OF 31.12. Net	Deferred tax assets	Deferred tax liabilities
Intangible assets	4,220	561	–	–	–	–	4,782	–	4,782
Property, plant and equipment	2,779	1,806	–	–	–	–	4,584	−21	4,605
Financial assets	–	121	–	–	–	–	121	–	121
Inventories	370	−101	–	–	–	–	269	–	269
Trade receivables	−34	−51	–	–	–	–	−84	−84	–
Other assets	–	152	–	–	–	–	152	–	152
Other provisions	−472	22	–	–	–	–	−449	−449	–
Liabilities to banks	187	−102	–	–	–	–	85	–	85
Other liabilities	−2,082	−1,603	–	–	–	–	−3,682	−3,682	–
Other	−157	−329	–	–	–	2	−486	−518	33
Tax claims (liabilities) before offsetting	**4,813**	**477**	**–**	**–**	**–**	**2**	**5,291**	**−4,755**	**10,046**
Offsetting of taxes	–	–	–	–	–	–	–	–	–
Tax claims (liabilities) net	**4,813**	**477**	**–**	**–**	**–**	**2**	**5,291**	**−4,755**	**10,046**

FINANCIAL YEAR 2021

in KEUR	Net as of 01.01.	In profit/loss	In other comprehensive income	Recognised in equity	Business combinations	Other	STATUS AS OF 31.12. Net	Deferred tax assets	Deferred tax liabilities
Intangible assets	3,650	570	–	–	–	–	4,220	–	4,220
Property, plant and equipment	2,879	−100	–	–	–	–	2,779	–	2,779
Inventories	215	155	–	–	–	–	370	–	370
Trade receivables	−415	381	–	–	–	–	−34	−34	–
Other assets	39	−39	–	–	–	–	–	–	–
Other provisions	−356	−116	–	–	–	–	−472	−476	4
Liabilities to banks	–	187	–	–	–	–	187	–	187
Trade payables	33	−33	–	–	–	–	–	–	–
Other liabilities	−2,061	−21	–	–	–	–	−2,082	−2,082	–
Other	−192	39	–	–	–	−4	−157	−189	33
Tax claims (liabilities) before offsetting	**3,792**	**1,025**	**–**	**–**	**–**	**−4**	**4,813**	**−2,780**	**7,593**
Offsetting of taxes	–	–	–	–	–	–	–	–	–
Tax claims (liabilities) net	**3,792**	**1,025**	**–**	**–**	**–**	**−4**	**4,813**	**−2,780**	**7,593**

Unrecognised deferred tax assets

Deferred tax assets have not been recognised for the following items, as it is considered improbable that future taxable profit will be available which the Group can offset with deferred tax assets.

	31.12.2022		31.12.2021	
in KEUR	Gross	Tax effect	Gross	Tax effect
Deductible temporary differences	–	–	–	–
Tax losses	202	62	–	–
Unrecognised deferred tax assets	62	62	–	–

Tax loss carryforwards

Unrecognised tax loss carryforwards expire as follows:

	31.12.2022		31.12.2021	
in KEUR	Amount	Expiry date	Amount	Expiry date
Forfeitable	–	–	–	-
Non-forfeitable	202	–	–	–

Outside basis differences

Temporary differences from outside basis differences pursuant to IAS 12.39 in the amount of KEUR 1,687 (2021: KEUR 1,461) exist as of the balance sheet date 31 December 2022.

6.10. Earnings per share

Undiluted earnings per share are calculated by dividing the share of earnings attributable to the shareholders of Knaus Tabbert AG by the weighted average number of shares outstanding. In the financial year, share options under the Long Term Incentive Plan (LTIP) did not dilute the weighted average number of ordinary shares as not all necessary conditions for inclusion were met. For further details of the option programme, please refer to Note 13.

EARNINGS PER SHARE

		2022	2021
Consolidated net income	KEUR	29,620	25,904
Calculation of the weighted average number of ordinary shares Undiluted			
Undiluted	Quantity	10,377,259	10,377,259
Diluted	Quantity	10,377,259	10,377,259
Earnings per share			
Undiluted	EUR	2.85	2.50
Diluted	EUR	2.85	2.50

7. Other information on financial instruments

7.1. Classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not contain any information on the fair value of financial assets and financial liabilities that have not been measured at fair value if the carrying amount represents a reasonable approximation of the fair value.

	CARRYING AMOUNT				FAIR VALUE			
31.12.2022 KEUR	Measured at amortised cost	Measured at fair value	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
Derivative financial instruments	–	111	–	111	–	111	–	111
	–	**111**	**–**	**111**	**–**	**111**	**–**	**111**
Financial assets not measured at fair value								
Trade receivables	33,470	–	–	33,470	–	–	–	–
Receivables from factoring	21,412	–	–	21,412	–	–	–	–
Cash and cash equivalents	12,614	–	–	12,614	–	–	–	–
	67,496	**–**	**–**	**67,496**	**–**	**–**	**–**	**–**
Financial liabilities measured at fair value								
Financial guarantee	–	225	–	225	–	225		225
Contingent consideration	–	1,000	–	1,000	–	–	1,000	1,000
	–	**1,225**	**–**	**1,225**	**–**	**225**	**1,000**	**1,225**
Financial liabilities not measured at fair value								
Liabilities to banks (current)	–	–	89,549	89,549	–	–	–	–
Liabilities to banks (non-current)	–	–	102,555	102,555	–	97,205	–	97,205
Liabilities to shareholders	–	–	50	50	–	–	–	–
Trade payables	–	–	112,923	112,923	–	–	–	–
Refund liabilities	–	–	14,882	14,882	–	–	–	–
	–	**–**	**319,959**	**319,960**	**–**	**97,205**	**–**	**97,205**

31.12.2021 KEUR	CARRYING AMOUNT Measured at amortised cost	Measured at fair value	Other financial liabilities	Total	FAIR VALUE Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value								
Trade receivables	6,948	–	–	6,948	–	–	–	–
Receivables from factoring	9,898	–	–	9,898	–	–	–	–
Cash and cash equivalents	9,677	–	–	9,677	–	–	–	–
	26,522	**–**	**–**	**26,522**	**–**	**–**	**–**	**–**
Financial liabilities measured at fair value								
Derivative financial instruments	–	15	–	15	–	15	–	15
Financial guarantee	–	193	–	193	–	–	193	193
	–	**208**	**–**	**208**	**–**	**15**	**193**	**208**
Financial liabilities not measured at fair value								
Liabilities to banks (current)	–	–	93,052	93,052	–	–	–	–
Liabilities to banks (non-current)	–	–	2,331	2,331	–	2,293	–	2,293
Liabilities to shareholders	–	–	50	50	–	–	–	–
Trade payables	–	–	38,471	38,471	–	–	–	–
Refund liabilities	–	–	7,404	7,404	–	–	–	–
	–	**–**	**141,308**	**141,308**	**–**	**2,293**	**–**	**2,293**

7.2. Determining fair values

Fair value is defined as 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 transaction date. It is irrelevant whether the price is directly observable or determined using a valuation technique.

The following valuation techniques were used to determine the fair values of Levels 2 and 3.

Level 2

Derivative financial instruments
The fair values of derivative financial instruments in the form of interest rate swaps, interest rate caps and forward exchange transactions are determined by the counterparties using valuation methods based on market prices.

Other financial liabilities
The fair values of other financial liabilities in the form of long-term liabilities to banks were determined by discounting the expected cash flows using a risk-adjusted discount rate.

Level 3

Financial guarantee
The fair value of the financial guarantee was determined on the basis of the maximum possible utilisation of the Group using historical intra-group loss rates, corrected for observable market risk adjustments, and market recovery rates from the realisation of pledged collateral in the event of a loss.

Contingent consideration
The fair value of contingent consideration was measured on the basis of expected future cash flows. No discounting was performed due to the short maturity.

No reclassifications between the individual fair value hierarchy levels were made in the periods under review.

7.3. Financial risk management

7.3.1. Risk management principles

The Knaus Tabbert Group is exposed to a variety of risks on account of its existing financial instruments.

The Management Board of the parent company is responsible for establishing and controlling the risk management system of the Group. The risk management system implemented at the Knaus Tabbert Group records potential risks and assesses them by means of a risk analysis. The finance department is responsible for developing and monitoring this risk management, and reports on this to the Management Board on a regular basis. The identified risks are then systematically evaluated according to the criteria of "probability of occurrence", "potential extent of damage" and "time horizon", and assigned to defined risk classes.

The defined risk classes result in various reporting obligations of the individual risk managers to the Management Board. Measures have been developed to mitigate and prevent risks. Regular reporting with deviation analyses on the earnings situation and the development of orders by the controlling department of the Group is an essential component of this risk management system. The individual risks that have been identified are continuously monitored by the responsible members of staff and management.

On account of its business operations, the Knaus Tabbert Group is obliged to knowingly accept certain risks in order to be able to exploit opportunities and successfully compete in the market. In the process, the Group is exposed to a broad range of opportunities and risk fields.

The Group is exposed to the following risks arising from the use of financial instruments:

- receivables and credit risks
- liquidity risks
- market risks

7.3.2. Receivables and default risk

The default risk is the risk of incurring financial losses in the event that a customer or the contracting party of a financial instrument fails to fulfil their contractual obligations. The default risk essentially arises from trade receivables.

The carrying amounts of the financial assets correspond to the maximum default risk.

Trade receivables

The default risk of the Group is primarily influenced by the individual characteristics of its customers. The frequently low equity base of our trading partners will continue to be the cause of further defaults of businesses from the current dealer network in the future, which may have a negative impact on the net asset situation, financial and profit situation of the Knaus Tabbert Group. Increased cooperation with the purchase financing banks, broader inventory controls, permanent debtor monitoring and paying attention to early indicators such as inventory development, the issue of vehicle documentation and collection deadlines therefore remain a top priority. The Group sells its vehicles subject to retention of title, that is, it retains ownership of the purchased item as security for its purchase price claims. A collateral fund has been set up for realisation risks of financed vehicles (see Notes 3.8 and 6.6).

In order to determine any necessary impairments, the Group has implemented a procedure allowing for an estimation of the expected losses from trade receivables.

The maximum default risk for trade receivables, broken down by geographic region, as of 31 December 2022 and 31 December 2021 is as follows:

DEFAULT RISK BY GEOGRAPHICAL REGION

in KEUR	31.12.2022	31.12.2021
Germany	15,660	3,476
Europe	14,003	3,028
Rest of the world	3,807	444
Total	**33,470**	**6,948**

The maximum default risk for trade receivables, broken down by type of customer, as of 31 December 2022 and 31 December 2021 is as follows:

DEFAULT RISK BY TYPE OF CUSTOMER

in KEUR	31.12.2022	31.12.2021
Dealers	32,460	6,798
End customers	1,010	150
Total	**33,470**	**6,948**

The following table contains information on the loss rates, gross carrying amounts and cumulative expected credit losses within the time intervals used to determine the impairments of trade receivables.

2022			
in KEUR	Loss rate (weighted average)	Gross carrying amount	Impairment
Not overdue	0.54%	27,994	−151
0 - 29 days past due	2.25%	2,534	−57
30 - 60 days past due	4.49%	3,131	−141
61 - 90 days past due	23.51%	75	−18
91 - 180 days past due	48.74%	122	−59
More than 180 days past due	77.03%	171	−132

2021			
in KEUR	Loss rate (weighted average)	Gross carrying amount	Impairment
Not overdue	0.57%	3,915	−22
0 - 29 days past due	2.78%	1,673	−46
30 - 60 days past due	6.01%	1,042	−63
61 - 90 days past due	15.54%	500	−78
91 - 180 days past due	28.73%	16	−4
More than 180 days past due	64.51%	45	−29

The impairment of trade receivables developed as follows:

DEVELOPMENT OF EXPECTED CREDIT LOSSES ON TRADE RECEIVABLES

in KEUR	31.12.2022	31.12.2021
Status as of January 01	**243**	**362**
Additions to non-current assets	398	31
Reversals	−79	−148
Exchange rate effects	−5	−3
Status as of 31 December	**557**	**243**

Receivables from factoring
As the receivables from factoring are due from credit institutes and financial institutions with a high credit rating and are current in nature, the Group does not recognise any impairments for expected credit losses (ECL).

Cash and cash equivalents
As of 31 December 2022, the Group holds bank deposits in the amount of KEUR 12,584 (31.12.2021: KEUR 9,638). This sum thus also represents the maximum default risk with regard to these assets. Cash and cash equivalents are deposited with credit institutes that enjoy a high credit rating.

Derivative financial instruments
The default risk associated with derivative financial instruments materialises when counterparties fail to meet their payment obligations, or only meet them to a limited extent. To mitigate this risk, contracts are only concluded with selected banks with a correspondingly high credit rating.

7.3.3. Liquidity risk

The risk of the Knaus Tabbert Group being unable to meet its payment obligations when due is referred to as liquidity risk. In the course of managing its liquidity risk, the Knaus Tabbert Group ensures that sufficient liquidity is available at all times to settle due liabilities without incurring unsustainable losses or compromising the reputation of the Knaus Tabbert Group.

The liquidity-related risks of the Knaus Tabbert Group consist of the possibility that financial obligations such as the repayment of loans or the ongoing capital requirements of its operating activities cannot be met.

The Knaus Tabbert Group counters these risks as follows: The financial planning required to ensure liquidity is carried out on the basis of medium and short-term annual planning. With the existing syndicated loan agreement, the Company has a sufficient financing framework at its disposal in the coming years. The Group discusses its current business performance and the outlook for its industry in regular meetings with its principal banks, thus ensuring an adequate dissemination of information.

Production adjusted to the respective order situation enables clear and transparent inventory management, particularly in the area of finished vehicles, which in turn provides for a stable liquidity situation.

Significance of the liquidity risk
The following table shows the contractual residual terms of the financial liabilities on the balance sheet date. The amounts indicated are undiscounted gross amounts:

31.12.2022

In KEUR	Carrying amounts	Contractually agreed cash flows	Residual term of less than 1 year	Residual term of between 1 and 5 years	Residual term of more than 5 years
Liabilities to banks	192,104	201,564	89,905	89,886	21,773
Liabilities to shareholders	50	50	50	–	–
Trade payables	112,923	112,923	112,923	–	–
Lease liabilities	13,295	13,840	3,127	7,940	2,773
Contingent consideration	1,000	1,000	500	500	–
Total	**319,371**	**329,377**	**206,505**	**98,326**	**24,546**

31.12.2021

In KEUR	Carrying amounts	Contractually agreed cash flows	Residual term of less than 1 year	Residual term of between 1 and 5 years	Residual term of more than 5 years
Liabilities to banks	95,382	95,742	93,263	1,961	517
Liabilities to shareholders	50	50	50	–	–
Trade payables	38,471	38,471	38,471	–	–
Lease liabilities	8,212	8,472	2,489	5,268	715
Derivative financial instruments	15	22	15	7	–
Total	**142,131**	**142,757**	**134,288**	**7,236**	**1,233**

7.3.4. Market risk

Market risks are risks connected to changes in market prices, such as exchange rates or interest rates, which are influenced by the earnings of the Group or the value of the financial instruments held. The aim of market risk management is to control and steer market risks within acceptable ranges while optimising returns.

Currency risk
Currency risks can be considered a sub-category of market risks. Currency risks are hedged to the extent that forward exchange contracts have been concluded to hedge the currency risk associated with the Hungarian forint (HUF) in the amount of future planned payments to the Hungarian subsidiary. Beyond this, hedging is not required as invoicing and procurement are mainly undertaken in euros.

Interest rate risk
The interest rate risk is the risk of the fair values or future cash flows of financial instruments fluctuating due to changes in market interest rates.

Variable interest rate agreements carry the risk of rising interest rates for financial liabilities. This risk is evaluated, assessed and, where required, managed through the use of derivative interest rate hedging instruments.

These focus on the interest-bearing net financial liabilities of the Knaus Tabbert Group.

Significance of the interest rate risk

in KEUR	31.12.2022	31.12.2021
Interest rate exposure		
Variable-rate financial liabilities	124,058	93,547

An increase in the average interest rate of the variable-interest financial liabilities by 50 basis points would result in a decrease in earnings before income taxes of KEUR 333 (31 December 31 2021: KEUR 173). A decrease of 50 basis points would produce a positive effect on earnings before income taxes of KEUR 333 (31 December 31 2021: KEUR 173).

7.4. Capital management

The aim of the Group's capital management is to secure the capital base and ensure the necessary financial and liquidity scope. The Management Board of the Group actively manages the financial profile using the equity ratio.

For this purpose, the equity ratio is calculated as the quotient of balance sheet equity and the balance sheet total. In addition, the Group manages and monitors capital using the proprietary funds ratio. This is calculated as the ratio of proprietary funds (KEUR 137,550) to the adjusted balance sheet total according to the calculation scheme of the syndicated loan agreement (KEUR 548,029). When calculating the proprietary funds, the equity shown in the balance sheet is reduced by goodwill, deferred tax assets and receivables from shareholders. The balance sheet total is also adjusted for the aforementioned balance sheet items.

Furthermore, management controls the capital on the basis of the debt ratio. This is calculated as the ratio of net debt (KEUR 199,596) to adjusted EBITDA according to the calculation scheme of the syndicated loan agreement (KEUR 68,107). Net debt includes liabilities to banks, liabilities to shareholders and liabilities from finance leases less cash and cash equivalents. Adjusted EBITDA represents earnings before interest, taxes, depreciation and amortisation adjusted for non-operating effects. This is calculated by eliminating income or expenses from the disposal of non-current assets, income from the reduction or reversal of impairment losses on receivables, income from the reversal of provisions, income from the translation of foreign currency transactions, and income from claims for damages and insurance benefits from the consolidated annual net profit, adjusted for taxes, depreciation and amortisation, financial income and financial expenses.

The Management Board of the Group strives for a proprietary funds ratio of 30 %. The debt ratio must not exceed 2.75.

in KEUR	31.12.2022	31.12.2021
Equity	146,930	133,879
Equity ratio	26.36%	38.85%
Proprietary funds	137,550	130,258
Proprietary funds ratio	25.10%	38.20%
Debt-to-equity ratio	2.9	1.7
Net working capital ratio	–	–

8. Business combinations

On 3 January 2022, Knaus Tabbert AG completed the acquisition of the WVD-Südcaravan Group (Freiburg, Germany), consisting of the operational companies CFC Camping Freizeit Center GmbH (CFC) and WVD-Südcaravan GmbH (WVD), thereby acquiring 100 percent of the shares in the two leisure vehicle dealerships.

The acquired dealerships are long-standing trading partners of Knaus Tabbert, and are among the leading suppliers of recreational vehicles in southern Germany. In addition to the sale and rental of recreational vehicles, both companies also offer the complete portfolio of services. The WVD Group was acquired to expand the Group's own dealer network in a strategically important sales region in Germany. The acquisition represents a further building block of Knaus Tabbert's growth strategy for the coming years, thus securing further sales potential in a German region with strong purchasing power. Through its own dealerships, the Group is able to intensify communication with its end customers and incorporate the insights gained into the development of future sales formats.

In the period from the date of acquisition to 31 December 2022, the WVD-Südcaravan Group contributed revenue of KEUR 16,631 and profit of KEUR 784 to the consolidated result. Of this amount, WVD contributed revenue of KEUR 15,458 and profit of KEUR 942, while CFC contributed revenue of KEUR 1,173 and a loss of KEUR 158. The figures relate, in each case, to revenue and earnings prior to the consolidation. The Management Board estimates that if the acquisition had taken place on 1 January 2022, Group revenue and profit would not have differed significantly from the actual figures due to the proximity to the balance sheet date. This is based on the assumption that the preliminary fair value adjustments performed at the date of acquisition would also have been valid if the acquisition had taken place on 1 January 2022.

The fusion of CFC and WVD is planned for 2023 (see section 14 "Events after the balance sheet date").

8.1. Considerations transferred

The following table summarises the fair values of cash and cash equivalents and contingent considerations as of the acquisition date:

CONSIDERATION TRANSFERRED

Fair value at acquisition date	*in KEUR*
Cash equivalents	6,300 (WVD: 5,670, CFC: 630)
Contingent consideration (earn out)	500 (WVD: 375, CFC: 125)
Contingent consideration (earn out)	500 (WVD: 375, CFC: 125)
Total consideration transferred	7,300 (WVD: 6,420, CFC: 880)

The contingent considerations are calculated on the basis of EBITDA of the consolidated figures of WVD and CFC, for the financial years 2022 and 2023, in accordance with the principles of commercial law. Depending on the fulfilment of the contractual regulation, they amount to either KEUR 0 or KEUR 500 in the respective year; amounts in between are not provided for. Payment of the contingent considerations is made in each case in the following year, after approval of the annual financial statements in accordance with German commercial law. Assuming that the contractually agreed targets will be met, the fair value of the contingent considerations amounts to KEUR 1,000. In determining the fair value, no discounting was applied for reasons of simplification and materiality.

8.2. Costs incurred in connection with the business combination

The Group incurred costs of KEUR 62 for legal advice in connection with the business combination. These costs are recognised in other operating expenses.

8.3. Identifiable assets acquired and liabilities assumed

The following table summarises the assets acquired and liabilities assumed in the amounts recognised at the date of acquisition. Reciprocal receivables and liabilities in the amount of KEUR 226 have been eliminated.

ASSETS ACQUIRED AND LIABILITIES ASSUMED

Fair value at acquisition date	*in KEUR*
Intangible assets	1
Property, plant and equipment	5,661
Financial assets	18
Inventories	3,730
Receivables and other assets	1,964
Cash, Bank deposits	2,876
Prepaid expenses and deferred charges	144
Deferred tax assets	1,669
Provisions	–447
Liabilities	–10,093
Deferred income	–337
Deferred tax liabilities	–1,669
Total identifiable net assets acquired	3,517

Receivables and other assets include contractual receivables in the gross amount of KEUR 1,964 after elimination of the receivables and liabilities existing between WVD and CFC. None of the receivables were considered potentially irrecoverable at the time of acquisition.

8.4. Goodwill

The acquisition gave rise to goodwill in the amount of KEUR 3,784 (WVD: KEUR 3,438 ; CFC: KEUR 346). In determining these values, the fair value of the contingent consideration of KEUR 1,000 was included in the considerations transferred.

Goodwill is primarily the result of expected synergies and potential for growth, and is not deductible for tax purposes.

9. Leases

For the accounting policies, see Note 3.6.

9.1. The Group as lessee

The Group leases land and buildings. The term of the lease agreements is typically ten years, with the option to extend the agreements after this period. Lease payments are renegotiated after a reasonable period of time to reflect market rents. Some agreements provide for additional lease payments on the basis of changes in local price indices.

The Group continues to lease production machinery and motor vehicles with terms ranging between 2 and 5 years.

The Group leases IT equipment with contractual terms ranging from one to three years. These lease agreements are either concluded for a short period of time and/or for low-value items. For these leases, the Group has decided not to recognise any right-of-use assets or lease liabilities.

Information on leases in which the Group acts as lessee is presented below.

a) Rights of use
For the development of rights of use, please refer to the Asset Schedule.

b) Amounts recognised in the Profit and Loss Statement

LEASE AGREEMENTS IN ACCORDANCE WITH IFRS 16

In KEUR	31.12.2022	31.12.2021
Interest expenses for lease liabilities	171	96
Expenses for short-term leases	2,330	712
Expenses for leases of an asset of low value, with the exception of short-term leases of assets of low value	694	556

c) Amounts recognised in the Cash Flow Statement

In KEUR	31.12.2022	31.12.2021
Total cash outflows for leases	3,144	2,779

d) Extension options

A number of land and building leases contain extension options, which may be exercised by the Group up to six months prior to the expiry of the non-cancellable lease term. Where possible, the Group seeks to include extension options when entering into new leases to provide operational flexibility. At the date of commencement of the lease, the Group assesses whether the exercise of the extension option is reasonably certain. Subsequently, the Group reassesses whether the exercise of the extension option is reasonably certain upon the occurrence of a significant event or change in circumstances within its control.

The Group estimates that potential future lease payments arising from the exercise of extension options would result in an increase in lease liabilities of KEUR 3,343 (31.12.2021: KEUR 332).

9.2. The Group as lessor

The Group recognised revenue from its rental business in the amount of KEUR 1,816 (31.12.2021: KEUR 1,142) in the financial year.

The Group generally does not lease motorhomes and caravans for periods including the balance sheet date. There are therefore no significant lease receivables as of 31 December 2022.

10. Future payment obligations

In addition to the payment obligations resulting from leases, the Group has entered into other payment obligations. These include contractual obligations from the purchase of property, plant and equipment in the amount of KEUR 23,052 (31.12.2021: KEUR 26,447). Further payment obligations mainly result from maintenance and service contracts.

FUTURE PAYMENT OBLIGATIONS

in KEUR	31.12.2022	31.12.2021
Due within one year	24,052	29,904
Due in between one and five years	524	1,321
Total	**24,576**	**31,224**

11. Contingent receivables and liabilities

The Group holds no contingent receivables as of 31 December 2022.

The following contingent liabilities exist as of the balance sheet date:

CONTINGENT LIABILITIES

in KEUR	31.12.2022	31.12.2021
Liabilities from guarantees	590	590
Total	**590**	**590**

The Group considers the probability of a claim arising from the above contingent liabilities to be low due to the overall favourable economic environment in the caravanning industry.

12. Relationships with related parties

In accordance with IAS 24, the following were identified as related parties of the Group:

- related companies and persons exercising a significant influence on the reporting company
- members of the Management Board and Supervisory Board of Knaus Tabbert AG, including their close relatives, as persons holding key positions in the Company
- other related companies

Business transactions with related parties exercising a significant influence on the reporting company

2022

in KEUR	Transaction volume expense	Liability	Transaction volume revenue	Receivable
Sale of goods	–	–	478	–
Consulting services	50	50	–	–
Total	**50**	**50**	**–**	**–**

2021

in KEUR	Transaction volume expense	Liability	Transaction volume revenue	Receivable
Consulting services	50	50	–	–
Total	**50**	**50**	**–**	**–**

Business transactions with persons in key positions of the company

The total remuneration of the Management Board consists of short-term benefits, severance payments and share-based payments. For further information on share-based payments, please refer to Note 13.

The total remuneration of the Supervisory Board consists exclusively of short-term benefits.

REMUNERATION FOR EXECUTIVE BOARD AND SUPERVISORY BOARD

in KEUR	2022	2021
Total remuneration Management Board	3,461	2,443
thereof severance payments	*620*	–
Total remuneration Supervisory Board	458	458
Social security contributions and expenses	19	19

Business transactions with other related companies

2022

in KEUR	Transaction volume expense	Liability	Transaction volume revenue	Receivable
Purchase of goods	14,526	–	–	6
Sale of goods	–	–	–	–
Total	**14,526**	**–**	**–**	**6**

2021				
in KEUR	*Transaction volume expense*	*Liability*	*Transaction volume revenue*	*Receivable*
Purchase of goods	12,070	523	–	–
Services	2	–	–	–
Total	**12,072**	**523**	**–**	**–**

13. Share-based remuneration

Description of the share-based remuneration agreement

The Group introduced a Long Term Incentive Plan (LTIP) for the Management Board in the past year. Under the LTIP, the participating members of the Management Board are allocated virtual performance shares in annual tranches at the beginning of each year, starting in the 2021 financial year. The number of performance shares allocated depends on the average volume-weighted share price of Knaus Tabbert AG in the three-month period prior to the granting of the respective tranche (initial share price). On 1 January 2022, the members of the Management Board were awarded the second tranche of performance shares.

The members of the Management Board who have been allocated performance shares are entitled, under certain conditions, to receive compensation determined on the basis of the average volume-weighted share price of Knaus Tabbert AG in the last three months of a four-year period (final share price), provided that the final share price exceeds the initial share price. The Supervisory Board of the Company (as representative of the Management Board) can determine the type of remuneration (cash settlement or settlement in shares). The Company classifies the LTIP as share-based remuneration settled through equity instruments.

In the financial year, the members of the Management Board were granted 11,300 performance shares (1.1.2021: 10,704) under the LTIP as of 1 January 2022. On 1 December 2022, a further 2,825 performance shares were granted. The term of the performance shares is four years. The performance shares granted are subject to certain exercise conditions. A minimum service period must thus be reached in order to exercise the shares. In addition, a market condition relating to the development of the share price, and a non-market condition relating to the achievement of certain financial targets in the consolidated financial statements of the Knaus Tabbert Group apply over the term of the LTIP programme. Remuneration from the performance shares is capped for each Management Board member.

Determining the fair value

The fair value of the performance shares was determined using a transformed Black-Scholes formula. Service conditions and non-market conditions were not taken into account in determining the fair value.

The following parameters were applied in determining the fair value at the grant date of the share-based remuneration plans:

DETERMINATION OF FAIR VALUE - ASSUMPTION		
LTIP tranche	2022	2021
Fair value per performance share at grant date [EUR]	23.10	27.79
Share price on grant date [EUR]	55.30	63.40
Initial price = exercise price [EUR]	56.65	59.80
Share price for cap (share price at which cap is reached) [EUR]	159.29	168.16
Expected volatility [%]	42.5	45.0
Maturity [years]	4.0	4.0
Risk-free interest rate, based on government bonds [%]	−0.556	−0.757
Expected dividends [%]	5.0	5.0

As the shares of Knaus Tabbert AG have only been listed for a short period of time, the expected volatility is calculated by assessing the historical volatility of the share price of companies in a peer group with similar business models to that of Knaus Tabbert AG.

Reconciliation of outstanding performance shares

The reconciliation of the outstanding performance shares is shown in the table below:

	2022		2021	
	Quantity of PS	*Exercise price*	*Quantity of PS*	*Exercise price*
Reconciliation of outstanding performance shares (PS)				
Outstanding as of January 01	10,704	59.80	–	–
Expired in the fiscal year	−5,501	58.18	–	–
exercised in the fiscal year	–	–	–	–
granted in the fiscal year	14,125	56.65	10,704	59.80
outstanding as of December 31	19,328	57.95	10,704	59.80
vested as of December 31	–	–	–	–

The performance shares outstanding as of 31 December 2022 have an exercise price of EUR 56.65 and EUR 59.80, and a weighted average remaining contractual term of 2.6 years (2021: 3 years).

Expenses recognised in profit or loss

For information on expenses incurred in connection with share-based payments, please refer to Note 6.5.

14. Events after the reporting date

CFC Camping Freizeit Center GmbH is to be merged with WVD-Südcaravan GmbH in 2023. The group was acquired by the Knaus Tabbert Group on 3 January 2022 (see section 8 "Business combinations"). At the time of preparation of the financial statements, the merger had not yet been filed for entry in the commercial register.

Please refer to the Management Report for information on the effects of the corona pandemic and the war between Russia and Ukraine.

15. Additional disclosures according to HGB

15.1. Number of employees

On average, the following staff groups were employed by the Group during the financial year:

EMPLOYEE GROUPS

Number in heads	2022	2021
Industrial workers	2,347	2,158
Salaried employees	546	478
Average number of employees, excluding apprentices	**2,893**	**2,636**
Apprentices	61	60
Total number of employees, including apprentices	**2,954**	**2,696**

15.2. Total fee for the auditor of the Consolidated Financial Statements

Pursuant to Section 314 para. 1 (9) HGB, the fees for the auditor of the Consolidated Financial Statements, recognised as expenses, are broken down as follows:

AUDITORS FEE

in KEUR	2022	2021
the audits of the Consolidated Financial Statements	502	394
other assurance services	69	22
tax consultancy services	–	41
Total	**571**	**457**

The other confirmation services include confirmations of covenant ratios under the syndicated loan agreement, as well as the audit of the combined separate non-financial report and the remuneration report under stock corporation law.

15.3. List of shareholdings

List of shareholdings of Knaus Tabbert AG, Jandelsbrunn, as of 31 December 2022:

Name of the company	Registered office	Share in %
Caravan-Welt GmbH Nord	**Bönningstedt, Deutschland**	**100**
HÜTTLrent GmbH	**Maintal, Deutschland**	**100**
WVD-Südcaravan GmbH[1)]	**Freiburg, Deutschland**	**100**
CFC Camping Freizeit Center GmbH[1)]	**Freiburg, Deutschland**	**100**
MORELO Reisemobile GmbH	**Schlüsselfeld, Deutschland**	**100**
Knaus Tabbert Kft	**Vac (Ungarn)**	**100**
CVO Software GmbH	**Koblenz, Deutschland**	**6**

15.4 Remuneration of the Management Board and Supervisory Board

For information pursuant to Section 314 para. 1 (6) HGB, please refer to section 11.

15.5. Corporate Governance Code

The Management Board and Supervisory Board of Knaus Tabbert AG have issued the declaration required under Section 161 of the German Stock Corporation Act (AktG), and have also made it permanently available to shareholders on the company website at www.knaustabbert.de.

16. Members of the Management Board

Wolfgang Speck, Diplom-Ingenieur (graduate engineer), Chairman of the Management Board, Chief Executive Officer (CEO)
Marc Hundsdorf, Diplom-Ingenieur (graduate engineer) / Dilpom Wirtsch.-Ingnieur (graduate industrial engineer), Chief Financial Officer (CFO until 31 December 2022)
Gerd-Rainer Adamietzki, Kaufmann (business administrator), Chief Sales Officer (CSO)
Werner Vaterl, Diplom-Kaufmann (graduate business administrator), Chief Operating Officer (COO)
Carolin Schürmann, Dilpom Wirtsch.-Ingnieur (graduate industrial engineer), Chief Financial Officer (CFO from 1 December 2022)

17. Supervisory Board

Pursuant to Section 1 para. 1, Section 6 para. 2, Section 7 para. 1 (1) no.1 of the German Co-Determination Act (MitbestG), this Supervisory Board is composed of six members representing shareholders, and six members representing employees. According to Section 7 para. 2 (1) of the Co-Determination Act, these must include four employees of the Company and two representatives of trade unions.

The Supervisory Board consists of the following members:

Shareholder representatives:

Dr. Esther Hackl, In-house lawyer – Chairwoman of the Supervisory Board
Willem Paulus de Pundert, entrepreneur
Klaas Meertens, entrepreneur
Rene Ado Oscar Bours, consultant
Manfred Pretscher, Diplom Ingenieur (FH) (graduate engineer)
Jana Donath, Head of Finance

Employee representatives:

Anton Autengruber, Chairman of the General Works Council, Deputy Chairman
Stephan Kern, IT administrator
Michael Heim, Works Council (until 30 September 2022)
Linda Schätzl, Works Council (from 1 October 2022)
Ferdinand Sommer, Head of IT and Organisation (authorised signatory)
Robert Scherer, Trade Union Secretary IG Metall
Daniela Fischer, Trade Union Secretary IG Metall

ASSET SCHEDULE 2022

Intangible assets

in KEUR	Licences and acquired rights	Goodwill	self-created intangible assets	Advance payments	Total intangible asstes
Acquisition / production costs					
As of 1.1.2022	10,827	841	42,931	612	55,211
Currency differences	−7	–	−2	–	−10
Additions Acquisition	20	3,784	–	–	3,805
Additions	576	–	6,175	58	6,809
Reclassifications	153	–	332	−482	2
Disposals	56	–	–	–	56
As of 31.12.2022	11,513	4,625	49,435	188	65,762

in K EUR	Licences and acquired rights	Goodwill	self-created intangible assets	Advance payments	Total intangible asstes
Depreciation and amortisation					
As of 1.1.2022	7,554	–	29,606	–	37,161
Additions Acquisition	20	–	–	–	20
Currency differences	−6	–	−2	–	−8
Currency differences Current depreciation	-	–	–	–	-
Depreciation for the financial year	893	–	4,487	–	5,380
Disposals	56	–	–	–	56
As of 31.12.2022	8,405	–	34,091	–	42,496

Carrying amount 31 December 2022	3,108	4,625	15,344	188	23,265
Carrying amount 31 December 2021	3,273	841	13,324	612	18,050

Property, plant and equipment

in KEUR	Land, land rights and buildings and buildings, including buildings on third party land on land owned by others	*thereof rights of use*	Technical equipment and machinery	*thereof rights of use*	Other equipment, factory and office equipment	thereof operating lease	*thereof rights of use*	Advance payments and assets under construction	Total Property, plant and equipment
Acquisition / production costs									
As of 1.1.2022	96,541	*9,061*	45,571	*1,957*	60,812	1,347	*2,327*	12,641	215,566
Currency differences	–1,841	*–27*	–739	–	–300	–	*–17*	–123	–3,002
Additions Acquisition	5,595	*5,393*	66	–	824	677	–	–	6,486
Additions	7,560	*1,900*	4,050	*196*	11,990	2,530	*861*	45,486	69,086
Reclassifications	2,048	–	1,744	–	1,133	–	–	–4,927	–2
Disposals	–	–	1,186	*1,146*	2,735	887	*414*	328	4,249
As of 31.12.2022	109,904	*16,327*	49,507	*1,007*	71,724	3,666	*2,757*	52,749	283,884

in KEUR	Land, land rights and buildings and buildings, including buildings on third party land on land owned by others	*thereof rights of use*	Technical equipment and machinery	*thereof rights of use*	Other equipment, factory and office equipment	thereof operating lease	*thereof rights of use*	Advance payments and assets under construction	Total Property, plant and equipment
Depreciation and amortisation									
As of 1.1.2022	19,510	*3,069*	21,623	*1,229*	43,797	235	*1,352*	–	84,930
Additions Acquisition	74	–	8	–	79	–	–	–	161
Currency differences	–227	*–16*	–356	–	–192	–	*–8*	–	–775
Currency differences Current depreciation	–15	*–1*	–33	–	–18	–	*–1*	–	–65
Depreciation for the financial year	4,797	*2,002*	4,988	*279*	8,691	682	*706*	–	18,476
Disposals	–	–	886	*866*	2,094	250	*414*	–	2,980
As of 31.12.2022	24,138	*5,055*	25,345	*642*	50,262	667	*1,635*	–	99,746
Carrying amount 31 December 2022	85,765	*11,271*	24,162	*365*	21,461	3,000	*1,123*	52,749	184,138
Carrying amount 31 December 2021	77,032	*5,992*	23,947	*728*	17,015	1,112	*976*	12,641	130,636

ASSET SCHEDULE 2021

Intangible assets

in KEUR	Licences and acquired rights	Goodwill	self-created intangible assets	Advance payments	Total intangible asstes
Acquisition / production costs					
As of 1.1.2021	10,266	841	37,098	65	48,271
Currency differences	–1	–	-	–	–2
Additions	562	–	5,833	547	6,942
Reclassifications	–	–	–	–	–
Disposals	–	–	–	–	–
As of 31.12.2021	10,827	841	42,931	612	55,211

in KEUR	Licences and acquired rights	Goodwill	self-created intangible assets	Advance payments	Total intangible asstes
Depreciation and amortisation					
As of 1.1.2021	6,479	–	25,826	–	32,305
Currency differences	–1	–	-	–	–1
Currency differences Current depreciation	-	–	–	–	-
Depreciation for the financial year	1,076	–	3,781	–	4,857
Disposals	–	–	–	–	–
As of 31.12.2021	7,554	–	29,606	–	37,161

Carrying amount 31 December 2021	3,273	841	13,324	612	18,050
Carrying amount 31 December 2020	3,786	841	11,273	65	15,966

Property, plant and equipment

in KEUR	Land, land rights and buildings and buildings, including buildings on third party land on land owned by others	*thereof rights of use*	Technical equipment and machinery	*thereof rights of use*	Other equipment, factory and office equipment	thereof operating lease	*thereof rights of use*	Advance payments and assets under construction	Total Property, plant and equipment
Acquisition / production costs									
As of 1.1.2021	79,440	*7,211*	38,544	*3,201*	54,270	1,613	*1,971*	2,201	174,456
Currency differences	–195	*–5*	–107	–	–44	–	*–3*	–6	–351
Additions	16,945	*2,269*	7,545	–	8,278	1,193	*437*	12,364	45,131
Reclassifications	766	–	833	–	295	–	–	–1,893	–
Disposals	415	414	1,244	1,244	1,986	1,459	*78*	24	3,670
As of 31.12.2021	96,541	*9,061*	45,571	*1,957*	60,812	1,347	*2,327*	12,641	215,566

in KEUR	Land, land rights and buildings and buildings, including buildings on third party land on land owned by others	*thereof rights of use*	Technical equipment and machinery	*thereof rights of use*	Other equipment, factory and office equipment	thereof operating lease	*thereof rights of use*	Advance payments and assets under construction	Total Property, plant and equipment
Depreciation and amortisation									
As of 1.1.2021	16,058	*2,018*	18,432	*1,748*	36,483	412	*809*	–	70,972
Currency differences	–36	*–2*	–52	–	–28	–	*–1*	–	–115
Currency differences Current depreciation	–13	*–2*	–28	–	–24	–	*–1*	–	–65
Depreciation for the financial year	3,648	*1,201*	4,263	*472*	8,292	416	*624*	–	16,202
Disposals	147	*145*	991	*991*	925	593	*78*	–	2,064
As of 31.12.2021	19,510	*3,069*	21,623	*1,229*	43,797	235	*1,352*	–	84,930
Carrying amount 31 December 2021	77,032	*5,992*	23,947	*728*	17,015	1,112	*976*	12,641	130,636
Carrying amount 31 December 2020	63,383	*5,193*	20,112	*1,453*	17,788	1,201	*1,163*	2,201	103,483

Jandelsbrunn, 27 March 2023

Wolfgang Speck | Carolin Schürmann | Werner Vaterl | Gerd Adamietzki

RESPONSIBILITY STATEMENT BY THE LEGAL REPRESENTATIVES

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the combined management report includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group.

Jandelsbrunn, 27 March 2023

Jandelsbrunn, 27 March 2023

Wolfgang Speck | Carolin Schürmann | Werner Vaterl | Gerd Adamietzki

INDEPENDENT AUDITOR'S REPORT

To Knaus Tabbert AG, Jandelsbrunn

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

Opinions

We have audited the consolidated financial statements of Knaus Tabbert AG, Jandelsbrunn, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at Dezember 31, 2022, the consolidated income statement, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from January 1 to December 31, 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the group management report (hereinafter the 'combined management report') of Knaus Tabbert AG for the financial year from January 1 to December 31, 2022.

In accordance with German legal requirements, we have not audited the content of those components of the combined management report specified in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at Dezember 31, 2022, and of its financial performance for the financial year from January 1 to December 31, 2022, and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the "Other Information" section of the auditor´s report.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No. 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Accrual of revenue from the sale of motorhomes, caravans and vans

Please refer to Chapter 1.4 of the Notes to the Consolidated Financial Statements for the accounting and measurement bases applied and to disclosures on management discretion and sources of estimation uncertainty.

RISKS ASSOCIATED WITH THE CONSOLIDATED FINANCIAL STATEMENTS

The Group's revenues in the 2022 financial year amount to EUR 1,049.5 million. Revenues are mainly generated from the sale of motorhomes, caravans and camper vans.

Companies of the Knaus Tabbert Group recognize revenue upon fulfillment of a contractual obligation by transferring a contractually agreed asset to a customer. An asset is deemed to be transferred as soon as the customer obtains the power of control over this asset. According to the transfer of control, revenue is recognized either at a point in time or over a period of time, and at the amount to which the Group companies are expected to be entitled.

The determination and appraisal of the complete fulfillment of the contractual customer agreements as of the balance sheet date, and thus the determination of the time of revenue recognition on the basis of indicators for the transfer of control of the motorhomes, caravans and camper vans as defined by the legal representatives include manual process steps. In addition, the periodization of revenue has a direct impact on the internally specified and externally communicated sales targets for the financial year, which represent a central benchmark for measuring the financial success of the company.

The consolidated financial statements are subject to the risk that revenues from the sale of motorhomes, caravans and camper vans may be recognized prematurely and incorrectly as of the balance sheet date

OUR AUDITNG APPROACH

To audit the accrual-based revenue recognition from the sale of motorhomes, caravans and camper vans, we assessed the design, implementation and operating effectiveness of internal controls of the issue of goods and invoicing and, in particular, the determination and verification of the transfer of control. We also reviewed the revenue recognition requirements in the groupwide accounting policy for compliance with IFRS 15.

For contracts concluded in the course of the financial year, we evaluated the interpretation and weighting by the legal representatives of the indicators set out in the accounting policy for the determination of the time of transfer of control. To this end, we verified whether the accounting policy had been properly implemented on the basis of a representative sample of contracts.

Furthermore, we examined revenue entries in samples by applying a mathematical statistical method for a defined period prior to the balance sheet date and, to this end, checked contractual agreements with customers for completeness and reviewed the transfer of control. We examined credit notes issued after the balance sheet date for a defined period of time in risk-oriented samples and satisfied ourselves that they were allocated to the correct period.

OUR CONCLUSIONS

The Knaus Tabbert Group's approach to accruing revenue for the period is appropriate¬.

Valuation of the provisions for warranty and goodwill obligations and for product warranties

Please refer to chapter 1.4 of the Notes to the Consolidated Financial Statements for the accounting policies applied and details on management judgments and sources of estimation uncertainty, and to chapter 5.9 of the Notes to the Consolidated Financial Statements for details on product warranties.

RISKS ASSOCIATED WITH THE CONSOLIDATED FINANCIAL STATEMENTS

The provisions for warranty and goodwill obligations and for product warranties, to the extent that no claims have yet been asserted, are included in the Consolidated Financial Statements of Knaus Tabbert AG in other provisions at a significant amount. The obligations total EUR 17.1 million (approx. 3.1% of the balance sheet total) as of December 31, 2022.

In order to estimate uncertain obligations arising from legal warranty obligations, contractual warranty commitments going beyond legal warranty obligations, as well as goodwill obligations and product warranties for vehicles sold, information on the nature and volume of any damage that has occurred and its remediation is recorded and evaluated. The expected volume of the obligations is derived from past expenses and, if the recognition criteria of IAS 37 are met, a provision is created in the corresponding amount. In this case, percentages based on empirical values based on the guaranteed turnover of the current and the last three financial years are used, if necessary, modified by qualitative factors. The time of use of the warranties may extend over the entire statutory or promised warranty and goodwill period.

The calculation of the provisions, in particular the assessment with regard to the adjustment of the derived percentages by qualitative factors, is subject to estimation uncertainties and a high risk of change, depending, among other things, on the disclosure of identified defects and the assertion of warranty claims by vehicle owners. In addition, changes in the amount of provisions for warranty and goodwill obligations as well as for product guarantees have a direct impact on the internally specified and externally communicated earnings targets for the financial year, which represent a central benchmark for measuring the financial success of the company.

There is a risk to the conclusion that the warranty provisions are undervalued.

OUR AUDITNG APPROACH

In order to assess the appropriateness of the valuation method, including the assumptions and parameters, used for determining the provisions for warranty and goodwill obligations and for product warranties, we above all obtained an understanding of the process for determining the assumptions and parameters in discussions with the responsible employees of the Knaus Tabbert Group.

Furthermore, we assessed the design and effectiveness of the controls for determining the assumptions and parameters as well as the warranty and goodwill expense process. We tested the controls incorporated in the warranty and goodwill expense process using a representative sample.

We compared the provisions recognized for warranty and goodwill claims with the expenses actually incurred in the subsequent period in order to draw conclusions about the accuracy of estimates of the previous year's provisions. We checked the data on which the comparison was based against the recorded warranty and goodwill expenses by means of representative samples and verified the mathematical accuracy of the valuation model applied by using elements selected on a risk-oriented basis. We verified and assessed the assumptions of the Knaus Tabbert Group regarding the extent to which the historical values are representative of the expected susceptibility to damage, and the anticipated assertion of claims from warranty and goodwill obligations. In addition, we assessed the appropriateness of adjustments made to the derived percentages by qualitative factors. For this purpose, we discussed the facts underlying the adjustments with the responsible employees of the Knaus Tabbert Group and compared them with information obtained from circumstances in the current production process and carried out sensitivity analyses.

OUR CONCLUSIONS

The method used to measure the provisions for warranty and goodwill obligations and for product warranties is appropriate. The assumptions and parameters applied by management, taking into account the information available, are overall reasonable.

Other information

The Executive Board respectively supervisory board are responsible for the other information. The other information comprises the following components of the combined management report, whose content was not audited:

- the separate combined non-financial statement of the company and the Group (sustainability report) referred to in the combined management report,
- the combined corporate governance statement of the company and the Group referred to in the combined management report, and
- information extraneous to management reports and marked as unaudited.

The other Information includes also the remaining parts of the annual report.

The other Information does not include the consolidated financial statements, the combined management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the above-mentioned other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Board and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The Executive Board is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the Executive Board is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Executive Board is responsible for assessing the Group's ability to continue as a going concern. It also has the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the Executive Board is responsible for the preparation of a combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the Executive Board is responsible for such arrangements and measures (systems) as it has considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial state-ments as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by the Executive Board and related disclosures.
- Conclude on the appropriateness of Executive Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the

Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the Executive Board in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Executive Board as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the combined Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file ___ „knaustabbertag-2022-12-31-de.zip" (SHA256-Hashwert: 12107f4d0d8953d2d0a528121589ac5d308ab541bf6aae0ba49d1f2f7e691177) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the electronic file made available, identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from January 1 to December 31, 2022, contained in the "Report on the Audit of the Consolidated Financial Statements and the combined Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Due to the conversion process chosen by the company with regard to the Disclosure information in iXBRL format ("block tagging"), the consolidated financial statements converted into the ESEF format cannot be fully evaluated by machine. The legal conformity of the interpretation of the Executive Board, that a meaningful machine evaluation of the structured Disclosure information is not explicitly required by the Delegated Regulation (EU) 2019/815 when block tagging the Disclosures, is subject to significant legal uncertainty, which thus also represents an inherent uncertainty of our audit.

We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (10.2021)). Our responsibility in accordance therewith is further described below. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QS 1).

The Company's Executive Board is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the company's Executive Board is responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory board is responsible for overseeing the process of preparing the ESEF documentation as part of the accounting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, as amended as at the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited combiined management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, as amended as at the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 EU Regulation

We were elected as group auditor by the annual general meeting on May 25, 2022. We were engaged by the supervisory board on November 27, 2022. We have been the group auditor of the Knaus Tabbert AG without interruption since the financial year 2020.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report)

Other matter – Use of the Auditor´s Report

Our auditor´s report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the examined ESEF documents. The consolidated financial statements and combined management report converted to the ESEF format – including the versions to be published in the German Federal Gazette– are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Dr. Joachim Schroff.

Nuremberg, 29 March 2023

KPMG AG Wirtschaftsprüfungsgesellschaft

Original German version signed by:

Dr. Joachim Schroff Wirtschaftsprüfer

[German Public Auditor]

Rafael Sanetra Wirtschaftsprüfer

[German Public Audito]

FURTHER INFORMATION

This annual report of Knaus Tabbert AG is also available in English. The report is available in German and English as a PDF on the Knaus Tabbert website. This annual report was published on March 31, 2023. The editorial deadline was March 25, 2023.

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Forward-looking statements
This report contains forward-looking statements that are based on management's current estimates of future developments. Such statements are subject to risks and uncertainties that are beyond Knaus Tabbert's ability to control or estimate precisely, such as future market and economic conditions, the behavior of other market participants, the successful integration of new acquisitions and the realization of anticipated synergies and actions by government regulators. If any of these or other uncertainties or contingencies materialize, or if the assumptions underlying any of these statements prove incorrect, then actual results may be materially different from those expressed or implied by such statements. Knaus Tabbert does not intend, and does not assume any separate obligation, to update any forward-looking statements to reflect events or developments after the date of this report.

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