Annual Report 2023

Travel independently. Experience freedom.

KnausTabbert
Wir bewegen

KnausTabbert
Wir bewegen

Knaus Tabbert is one of Europe's leading manufacturers of motorhomes, caravans, camper vans and caravanning utility vehicles.

The company, which is based in Jandelsbrunn, Bavaria, employs around 4,200 members of staff and in 2023 manufactured some 31,000 vehicles at four production sites in Germany and Hungary. Knaus Tabbert is a byword for premium quality "made in Germany", a wealth of experience and a great capacity for innovation.

The Group's portfolio spans products for a variety of target groups and a wide range of services for all aspects of caravanning. Over the past few years, Knaus Tabbert has steadily increased its revenue, most recently reaching EUR 1,441 million in the 2023 financial year. As a result, the company has significantly increased its market share once again.

With a strategy geared towards innovation, quality and sustainability, Knaus Tabbert aims to continue its success story in the future.

KNAUS FREIHEIT, DIE BEWEGT.

TABBERT Bewegende Momente

WEINSBERG Dein Urlaub!

T@B

MORELO FIRST CLASS REISEMOBILE

In 2024, Knaus Tabbert unveiled the KNAUS YASEO, a fully electrified caravan that is specifically designed for use with electric towing vehicles.

KEY FIGURES 2023

Group *in EUR million*	2023	2022	2021	Change 2023/22 *in %*
Revenue	1,441.0	1,049.5	862.6	37.3
Overall performance	1,474.6	1,078.2	889.3	36.8
EBITDA (adjusted)	123.8	70.1	60.7	76.4
EBITDA margin (adjusted) in %	8.6	6.7	7.0	–
EBITDA	123.8	69.3	59.4	78.5
Earnings per share (undiluted) *in EUR*	5.87	2.75	2.47	113.5
Dividend per share *in EUR*	2.90	1.50	1.50	93.3

Balance sheet *in EUR million*	2023	2022	2021	Change 2023/22 *in %*
Balance sheet total	682.5	557.4	344.6	22.4
Equity	192.6	146.9	133.9	31.1
Net working capital	271.2	173.5	113.4	56.3
Net financial liabilities	231.4	179.5	85.7	28.9
Net financial liabilities/EBITDA	1.9	2.6	1.4	–
Equity ratio in %	28.2	26.4	38.8	–

Cash flow *in EUR million*	2023	2022	2021	Change 2023/22 *in %*
Free cash flow	−20.7	−0.7	−0.2	–
Investments	53.8	72.7	47.9	−26.0

Sales by product category *in units*	2023	2022	2021	Change 2023/22 *in %*
Total units sold	30,613	29,556	25,922	3.6
thereof caravans	12,029	18,130	14,208	−33.7
thereof motorhomes	11,474	7,284	6,659	57.5
thereof camper vans	7,110	4,142	5,055	71.7

Employees *in heads**	2023	2022	2021	Change 2023/22 *in %*
Employees total	4,215	3,986	3,609	5.7
thereof leasing staff	1,116	951	830	17.4

* Full-time equivalents

THE FINANCIAL YEAR AT A GLANCE

HIGHLY DYNAMIC REVENUE DEVELOPMENT

In the 2023 financial year, Knaus Tabbert recorded revenues of EUR 1,441.0 million, which represents an increase of 37.3% compared to the previous year. While this dynamic performance is due to the continued high demand for motorhomes, the Group's multi-brand strategy for the purchase of chassis also contributed to this increase in sales.

MARKET-LEADING POSITION AND HIGH ORDER VOLUME

With 30,613 units sold in 2023, Knaus Tabbert once again ranked at the top of the European registration statistics for leisure vehicles. At the end of 2023, the order volume totalled around one billion euros. This should also have a positive effect on planning security and further growth in 2024.

INCREASING PROFITABILITY

The adjusted EBITDA margin increased by 1.9 percentage points to 8.6% in 2023, marking a significant increase in Knaus Tabbert's profitability. In the long term, this important key figure is expected to exceed 10%.

STABLE DIVIDEND POLICY

In keeping with its sustainable dividend policy, which provides for a distribution of at least 50% of the consolidated net profit for the year according to IFRS, the Management Board and Supervisory Board of Knaus Tabbert will propose to the Shareholders' Meeting that a dividend of EUR 2.90 per share be distributed.

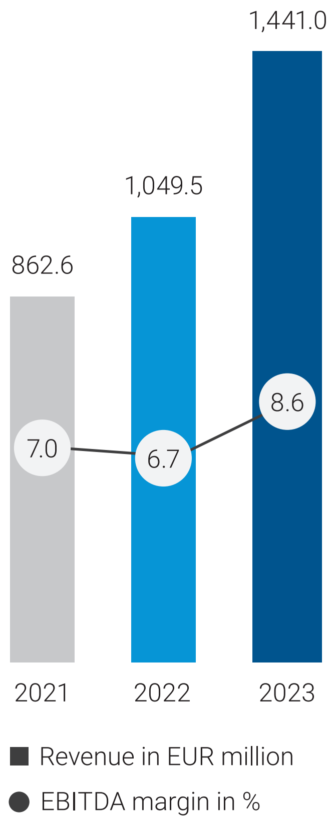
FURTHER DEVELOPMENT OF THE PRODUCT PORTFOLIO

Knaus Tabbert also presented highly innovative new products in 2023: in addition to compact camping utility vehicles, these include the KNAUS YASEO, a caravan specifically designed for use with electric towing vehicles. In addition, the launch of a new brand is planned for 2024.

CONSISTENT SUSTAINABILITY

Knaus Tabbert can also look back on a distinctly positive development in the area of sustainability. In the past financial year, too, the company passed significant milestones on its way to climate-neutral production. In 2023, the company's CO_2 emissions were 50% below those of the base year 2021. With numerous initiatives and measures, we aim to achieve further significant emission cuts in the coming years.

REVENUE AND EBITDA MARGIN



DIVIDEND

in EUR per share

1.50
2021

1.50
2022

2.90
2023[1)]

[1)] Proposal to the Annual General Meeting

PROFITABLE **REVENUE GROWTH** WELL ABOVE MARKET AVERAGE

MODERN PRODUCTION FACILITIES AND HIGHLY QUALIFIED EMPLOYEES

STRONG POSITION IN A CONSTANTLY GROWING MARKET

COMPREHENSIVE **PORTFOLIO** FOR ALL TARGET GROUPS

AMBITIOUS **SUSTAINABILITY STRATEGY**

FOCUSED **GROWTH STRATEGY**

INNOVATION LEADERSHIP IN THE LEISURE VEHICLE SECTOR

KNAUS TABBERT EQUITY STORY

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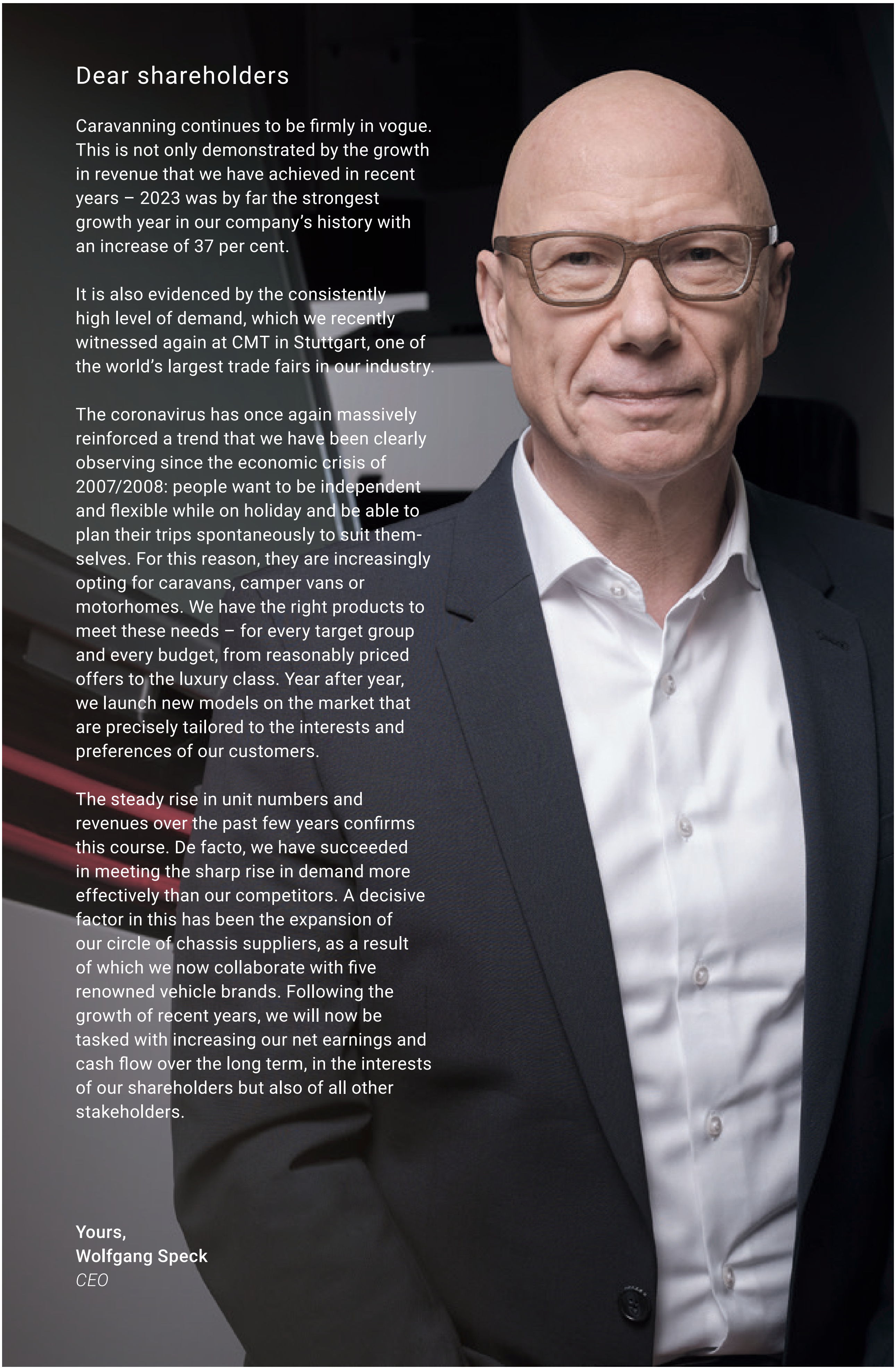


Dear shareholders

Caravanning continues to be firmly in vogue. This is not only demonstrated by the growth in revenue that we have achieved in recent years – 2023 was by far the strongest growth year in our company's history with an increase of 37 per cent.

It is also evidenced by the consistently high level of demand, which we recently witnessed again at CMT in Stuttgart, one of the world's largest trade fairs in our industry.

The coronavirus has once again massively reinforced a trend that we have been clearly observing since the economic crisis of 2007/2008: people want to be independent and flexible while on holiday and be able to plan their trips spontaneously to suit themselves. For this reason, they are increasingly opting for caravans, camper vans or motorhomes. We have the right products to meet these needs – for every target group and every budget, from reasonably priced offers to the luxury class. Year after year, we launch new models on the market that are precisely tailored to the interests and preferences of our customers.

The steady rise in unit numbers and revenues over the past few years confirms this course. De facto, we have succeeded in meeting the sharp rise in demand more effectively than our competitors. A decisive factor in this has been the expansion of our circle of chassis suppliers, as a result of which we now collaborate with five renowned vehicle brands. Following the growth of recent years, we will now be tasked with increasing our net earnings and cash flow over the long term, in the interests of our shareholders but also of all other stakeholders.

Yours,
Wolfgang Speck
CEO

5 ICONIC BRANDS

The Knaus Tabbert Group portfolio comprises five specialised brands: KNAUS and WEINSBERG produce caravans, motorhomes, camper vans and caravanning utility vehicles. TABBERT and T@B focus on the development and production of caravans, while MORELO is one of the leading manufacturers of motorhomes in the Luxury segment. Knaus Tabbert has also been operating the digital rental brand for leisure vehicles, RENT AND TRAVEL, since 2016.

Offers for every target group

This broad positioning encompassing different product categories and price segments enables Knaus Tabbert to appeal to almost every target group, from price-conscious newcomers to very discerning and experienced caravanning holidaymakers. However, Knaus Tabbert's diverse brand portfolio not only caters to the individual preferences of end customers but also provides the range of products sought by dealers.

Top rankings for registrations

The European market is dominated primarily by caravans and motorised leisure vehicles such as motorhomes and compact camper vans. Knaus Tabbert enjoys top rankings in the European registration statistics in all three of these product categories. Prices of vehicles range from around EUR 10,000 to EUR 750,000. Each Knaus Tabbert brand in turn satisfies a broad spectrum of demand which not only encompasses a variety of models but also numerous layout and equipment options. In this way Knaus Tabbert accommodates individual user preferences and requirements from different cultural environments.

While Knaus Tabbert deliberately presents a differentiated external image through its five brands, the company places great emphasis internally on close coordination, synergies and flexibility in production. Modularity, standardisation and building block systems ensure efficient production without compromising the individuality of its products.

KNAUS IS THE ALL-ROUNDER IN KNAUS TABBERT'S BRAND PORT-FOLIO.

The brand, which has been in existence since 1960, relies on Lower Bavarian crafts-manship and high tech in the development and production of leisure vehicles.

KNAUS thus embodies brand tradition and innovation, design and functionality in equal measure. One example of the KNAUS team's inventive talent is the revolutionary FibreFrame technology, which was developed in-house and has enabled the brand to position itself once again as an innovation leader in the industry.

As a full-range supplier, KNAUS offers attractive models in all vehicle categories of the mid-price segment: from caravans and partially or fully integrated motorhomes through to compact camper vans and cara-vanning utility vehicles, which boast supreme living comfort combined with a highly effective use of space.

Lifestyle-orientated and tech-savvy customers, whose geographical focus is on the European market represent the brand's most important target group. Over and above this, the brand also serves the markets in South Korea and Malaysia. The KNAUS range currently comprises four caravan models, nine camper vans and ten motorhome models, each available with different layouts and extension options.

PRODUCTS BY WEINSBERG ARE OUTSTANDING FOR THEIR ATTRAC-TIVE PRICE-PERFORMANCE RATIO.

These products are therefore aimed primarily at users who are price-conscious but at the same time place high demands on quality. The brand's portfolio includes caravans, motorhomes, camper vans and caravanning utility vehicles (CUV), whereby user-friendliness and customer service are central to all of the products.

The brand currently offers two caravan models, two CUV models and seven different motorhome models with a range of different layouts and extension options.

WEINSBERG
Dein Urlaub!

TABBERT HAS BEEN MANUFACTURING CARAVANS FOR MORE THAN 70 YEARS AND IS THEREFORE ONE OF THE MOST TRADITIONAL MANUFACTURERS IN EUROPE.

Today, the brand is a byword for uncompromising quality, underpinned by innovative technical solutions, impressive designs, maximum comfort, durability and safety.

Caravans from TABBERT not only make for luxurious holiday experiences but also provide permanent living space to many thousands of people in Europe.

These customers in particular often invest more than EUR 100,000 in their caravans and are prepared to upgrade to the latest model at intervals of just a few years.

The brand's target customers are primarily discerning, experienced caravanning holidaymakers and long-term users. Currently, the range of products encompasses six models.

KNAUS TABBERT DEVELOPS AND MANUFACTURES FIRST-CLASS MOTORHOMES UNDER THE BRAND NAME MORELO.

They are outstanding thanks to their superior comfort, excellent workmanship and luxurious fittings.

MORELO therefore occupies the upper end of the price segment of the Knaus Tabbert product range. Despite efficient series production, MORELO caters to individual customer wishes when manufacturing its motorhomes.

The product portfolio for this brand currently comprises seven different models, each with numerous layout and extension options. The target group of MORELO are luxury-orientated travellers who are unwilling to compromise on quality and comfort, and who are prepared to invest up to EUR 750,000. Despite its relatively short company history – the brand was not launched until 2010 – MORELO held a market share in 2023 of more than 50 per cent of the European market for luxury caravans, and is the market leader in this segment.

THE PRODUCT RANGE UNDER THE T@B CARAVAN BRAND, FOUNDED BY KNAUS TABBERT IN 2001, IS PRIMARILY AIMED AT A LIFESTYLE-ORIENTATED TARGET GROUP.

All four models from T@B feature a retro design with a contemporary touch, and are reminiscent of classic caravans.

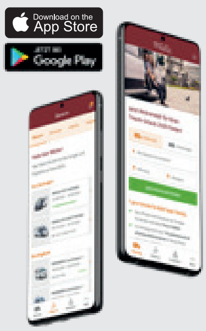
This gives them a considerable edge over other caravans on the market. However, they are by no means notable for their unique, eye-catching design alone. Intelligent extension concepts and well thought-out details offer a high level of living comfort in a limited space.

RENT AND TRAVEL
URLAUB MIT DEM WOHNMOBIL

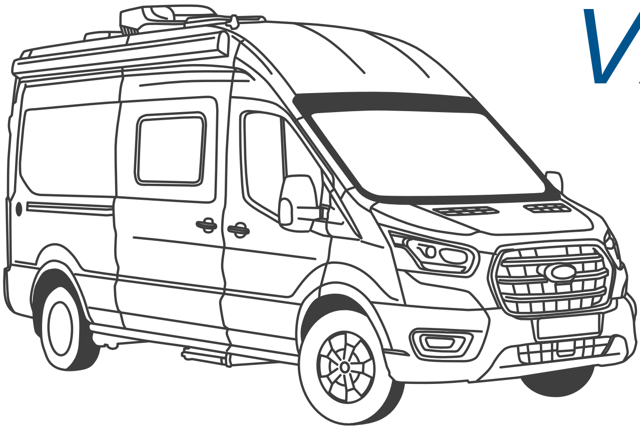
RENT AND TRAVEL

RENT AND TRAVEL is one of the largest digital platforms in Germany and Italy for renting leisure vehicles. It also functions indirectly as an important sales tool for Knaus Tabbert products. This is because around 40 per cent of all buyers choose to rent a motorhome or caravan before going ahead with a purchase.

Currently, more than 2,500 rental vehicles can be booked through RENT AND TRAVEL. As a result, potential buyers come into contact with the diversity of the Knaus Tabbert brand at an early stage, ideally leading them to develop a keen interest in it. RENT AND TRAVEL therefore not only gives holidaymakers the opportunity to enjoy an unforgettable camping experience, but also frequently represents the first step towards owning their own motorhome.



CAMPER VANS



Leisure or holidays? Our camper vans are ready for anything.

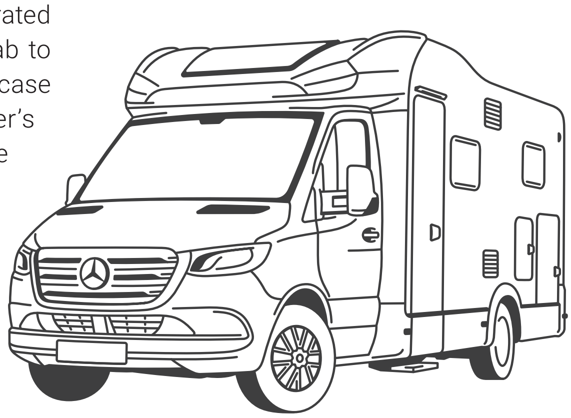
Camper vans are compact, versatile camping vehicles. As a rule, they are classic vans with a homely interior design. From bed solutions with space for up to six people, a wet room through to a kitchen – a camper van offers all the comfortable amenities of larger motorhomes in a smaller space. At Knaus Tabbert, we offer camper vans from the WEINSBERG and KNAUS brands.

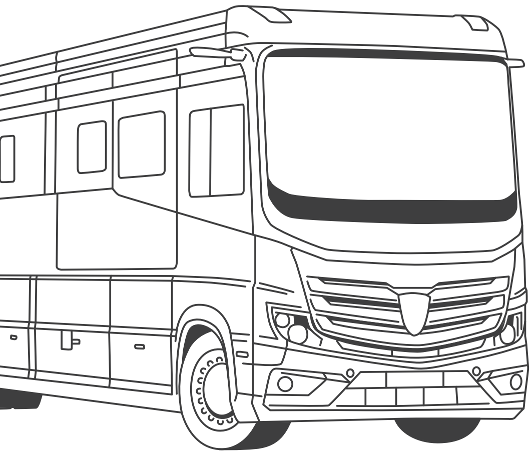
MOTORHOMES

From the classic alcove to modern, fully integrated vehicles.

In contrast to camper vans or CUVs, vehicle models in the motorhome category are based on a completely new body. Here, externally manufactured base vehicles are used exclusively while the body is manufactured entirely by Knaus Tabbert. Semi-integrated, alcove and fully integrated models fall into this category. In semi-integrated models, the transition from the driver's cab to the living area is clearly identifiable. In the case of alcoves, there is a bed above the driver's cab, giving the vehicle its typical appearance featuring a "forward-facing roof".

The transition from the driver's cab to the living area is not visible in fully integrated vehicles, thereby creating a particularly spacious interior. The size and available space can vary in motorhomes, but various bed and bathroom solutions as well as a living room with seating arrangement and kitchen are always incorporated.





LUXURY LINERS

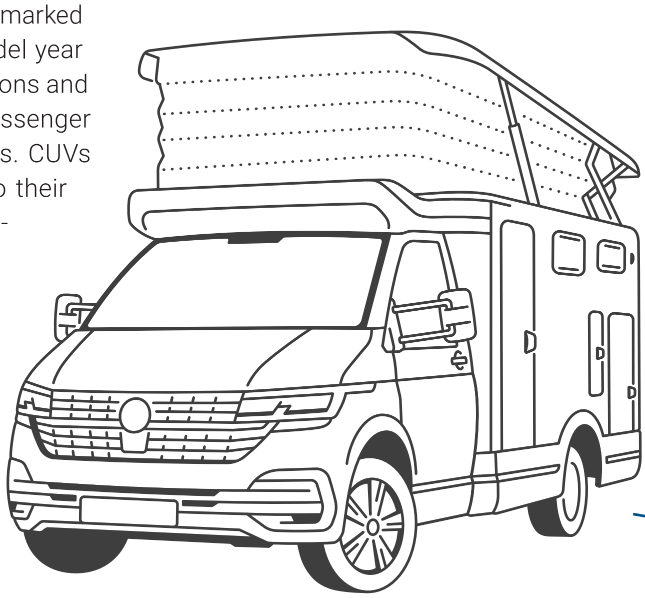
Mobile luxury with every feature you could possibly wish for.

Luxury liners are mounted on lorry frames as standard, which means that their interior space is similarly generous. As the name suggests, these touring vehicles epitomise pure luxury and contain every feature imaginable. Luxury liners from MORELO combine an outstanding, elegant design with supreme travel comfort.

CUVs

The vehicle class for everyday use and holidays.

The Caravanning Utility Vehicles (CUV) from KNAUS marked the start of a new era in camping vehicles in model year 2023. Thanks to their extremely compact dimensions and high driving dynamics, they are comparable to passenger cars and can easily be used as everyday vehicles. CUVs therefore boast real first-car potential. Thanks to their innovative lifting-roof concept, CUVs offer everything in a small space that camping fans know and appreciate in large motorhomes. This includes a full kitchen and a fully equipped wet room alongside comfortable beds.



CARAVANS

The perfect trailer for every need.

Also known as trailers, caravans are fully equipped trailers for motor vehicles. In contrast to motorhomes, caravans do not have their own drive. Depending on the brand, caravan models feature various bed and bathroom solutions, living areas with a comfortable seating arrangement and a small kitchen. Knaus Tabbert supplies caravans for different target groups and needs, and in different price ranges from the following brands: T@B, WEINSBERG, KNAUS and TABBERT.

STRATEGY

SECURING LONG-TERM PROFITABLE GROWTH

The Knaus Tabbert Group's service portfolio includes the development and production of motorhomes, caravans, camper vans and caravanning utility vehicles as well as a wide range of services centred around caravanning. With this comprehensive range of products and services, the company caters to a market that has been characterised by steady growth for many years and that can also be expected to develop positively in the medium and long term. The general trend towards greater individuality, freedom, independence, regionality and eco-friendliness in holiday travel continues unabated. Against this backdrop, Knaus Tabbert has developed a corporate strategy, the basis of which has enabled the Group to record significantly above-average growth in recent years.

MARKET GROWTH: HIGH DEMAND

Tourism in Germany is traditionally very much shaped by mobility. This is reflected, among other things, in the development of new registrations of leisure vehicles, which have risen continuously since a trough in 2010. Most recently, the main driver here has been the high demand for motorised leisure vehicles, a trend that has been further intensified by the coronavirus pandemic. The year 2022 was an exception with production figures falling due to the global chip shortage and ongoing disruptions in the supply chain. In 2023, however, the number of vehicles delivered increased significantly again.

Growth across all target groups

Demand for leisure vehicles continued at a high level in 2023. Knaus Tabbert's order backlog remained stable at approximately 1 billion euros. More than 210,000 leisure vehicles were newly registered throughout Europe in 2023, of which 90,365 were in Germany. It is therefore clear that the European market continues to be in top form, while the number of new registrations in the previous year demonstrate that caravanning remains a growth market. This is due in no small measure to a growing target group; while buyers of leisure vehicles used to belong predominantly to the 50+ generation, an increasing number of younger people – primarily young families – have developed a keen interest in this form of travelling in recent years. With newcomers to caravanning, compact models such as camper vans are in particular demand.

Rental as an efficient sales channel

The rental market also has attractive offers specifically tailored to this customer group. This is because renting a leisure vehicle makes it possible to enjoy a caravanning holiday without high acquisition costs, which incidentally also reflects the trend towards the sharing economy. The market potential is huge: almost one in four adults in Germany can envisage going on a caravanning holiday over the next five years. In Germany alone, this equates to around 14 million people. In turn, the rental market offers Knaus Tabbert the opportunity to convince potential buyers of the quality and versatility of its vehicles. Partnerships with leading rental platforms also create an additional sales channel as many rental companies purposely choose high-quality vehicles from Knaus Tabbert.

FIVE STRATEGIC PILLARS

Within this dynamic market environment, Knaus Tabbert has succeeded in achieving significantly above-average growth than the majority of its competitors in all vehicle segments in recent years. In order to maintain this performance in the future, Knaus Tabbert is focussing on five strategic pillars:

1. Developing future-orientated products and services

By creating a constant stream of new features, products and solutions, Knaus Tabbert asserts its position as an innovation leader, thereby gaining a significant competitive advantage in the market. Numerous new ideas are generated not least from the close dialogue that Knaus Tabbert consciously maintains with customers and camping enthusiasts. This includes ongoing communication with dealers. At the same time, Knaus Tabbert also incorporates customer feedback and requests directly into product development. Most recently, the company developed a compact camper van based on a social media initiative and successfully placed it in the #VanLife community under the name CaraLife.

Focussing on innovation and development

More than 100 employees are working on developing new solutions and refining existing products at the Knaus Tabbert innovation centre in Jandelsbrunn alone. In total, the company holds around 200 trademark and design protection rights as well as usage and technical patents in its key markets. Developing new products is a complex process that encompasses various divisions and departments within the Group. Focus areas for development currently include lightweight components, eliminating dependence on external power supplies, and the use of sustainable materials and electric drive systems. At the Caravan Salon in Düsseldorf in September 2021, Knaus Tabbert presented a concept for a motorhome with an electric drive for the very first time. For the 2024 model year, the company has now launched a caravan, the KNAUS YASEO, which is specifically designed for use with electrically powered towing vehicles.

FIVE STRATEGIC PILLARS FOR ABOVE-AVERAGE GROWTH

1 Developing **future-orientated products** and services.

2 **Multi-brand strategy** with products for every target group.

3 Competitive advantages through **state-of-the-art production methods.**

4 **Innovative strength** through qualified and motivated employees.

5 **Growth** by expanding the dealer network & opening up new markets.

Comprehensive service portfolio

Knaus Tabbert took another important strategic step in terms of brand loyalty in 2016 when it launched the digital rental brand RENT AND TRAVEL. On the user-friendly website www.rentandtravel.de – one of the largest platforms of its kind in Germany – visitors can rent Knaus Tabbert vehicles. RENT AND TRAVEL expanded to Italy at the end of 2023, and the service is set to extend to Sweden, Austria, Switzerland and the Netherlands by 2024. Potential new customers come into contact with the Knaus Tabbert brand world on the platform at an early stage. Their subsequent purchasing decisions will have been heavily influenced by their rental experience.

Another digital offering from Knaus Tabbert features smartphone apps with services relating to travel planning and technical product support.

2. Multi-brand strategy with products for every target group

The Knaus Tabbert portfolio comprises the five brands KNAUS, TABBERT, WEINSBERG, T@B and MORELO. The Group is thus positioning itself with attractive products for almost every target group – from lifestyle customers to luxury holidaymakers, from small caravans and camper vans through to luxury motorhomes. With its digital rental brand RENT AND TRAVEL, Knaus Tabbert is also targeting individuals who have not yet decided to purchase a leisure vehicle but would like nevertheless to enjoy a camping holiday.

Knaus Tabbert's multi-brand strategy encompasses not only a high level of diversity in its own product portfolio but also initiatives in the supply chain. Hence, Knaus Tabbert has positioned itself much more broadly in terms of motorised chassis. Today, the company is the sole manufacturer of leisure vehicles that is supplied by five independent vehicle manufacturers: Ford, MAN, Mercedes-Benz, Stellantis and Volkswagen Nutzfahrzeuge. This allows Knaus Tabbert to respond to customer and market requirements with the utmost precision.

3. Competitive advantages through state-of-the-art production methods

Knaus Tabbert boasts a modern and highly efficient production network. The Group employs over 4,000 members of staff at its sites in Jandelsbrunn, Mottgers and Schlüsselfeld in Germany and Nagyoroszi in Hungary. More than 80 per cent of them work in production. Knaus Tabbert also places great emphasis on the industrialisation of new technologies, in particular automated production processes that allow greater flexibility. This ensures that the company can always adapt promptly to market developments and fluctuations in demand.

Efficient and flexible production

If necessary, the Group is able to manufacture motorhomes, caravans and camper vans on a single production line. The consistent standardisation of manufacturing processes also makes it possible to produce the same models of all premium brands at almost all locations, which significantly increases flexibility within the production network.

Ongoing investments

In order to meet the consistently high demand for leisure vehicles, Knaus Tabbert has substantially expanded its capacities and production technologies as part of a far-reaching investment programme at all of its locations. In Jandelsbrunn, for example, a new production hall with an area of 24,000 square metres was put into operation in 2023. In Schlüsselfeld, we are currently investing in a second production line for the luxury models of the MORELO brand, which will go into operation in 2024. State-of-the-art production facilities and technologies are generating long-term increases in productivity and capacity throughout the Group. As a result, Knaus Tabbert's technical production capacity increased to around 35,000 vehicles per year by the end of 2023.

4. Innovative strength through qualified and motivated employees

Well-qualified, experienced employees are an essential prerequisite if the Knaus Tabbert Group is to continue to grow. In order to counteract the current shortage of skilled workers in Germany, the Group has launched a series of initiatives and programmes for recruiting, training and further educating employees. At Knaus Tabbert, personnel development is closely integrated into strategic human resources planning and aims to ensure excellent professional development opportunities through a targeted increase in employee qualifications.

Further education and professional development

New colleagues receive in-depth training at the Knaus Tabbert Academy to prepare them for their future roles. Further education courses also take place here, including courses leading to qualifications as a professional caravan salesperson or service advisor, which are certified by the German Chamber of Industry and Commerce. The Knaus Tabbert Academy also serves as the central training facility for all apprentices in the company. The basic principle of the Academy is: learning with and from each other. Apprentices and experienced specialists work closely together. However, the Academy is not merely a training facility but also a centre for professional development where existing employees can gain further qualifications.

Knaus Tabbert is continuously expanding its further education and professional development programme. The company is currently training wood technicians, electronics technicians and mechatronics engineers, to name but a few professions. Most recently, the Group joined forces with the Caravanning Industry Association to develop a new training course for qualification as a "Caravan and Motorhome Technician", which was launched in 2023. By introducing this new apprenticeship, Knaus Tabbert is responding to the strong growth experienced by the industry as well as to the increasing complexity and volume of modern technology used to develop and manufacture leisure vehicles.

Attractive employer

The impression given by Knaus Tabbert to potential employees at job fairs and other recruitment fairs is that of a highly attractive employer. As part of a key initiative, Knaus Tabbert aims to recruit women in particular as skilled workers and managers. In this context, the company would like to cater even more to the different life situations of its employees in future, taking their individual wishes and expectations of their workplace into account. This applies to daily or weekly working hours as well as working lifetime. Modern working-time models ensure that all these aspects are reconciled at Knaus Tabbert.

5. Revenue growth by expanding the dealer network and opening up new markets

Knaus Tabbert expects additional growth momentum from the development of new markets and increased market penetration. To this end, our dealer network is being expanded on an ongoing basis, co-operation with existing dealers intensified and new dealers approached in regions not yet addressed. Currently, Knaus Tabbert is represented by almost 600 dealers in 20 countries.

Southeast Asia as a growth market

The Southeast Asian market is expected to develop particularly dynamically in the long term. The reasons for this are the growing prosperity in the region and population growth. Around 700 million people live in Southeast Asia (ASEAN). Knaus Tabbert has been very successfully represented in South Korea for many years and is among the leaders in the registration statistics there. Malaysia is of particular strategic importance for Knaus Tabbert. Given its proximity to the world's second-largest seaport in Singapore and the neighbouring sea route through the Strait of Malacca, the country is a metropolitan region of global logistics chains. Knaus Tabbert was the first European company in the industry to achieve "Pioneer Status" from the Malaysian Ministry of Investment, Trade and Industry and the local licensing authority following the homologation of its first caravan models at the end of 2022. In future, Malaysia is to serve as the hub of Knaus Tabbert's Southeast Asia strategy.

TABBERT

Bewegende Momente

INTERVIEW WITH THE MANAGEMENT BOARD

THE FOCUS IN 2024 IS ON OPTIMISATION

AN INTERVIEW WITH THE MANAGEMENT BOARD OF KNAUS TABBERT ON THE 2023 FINANCIAL YEAR, THE CURRENT SITUATION IN THE INDUSTRY, THE NEW CHALLENGES AND THE PROSPECTS THAT LIE AHEAD FOR KNAUS TABBERT.

Mr Speck, you have been a member of the Knaus Tabbert Management Board for eleven years now. When you look back as CEO: How do you think the industry, and by association Knaus Tabbert, has developed over the course of this decade?

Wolfgang Speck: Since the economic crisis of 2007/2008, the industry has shown considerable growth momentum, increasing dramatically once again with the onset of coronavirus. Knaus Tabbert has grown even more significantly during this period as we have systematically developed from a manufacturer of motorhomes into a full-range supplier, and this has borne fruit. While the German market has tripled since 2009, we have been able to increase our sales by a factor of ten. The backdrop to this clear outperformance of the market is the increasing volume of motorhomes and camper vans. In 2010, they accounted for 36 per cent of sales and now have a share of just over 80 per cent today.

The coronavirus pandemic has led to a sharp rise in demand for leisure vehicles. However, the market slowed down significantly in 2022 due to the global shortage of semiconductors, with registration figures even declining. How do you think the situation will develop over the next few years?

Wolfgang Speck: The problems experienced with deliveries over the last few years were primarily due to the lack of availability of motorised base vehicles. We have resolved this issue through new partnerships now in place with five chassis suppliers. This is very clearly demonstrated by the strong sales momentum seen in 2023; with an increase of just over 70 per cent, it was the year with the strongest growth ever recorded in the history of Knaus Tabbert. Our current focus is on normalising the supply chains and bringing them back to pre-pandemic levels.

Gerd Adamietzki: The pandemic has indeed led to a rapid increase in demand for leisure vehicles; travelling in a motorhome as a form of recreation has now become popular among all sections of the population. However, coronavirus was not the only trigger for this growth. The industry had already observed a significant increase in buyer interest in previous years. The pandemic greatly accelerated this trend: Knaus Tabbert's revenue was just under EUR 800 million in 2020, rising to EUR 1.4 billion in 2023, an increase of almost double.

As you mentioned previously, you have expanded your circle of suppliers for motorised vehicles to five. What implications does this have for the future?

Gerd Adamietzki: This decision was a liberating move for Knaus Tabbert as it allows us to deliver more independently and reliably. With our new partners – Ford, MAN, Mercedes-Benz and Volkswagen – we are also addressing an additional group of customers who attach importance to the origin of the base vehicle, from simple motorhomes to high-end luxury models. This diversity also creates additional market potential for us.

Werner Vaterl: It goes without saying that this increase in diversity is accompanied by greater complexity. We are currently addressing this issue in depth and working on optimising our supply chains and production processes. It should not be underestimated that we now have five chassis brands in our range and currently even offer six chassis, as we install both the Crafter and the T6.1 from Volkswagen. Initially, this meant in particular an enormous coordination effort, high stock levels and a corresponding increase in working capital. One of the key tasks in 2024 will be to examine this complex system thoroughly and tailor it precisely to our needs.

The CMT Stuttgart, one of the world's largest trade fairs for recreational vehicles, took place in mid-January. What impression did you get there in terms of future market developments?

Gerd Adamietzki: Interest remains strong even after the pandemic and we could clearly discern this at the trade fair. The autonomous form of travel offered by motorhomes is becoming increasingly attractive, especially for the younger generation. The trend is clearly pointing towards smaller, more compact models, and in 2023 we had already responded to this by launching our WEINSBERG CaraLife. The impression we received at the trade fair confirmed that we are on the right track.

Wolfgang Speck, CEO

Interest in solutions revolving around self-sufficiency and e-mobility is also growing, which is why we are constantly working on electrifying our products and making leisure vehicle travel as sustainable as possible. Incidentally, the sales figures at the CMT were very encouraging and were around the average of recent years. Given the high level we have reached, this is quite remarkable, but of course we can no longer expect such high growth rates as we experienced during the coronavirus pandemic.

Speaking of growth: Knaus Tabbert has recorded enormous increases in production figures and revenue in recent years. Your medium-term planning envisages a further increase in renvune from EUR 1.44 billion to EUR 2 billion by 2027. Are you standing by this optimistic forecast?

Wolfgang Speck: We are adhering to our medium-term planning. The turnover of EUR 1.44 billion in 2023 confirms that we are pursuing the right course. The forecast for 2024 continues to show the sustainable growth potential of caravanning as a form of holidaying. We will continue to participate in this. At the same time, we do not wish to lose sight of our organic growth targets. In the last three years, we have hired around 1,000 new employees and invested in new production halls. We intend to make even better use in 2024 of the potential offered by these investments and the new workforce.

In addition to our growth plans, we are also increasingly focussing on solid earnings and balance sheet quality. For 2024, we will be concentrating on stronger FCF generation and ROCE. We also wish to make progress towards achieving double-digit EBITDA performance in 2024. In other words, we have reached the final base camp sooner than expected during our climb to the summit over the past three years. Now we are sorting ourselves out, gathering our strength and determining the team who will accompany us on our march to the cross on the summit.

How will the capital market react to a "normal" financial year for Knaus Tabbert without new record revenues?

Wolfgang Speck: Record revenues like those of the past few years convey succinct, easy-to-understand messages that are naturally well received by our investors. We are proud of the fact that we were able to increase our revenues by a total of 67 per cent in just two years under the most adverse conditions. However, the capital market understands only too well that the value of a company is also shaped by attractive profit margins and strong balance sheets. We are not a start-up that can be forgiven for years of losses as long as the growth story holds true. We have to fulfil everything: revenue growth, solid results that show potential, attractive dividend payments and a technologically sound vision for the future; and that is exactly what we are doing at Knaus Tabbert.

Knaus Tabbert enjoys the reputation of being an innovation leader in the industry. What are your priorities in terms of development?

Werner Vaterl: As already mentioned, one of our focal points is the “electrification of leisure vehicles". We are not only focussing on converting the drive to electric power but also on the technical infrastructure and energy supply, alongside digitalisation as motorhomes are increasingly becoming smart homes. Lightweight construction also plays an important role: the lower the weight of a vehicle, the less energy it consumes. Incidentally, one highlight in 2024 will be the launch of a completely new brand which is intended to appeal to a younger audience by offering an attractive complete range. This will be our sixth brand at Group level and the fifth in the premium segment.

You actually announced the launch of this new brand at the time of Knaus Tabbert's IPO in 2020. Why is it only taking place now?

Gerd Adamietzki: This is because the last few years were simply the wrong time for it – we were already struggling to keep up with demand for some of our existing brands. We had finalised the concept for the new brand a long time ago but were unwilling to run the risk of damaging it immediately after its launch as a result of delivery problems. Now that momentum is returning to normal, we are able implement our plan and will present the new brand to the trade and the public in the second half of 2024

We have already talked about the high demand for motorhomes. Can campsites and other infrastructure even keep pace with this development?

Werner Vaterl: Campsite infrastructure is definitely one of the main issues facing our industry as it has not grown in Europe as dynamically as the number of automobiles. For consumers, this means that they have to plan their trips much earlier and more precisely, resulting in a loss of flexibility, which is one of the advantages of caravanning. However, this is only a question of time as supply will increase in line with the rise in demand. After all, caravanning is a high value-added factor, not least for local communities. Camping is no longer just a summer activity, with more and more people now enjoying motorhome holidays in the winter. We are also noticing that campsites have significantly improved in quality. In addition, we are seeing new developments such as lastminute offers for campsite bookings, which in turn are increasing the general momentum.

The development of your luxury brand MORELO has been particularly remarkable. You are currently establishing a second production line in order to meet the high demand. Where is the luxury segment heading?

Wolfgang Speck: The luxury segment is very robust because it is not so heavily affected by the economic environment. After all, financing issues are usually of little relevance to MORELO customers when making a decision to purchase. We anticipate that we will continue to increase unit sales in this segment – as in the rest of the Group. This is the reason why we have decided to install a second production line for MORELO. The diverse models require a different number of production steps and hours due to their widely varying dimensions, ranging from just under 7 to just under 12 metres in length, and this cannot be achieved optimally on a single line. The second production line will enable us to overcome this problem and produce the larger and smaller models separately in future.

Werner Vaterl, COO

In 2022, you also significantly expanded your capacities in Jandelsbrunn. Have you generated sufficient capacity for the time being, or will you perhaps even need to build a completely new plant in the medium term?

Werner Vaterl: With our latest investments, we have reached a capacity of 35,000 units per year. Consequently, there are no plans at the moment for major investments in Jandelsbrunn or other plants. We can also achieve further increases in capacity by optimising processes and the flow of materials at the existing sites.

Wolfgang Speck: In the years since our IPO, we have invested more than EUR 150 million in expanding our capacities and in automating processes. Over the next few years, we aim to limit investments to 3 to 4 per cent of revenue while maintaining our sales target of EUR 2 billion.

Currently, you collaborate with around 600 dealers. Are there still "white areas on the map", or does Knaus Tabbert have a sufficient presence on the market?

Gerd Adamietzki: We are very well positioned with around 600 dealers in Europe so there are no white areas, but there may be some grey ones. We see good potential in the Eastern European market, where we will increasingly position ourselves as a manufacturer in the next few years.

And what about your activities in the Asian market, i.e. Malaysia?

Wolfgang Speck: From today's perspective, Asia is definitely a future market for Knaus Tabbert, but without a concrete timescale. We believe there are good opportunities for us to gain a foothold in the Central Asian region together with our partners. In South Korea, for example, we already have a strong presence with our KNAUS brand through a trading partner and so we are very familiar with the market. In general, we recognise the potential here to become an established brand for leisure vehicles outside Europe as well. Malaysia is an ideal central hub for this, not least because of its geographical location.

In 2016, you founded the digital rental brand RENT AND TRAVEL in order to create more awareness for the Knaus Tabbert brand world. In the meantime, there are a large number of similar providers. Against this backdrop, does it make sense to have your own rental platform?

Gerd Adamietzki: RENT AND TRAVEL continues to be an important building block in our portfolio as the platform offers our trade partners attractive opportunities for extra business. Thanks to RENT AND TRAVEL, we are also well anchored in the market with around 2,500 vehicles and in this way are connected to a large customer base. As Knaus Tabbert does not act as a rental company itself, the financial risk is minimal because we only provide the software or platform that brings providers and interested parties together, similar to well-known hotel and travel platforms..

Gerd Adamietzki, CSO

How are you dealing with the current shortage of skilled labour and what measures are you taking to attract and retain qualified employees?

Werner Vaterl: I can start off by mentioning one of the highlights of 2023: In September 2023, our Jandelsbrunn plant launched the new "Caravan and Motorhome Technician" training programme, which was co-developed by Knaus Tabbert and which we are using purposefully to train our skilled workers. In doing so, we have created a role model for the entire industry and once again have proved to be a driving force.

Overall, we have two main thrusts when it comes to ensuring a sufficient supply of labour: we strategically position ourselves as an attractive, reliable employer in the regions where we are based. The fact that we have succeeded in hiring 1,000 new employees in recent years proves that we make an attractive offer on the labour market. In Jandelsbrunn and the surrounding area, for example, we are by far the largest employer. The situation is similar at our other locations. People value us because they also benefit greatly from us. Another positive factor is that our plants tend to be located in outlying areas where competition for labour is not too fierce. On the other hand, we design our processes to be as lean as possible so that growth in production volume does not have a 1:1 impact on the number of employees.

Turning now to the result for the 2023 financial year: You issued Guidance for the EBITDA margin of 8.5 to 9 per cent. Were you able to fulfil this target in 2023?

Wolfgang Speck: Yes, we were able to meet both the reveneu forecast of EUR 1.44 billion and the earnings forecast comfortably with an adjusted EBITDA margin of 8.6 per cent. While Knaus Tabbert's revenue growth in 2023 was around 37 per cent, the number of units sold only rose by a moderate 3,6 per cent. This can be explained by the significant change in the product mix. While we produced approximately 60 per cent caravans and 40 per cent motorised vehicles in 2022, the ratio was reversed in 2023: 60 per cent motorised vehicles and 40 per cent caravans. In terms of revenue, we already generated 80 per cent of our revenue in the motorised vehicle segment in 2023. In 2024, the ratio is expected to improve further in favour of motorised caravans, although the overall number of units will remain largely the same. One factor behind this positive development is our previously mentioned multi-brand strategy for chassis, which generally enables us to deliver significantly faster than other market players.

As mentioned earlier, we also see a need for further optimisation following the massive growth of recent years despite these encouraging figures. This applies in particular to working capital, whereby we are looking to reduce the capital committed to inventories and the stock of finished and unfinished vehicles, and thus increase our free cash flow. This will be one of the core issues in 2024.

The value of your share today is around 20 per cent below the issue price of 2020. In 2023, there was a slight upward trend. How do you assess this development?

Wolfgang Speck: Basically, the fact that we are still quoted below the issue price even though revenue and EBITDA have almost doubled since the IPO, is not something we can congratulate ourselves on! Admittedly, we have probably failed to fully meet expectations in the short time we have been listed on the stock exchange as a result of making several adjustments to our forecast. However, this was not due to a lack of planning but because our supply chains collapsed and we were therefore unable to satisfy demand promptly. Now it is important to inspire confidence and show that Knaus Tabbert is able to assess and plan reliably. At the same time, we want to continue to be a reliable dividend payer. We would therefore like to maintain our dividend policy for the 2023 financial year in line with the positive earnings performance. In other words, we will propose to the Shareholders' Meeting the distribution of a dividend of EUR 2,90 per share.

Finally, what are your concrete expectations for the current year 2024?

Wolfgang Speck: After the extraordinary years of the coronavirus pandemic, the caravanning industry should return to a normalised growth dynamic in 2024. We continue to see great interest in caravanning, especially among younger target groups. At the same time, the baby boomers of the 1960s are likely to open up increasing potential for the market when they retire. Covid has also made caravanning interesting for completely new target groups, many of whom have stuck with it. And: people are spending more money on their dream vacation than ever before. This was already clearly evident in 2023. We therefore expect stable development in the 2024 financial year at the high level of 2023. This means that both sales and earnings – specifically EBITDA and the adjusted EBITDA margin – should be at a similar level to 2023. We will probably reach 200,000 new registrations in Europe again this year. We currently supply this market with just around 30,000 units. We can also summarise from this perspective: There is still growth potential for Knaus Tabbert.

MORELO
FIRST CLASS REISEMOBILE

REPORT OF THE SUPERVISORY BOARD

Knaus Tabbert can look back on a very successful financial year marked by strong revenue growth. The decisive factor for this was the prolonged stabilisation of supply chain which resulted in improved scope for planning production processes. More importantly, however, Knaus Tabbert's success in the previous financial year can be attributed to the company's good strategic positioning achieved through its multi-brand chassis portfolio. The severe geopolitical and economic disruptions of recent years served as valuable lessons in this regard. Due to the vastly improved availability of chassis and box vans, we succeeded in expanding our product mix in favour of higher-priced motorhomes and camper vans. Price increases driven by inflation were also responsible for bolstering our growth. Furthermore, we continued to benefit from a high demand for our products in the 2023 financial year. Developments such as these make us optimistic that we will be able to continue Knaus Tabbert's success story in 2024. The company aims to further consolidate its strong position in the market, and I am confident that we will reach the next milestones in the history of the Knaus Tabbert Group and help shape the future of the caravanning industry with lasting effect.

COOPERATION OF THE CORPORATE BODIES

In the 2023 financial year, the Supervisory Board performed all duties required of it by law, the Articles of Association and the Rules of Procedure with due care and diligence, in line with the German Corporate Governance Code (GCGC). The Supervisory Board therefore 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 obligation to inform. It reported regularly, promptly and comprehensively in written and/or verbal form on all issues of strategy, planning, business development, the risk position, risk development and compliance relevant to the Knaus Tabbert Group. The Supervisory Board and the Management Board regularly exchanged information in order to discuss collectively the latest developments and their impact on the company.

The members of the Supervisory Board had ample opportunity to examine critically 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 their 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 of the Management Board, Wolfgang Speck, and the Chief Financial Officer, Carolin Schürmann, and consulted with both on issues relating to the company's strategy, business development, risk position, risk management and compliance.

The Supervisory Board held eight meetings in the year under review. Furthermore, the Supervisory Board adopted two resolutions by way of circulation procedure.

The Management Board regularly informed the Supervisory Board of all significant economic developments within the Group. During the reporting period, the Management Board provided the Supervisory Board with ongoing information on all fundamental issues of corporate planning, including financial, investment, sales and personnel planning, current developments at Group companies, revenue trends, the 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. In addition, 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 developments on the capital markets.

Further topics of consultation included the further development of the product portfolio, ensuring adherence to product compliance requirements, safeguarding the company's competitiveness in the long term and the continued implementation of measures to ensure sustainable, future-orientated mobility in conjunction with Knaus Tabbert's sustainability strategy.

The Supervisory Board made some important personnel decisions in the 2023 financial year. Thus, in February 2023, new Management Board contracts were concluded with Gerd Adamietzki (CSO) and Werner Vaterl (COO) on the basis of a resolution to reappoint them as Management Board members from 1 August 2023. Both Management Board members were appointed for a period of five years, i.e. until 31 July 2028. These two decisions are in recognition of Gerd Adamietzki and Werner Vaterl's successful performance over the past few years. Both are proven experts in the caravanning industry and have been instrumental in the success of Knaus Tabbert in recent years. Given the growth course we are pursuing, continuity in corporate management is essential for the future success story of the company and the positioning of Knaus Tabbert in the caravanning market.

Attendance at the meetings of the Supervisory Board and its committees was as follows:

	SB	PC	AC	NC
Dr. Esther Hackl	(8/8)	(2/2)	(4/4)	(1/1)
Anton Autengruber	(8/8)	(2/2)	(4/4)	
René Ado Oscar Bours	(8/8)			
Jana Donath	(7/8)		(4/4)	
Daniela Fischer	(6/8)			
Stephan Kern	(8/8)			
Klaas Meertens	(6/8)		(0/4)	(0/1)
Manfred Pretscher	(8/8)			
Willem Paulus de Pundert	(7/8)	(2/2)	(3/4)	(1/1)
Linda Schätzl	(8/8)			
Robert Scherer	(8/8)			
Ferdinand Sommer	(8/8)	(1/2)	(4/4)	

SB – Supervisory Board; PC – Presiding Committee; AC – Audit Committee; NC– Nomination Committee

The Mediation Committee did not convene during the reporting period.

The members of the Management Board participated in Supervisory Board and committee meetings; however, the Supervisory Board also regularly met for talks without the attendance of the Management Board. In the 2023 financial year, Supervisory Board and committee meetings were held both as virtual and physical meetings.

MEETINGS OF THE SUPERVISORY BOARD IN THE 2023 FINANCIAL YEAR

At the Supervisory Board meeting on 23 January 2023, the corporate strategy was discussed in detail against the backdrop of the latest developments, and the succession planning for the Management Board was examined at length.

At its meeting on 3 February 2023, the Supervisory Board dealt with management matters relating to the reappointment of acting Management Board members Gerd Adamietzki (CSO) and Werner Vaterl (COO) and adopted a corresponding resolution for their reappointment.

At its meeting on 1 March 2023, a resolution was passed on the payout of the STI 2022, and the number of performance shares to be allocated under the long-term variable remuneration (LTIP) for the period from 2023 was defined. Other topics included an internal audit report on current audit findings, the Supervisory Board's qualification matrix and an update on product compliance.

At its meeting on 29 March 2023, the Supervisory Board discussed the individual financial statements and the consolidated financial statements for 2022, each of which had received an unqualified audit opinion from the auditor, as well as the Management Board's proposal for the appropriation of profits (in the absence of the Management Board). The Supervisory Board also dealt in detail with investment planning and product compliance.

At its meeting on 11 April 2023, the Supervisory Board discussed and approved the non-financial reporting for the 2022 financial year. Another focus of the meeting was the resolution on the remuneration report, preparations for the 2022 Shareholders' Meeting of Knaus Tabbert AG and the necessary resolution proposals.

At its meeting on 6 June 2023, the Supervisory Board discussed and approved the multi-year plan. Furthermore, targets for the LTIP were set in accordance with multi-year planning. Other focal points of the meeting were the approval of the merger of two Knaus Tabbert AG trading companies and an update on product compliance.

At its meeting on 28 August 2023, the Supervisory Board dealt with strategic issues relating to the company. This included discussions on the current sustainability strategy. Another focus was on lightweight construction and electro-mobility within the company. The Supervisory Board also dealt intensively with the topic of product compliance.

At its meeting on 19 December 2023, the Supervisory Board approved the budget for the financial year ending 31 December 2024. The Supervisory Board also adopted a positive resolution on the adjustment of the multi-year plan and approved the appointment of a member of the Management Board to an advisory board. In addition, the topic of product compliance was discussed in depth. Furthermore, the Supervisory Board passed a resolution on the STIP targets for the Management Board for the 2024 financial year and on the annual Declaration of Compliance in accordance with Section 161 of the German Stock Corporation Act (AktG). It also dealt with the results of the efficiency audit of the Supervisory Board, an update from the Audit Committee and the appointment of new members to the Audit Committee.

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. Use was not made of this provision in the 2023 financial year.

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 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 twice in the 2023 financial year.

At the committee meeting on 28 February 2023, the Presiding Committee dealt with the payout of the STIP 2022. It also discussed the allocation of the performance shares to be awarded under the LTIP for the performance period from 2023. Furthermore, the Committee addressed the qualification matrix for the Supervisory Board.

At its meeting on 18 December 2023, budget and investment planning for the 2024 financial year and an adjustment to multi-year planning were discussed. The Committee also dealt with the STI for the Management Board for the 2024 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 the German Corporate Governance Code (DCGK), the Chairwoman of the Audit Committee, Jana Donath, in her capacity as an independent financial expert, boasts special knowledge and experience in the application of accounting principles and internal control and risk management systems as well as auditing expertise as defined by Section 100 para. 5 AktG as a result of her academic qualifications and relevant professional experience. In this sense, Wim Paulus de Pundert possesses specialist expertise and experience in the field of accounting as a result of his professional background. The Audit Committee is primarily responsible for monitoring accounting, including the financial reporting process, the appropriateness and 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 encompasses defining the focal points of the audit and reaching an agreement with the auditor on their 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 adoption of the annual financial statements and the approval of 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 to be submitted by the Supervisory Board to the Shareholders' Meeting for the election of the auditor.

The Committee convened four times in the 2023 financial year. In addition, two circular resolutions were adopted on the topic of non-audit services.

At its meeting on 28 March 2023, the Audit Committee discussed the annual and consolidated financial statements as of 31 December 2022 and the audit results submitted by the auditor. Furthermore, the Committee dealt with the annual reports submitted by the Internal Audit department, the internal control system and the risk management system as well as their effectiveness. In addition, the meeting assessed the quality of the audit. On this basis, a recommendation was prepared for the Supervisory Board.

At its meeting on 9 May 2023, the Audit Committee addressed the report for the quarter ending 31 March 2023 and the current risk position. In addition, it discussed the audit planning of the Internal Audit department for the 2023 financial year and upcoming measures in the area of compliance, such as the German Act on Corporate Due Diligence Obligations in Supply Chains and the mandatory recording of working hours. The Audit Committee also dealt with training programmes in the area of compliance.

At its meeting on 8 August 2023, the Audit Committee addressed the half-year results and the corresponding reporting. In addition, the results of the audits carried out by the Internal Audit department up to that point were discussed and the budget and audit planning for the financial year ending 31 December 2023 were discussed with the auditor of the annual financial statements. The current status and effectiveness of the risk management system were analysed in a separate workshop attended by the auditor of the annual financial statements.

At its last meeting on 6 November 2023, the Audit Committee dealt with the quarterly results as of 30 September 2023 and the corresponding reporting. It also discussed the current status of the risk position, the results of the internal audit, and developments and analyses relating to the internal control system and the compliance management system. Furthermore, planning for the audit of the annual financial statements was discussed in detail with the auditor.

Members of the Audit Committee:

- Jana Donath (Chairwoman)
- Dr. Esther Hackl (Deputy Chairwoman)
- Anton Autengruber
- Klaas Meertens (until the end of 2023)
- René Bours (since the beginning of 2024)
- Willem Paulus de Pundert
- Ferdinand Sommer

In December 2023, the decision was taken to make personnel changes to the Audit Committee. With effect from the 2024 financial year, René Ado Oscar Bours will replace Klaas Meertens on the Audit Committee.

NOMINATION COMMITTEE

The Nomination Committee consists of three shareholder representatives on the Supervisory Board. The Chairwoman of the Nomination Committee is also the Chairwoman of the Supervisory Board. 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.

In the 2023 financial year, the Committee convened once on 8 December 2023 to discuss personnel changes within the Audit Committee.

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, her deputy, one member elected by the employee representatives on the Supervisory Board and one member elected by the shareholder representatives on 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 can be reached on this with the requisite majority by the Supervisory Board.

The Mediation Committee did not convene in the 2023 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 2023 AUDITED AND APPROVED

The Management Board prepared the annual financial statements for the 2023 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 Wirtschaftsprüfungsgesellschaft, 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 26 March 2024, 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 any 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 content 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 2023 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 the consolidated financial statements prepared by the Management Board. The financial statements for the 2023 financial year were thus adopted.

The separate non-financial report for the 2023 financial year will be published on 17 April 2024 following an examination by the Supervisory Board on the basis of a review by the auditor and a recommendation by the Audit Committee, provided that the Supervisory Board concludes that it meets the existing requirements and that 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 2.90 per share was carried by the Supervisory Board.

CORPORATE GOVERNANCE AND DECLARATION OF COMPLIANCE

The Supervisory Board has studied the 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 2023. No deviations from the recommendations of the GCGC were declared.

The Declaration of Compliance and other documents on corporate governance are made permanently available to shareholders on the Internet at 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, there were no incidences of conflicts of interest on the part of members of the Management Board or Supervisory Board requiring immediate disclosure to the Supervisory Board.

Jandelsbrunn, 26 March 2024

Dr. Esther Hackl (Chairwoman of the Supervisory Board)

CORPORATE GOVERNANCE

The Corporate Governance Statement pursuant to Sections 289f and 315d of the German Commercial Code (HGB) is an integral part of the Management Report. According to 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 Compliance with the German Corporate Governance Code issued by the Management Board and the Supervisory Board of Knaus Tabbert AG pursuant to Section 161 of the German Stock Corporation Act (AktG)

Knaus Tabbert AG complies with all recommendations of the "Governmental Commission on the German Corporate Governance Code", as amended on 28 April 2022 and published by the Federal Ministry of Justice in the official section of the Federal Gazette ("Code"), and will continue to comply with them in the future. Since issuing its most recent Declaration of Compliance on 22 December 2022, Knaus Tabbert AG has complied with all recommendations of the Code.

Jandelsbrunn, 19 December 2023

The Management Board of Knaus Tabbert AG

Wolfgang Speck   Carolin Schürmann

Werner Vaterl   Gerd Adamietzki

On behalf of the Supervisory Board of Knaus Tabbert AG

Dr. Esther Hackl (Chairwoman of the Supervisory Board)

The Declaration of Compliance 2023 has 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 German Corporate Governance Code (GCGC) 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 of 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 thus 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 laws and binding internal rules and regulations is an important management and monitoring task at Knaus Tabbert. We are responding to this by employing our own 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 www.knaustabbert.de/en/investor-relations/corporate-governance.

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 2023 financial year. 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 areas 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 reports, the annual and consolidated financial statements, the combined management report for Knaus Tabbert AG and the Group, and for 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 is in regular contact with the Management Board between meetings, in particular with the Chairman of the Management Board, and consults 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 combined 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 assess the adequacy and effectiveness of the internal control and risk management systems, including the consideration of sustainability-related targets, and internal auditing.

In addition, the Supervisory Board is 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 regulates 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 whom 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 on 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 shareholders' meetings either in person, through an authorised 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 the auditor or of Management Board members. 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 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 2023, this was performed by means of a structured questionnaire, the results of which were discussed in detail by the members of 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 component 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 in accordance with legal requirements 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. In addition to a diverse board composition, Management Board members are 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.

In August 2020, the Supervisory Board decided on a target share of women on the Management Board of 0%.

The target set by the Supervisory Board was not applicable in the 2023 financial year as the mandatory quota pursuant to Section 76 para. 3a AktG, according to which at least one woman and at least one man must be appointed to the Management Board, applied throughout the year. This statutory requirement was fully met in the 2023 financial year.

For members of the Management Board, an age limit of 67 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 2023 financial year, the Supervisory Board consisted of two female shareholder representatives and two female employee representatives. This results in a current women's quota of 33.3% for the entire Supervisory Board..

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, indepth 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; with regard to sustainability issues.

Moreover, according to 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. All Supervisory Board members must be familiar with the industry in which the company operates. Within the meaning of Section 100 para. 5 AktG, the Chairwoman of the Audit Committee, 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 chair of the Supervisory Board, the chair 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 chair 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:												
Independence according to the German Corporate Governance Code	x	x	x		x			x	x	x	x	
No overboarding (<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 value creation in the caravanning industry 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 digitalisation	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 genders. 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 2023 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 with due consideration for industry-specific circumstances.

REMUNERATION REPORT AND REMUNERATION SYSTEM

The Remuneration Report for the 2023 financial year pursuant to Section 162 para. 1 AktG, the auditor's report on the audit of the Remuneration Report for the 2023 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 para. 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.

CAPITAL MARKET

CAPITAL MARKET OVERVIEW

Developments on the financial markets in 2023 were influenced by a large number of factors. These included important macroeconomic and inflationary data, interest rate hikes by the world's leading central banks, the lifting of the US debt ceiling, turbulence in the banking sector, the ongoing war in Ukraine and the flaring of the Israel conflict. Despite these many strains, the financial markets in many regions of the world performed surprisingly well. The lifting of the US debt ceiling averted a payment default by the USA, and the targeted intervention of the central banks prevented the regional banking crisis in the USA from spreading.

Global stock indices had closed 2022 with double-digit percentage losses in some cases, while inflation rates in Europe and the USA reached record highs, and the central banks in the USA and the eurozone considerably tightened their monetary policy. The soaring energy prices caused by the Ukraine crisis also had a negative impact on stock indices. However, due to their low valuations, this also offered many companies opportunities to create a positive surprise and rebound. Inflation rates in the eurozone and the US then fell steadily over the course of 2023, from 8.6% to 2.4% and from 6.4% to 3.1% respectively. The falling inflation rates at a regional level are primarily due to lower energy prices, while the restrictive monetary policy of the US Federal Reserve (FED) and the European Central Bank (ECB) also had a dampening effect on inflation. The FED increased its key interest rate target range over the course of the year, in four steps, from 4.25%–4.50% to 5.25%–5.50%, while the ECB increased its main refinancing rate in six steps from 2.50 % to 4.50%.

The euro saw a moderate appreciation relative to the US dollar, supported in part by the stronger key interest rate hike by the ECB, resulting in a EUR/USD exchange rate of 1.10 at the end of the year. The yield curves of the US Treasuries and German federal bonds remain inverted due to the slowdown in the economy, lower long-term inflation expectations and the market expectations regarding the key interest rate trend. The yields on 10-year US Treasuries and German federal bonds were highly volatile over the course of the year due to inflation trends, central bank policies and speculation about interest rate rises, standing at 3.88% and 2.02% respectively on 31 December.

In spite of a frequently positive price performance, many German stocks saw a significant outflow of liquidity compared to previous years, as many investors increasingly allocated their funds to fixed-interest investments again. Particularly small and mid caps suffered from this development, as the target group of potential investors often became smaller and smaller. Even though there were initial signs of the primary market opening in 2023, even highly capitalised IPOs and spin-offs in the DACH region could only be placed with large valuation discounts.

From a segment perspective, particularly blue chip companies in the eurozone and the USA performed very favourably. As a result, the DAX reached a new all-time high of 17,003 points (14 December 2023). Market participants began to factor in expected interest rate cuts in the first half of 2024, positively supporting the valuation of stock markets. Furthermore, the AI boom, starting with the launch of ChatGPT, created an exceptional upturn for many technology stocks. However, due to the persistently high level of uncertainty on the capital market, stocks with low liquidity and low market capitalisation in particular suffered further valuation losses, resulting in a mixed performance of the German share indices:

THE KNAUS TABBERT SHARE

The share capital of Knaus Tabbert AG amounts to EUR 10,377,259, divided into 10,377,259 no-par value ordinary bearer shares. At the end of the 2023 financial year, the market capitalisation stood at EUR 332.1 million.

SHARE INFORMATION ACC. TO XETRA TRADING SYSTEM

in EUR	*2023*	*2022*	*2021*
Closing price as of 31.12.	47.00	32.00	55.30
Year high	62.50	57.00	73.00
Year low	33.20	23.90	50.50
Market capitalisation as of 31.12. (in EUR million)	487.7	332.1	573.9

RESEARCH COVERAGE

In the 2023 financial year, a total of nine international banks and brokerage houses (20222: nine) published regular stocks research reports on Knaus Tabbert. Of the analysts who followed our shares, six issued a buy or outperform recommendation as of the editorial deadline for this report. The average target price at the editorial deadline was EUR 70.00.

Bank	Target price	Rating
Alpha Value	75.70	Buy
BNP Paribas	60.00	Outperform
Jefferies	75.00	Buy
Kepler Cheufreux	66.00	Buy
ABN AMRO – ODDO BHF	69.00	Outperform
Raiffeisen Research	70.00	Buy
First Berlin	86.00	Buy
Montega	87.00	Buy
Hauck Auffhäuser	41.00	Hold

CONTINUED PARTICIPATION OF SHAREHOLDERS IN OUR BUSINESS SUCCESS

With its defined dividend policy, Knaus Tabbert AG provides for its shareholders to have a fair share in the company's success.

For the 2023 financial year, the Management Board and Supervisory Board will propose to the Shareholders' Meeting the distribution of a dividend of EUR 2.90 (previous year: EUR 1.50) per share. This proposal is equivalent to a total distribution of EUR 30.1 million and is therefore in line with the defined dividend policy of Knaus Tabbert AG.

KEY FIGURES ON DIVIDENDS

in EUR	2023	2022	2021	2020
Total dividend payments (in EUR million)	30.1	15.6	15.6	15.6
In % of net profit acc. to IFRS	50%	53%	60%	50%
Dividend per share (in EUR)	2.9	1.50	1.50	1.50
Dividend yield based on the closing price (in %)	6.2	4.7	2.7	2.4

As a benchmark for their proposal to the Shareholders' Meeting, the Management Board and Supervisory Board are considering a dividend distribution ratio of around 50% of net profit for the year in accordance with IFRS. On the one hand, this is intended to maintain and strengthen the company's financial and innovative strength for further growth, and to avoid any payouts from the company's assets. On the other hand, investors focussed on value and growth should derive long-term benefits from the targeted continuous increase in the shareholder value.

The dividend is paid out after the resolution on the appropriation of profits by the Shareholders' Meeting, usually on the third business day following the Shareholders' Meeting.

BASIC DATA ON THE SHARE

BASIC DATA 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 euros per share

WEINSBERG
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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 per cent stake in the following companies:

- Caravan-Welt GmbH Nord, Bönningstedt
- Knaus Tabbert Kft, Vac, Hungary
- HÜTTLrent GmbH, Maintal
- MORELO Reisemobile GmbH, Schlüsselfeld
- WVD Südcaravan GmbH, Freiburg
- Knaus Tabbert Stiftung gGmbH

Knaus Tabbert Stiftung gGmbH was founded in January 2023, and supports charitable causes such as the promotion and assistance of people in need and eligible organisations. The company is not included in the Consolidated Financial Statements according to immateriality criteria.

CFC Camping Freizeit Center GmbH and WVD-Südcaravan GmbH were merged by agreement on 14 June 2023 – see Note 8.

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.

Brand strategy for leisure vehicles

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 4,215 members of staff, including 1,116 temporary workers, as of the balance sheet date 31 December 2023. 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, 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 as well as sales fluctuations, which contributes to the optimisation of our working capital.

Sales (invoiced units) at our sites in Jandelsbrunn, Mottgers, Schlüsselfeld and Nagyoroszi amounted to 30,613 vehicles in the 2023 financial year.

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 comprised more than 500 dealers in the Premium segment and 50 dealers in the Luxury segment as of 31 December 2023.

The Group sells vehicles in the Premium segment directly to end customers through three 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.

Digital rental brand

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.

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 2023, Knaus Tabbert embarked on the long-planned internationalisation of RENT AND TRAVEL. Since 1 December 2023, vehicles can also be rented or booked through Italian rental partners. RENT AND TRAVEL has been rolled out in a total of 17 Italian cities. The next phase of expansion into other European countries – Austria, Switzerland, Sweden and the Netherlands – is planned for the 2024 financial year.

In the 2023/2024 rental season, the rental fleet of RENT AND TRAVEL partners comprised 2,850 vehicles.

Medium-term strategic goals

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

At its Capital Market Day for investors and analysts in June 2023, Knaus Tabbert presented its corporate strategy and, for the first time, key figures on its current medium-term planning for the period 2023-2027. Management is thus aiming for annual revenue growth (CAGR) of 16% to 18% on average for the years 2023-2027, and is working towards revenue of EUR 2 billion towards the end of the planning period. The company also intends to raise its EBITDA margin above the 10 % mark in the medium term through economies of scale.

CONTROL SYSTEM

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

- **Premium segment:** includes the Knaus, Tabbert, Weinsberg and T@B brands, which offer vehicles with prices up to approximately EUR 140,000;
- **Luxury segment:** comprises the Morelo brand with
- prices up to approx. EUR 730,000.

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

The 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 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 17 April 2024 in the combined, separate and non-financial report for 2023, published in accordance with Sections 289b and 315b in conjunction with Sections 289c to 289e HBG 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 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.

RESEARCH AND DEVELOPMENT COSTS

in EUR million	*2023*	*2022*
Research and development costs	1.4	1.4
Investments in development costs subject to capitalisation	4.7	6.2
Research and development activities	6.1	7.6
Amortisation	6.0	4.5
R&D ratio/revenue (in %)	0.42	0.72
Capitalisation rate (in %)	77.0	81.5

In the 2023 financial year, development costs totalling EUR 4.7 million (previous year: EUR 6.2 million) were capitalised as they fulfilled the relevant requirement criteria. Of this amount, EUR 1.2 million (previous year: EUR 2.2 million) resulted from capitalised development costs of third parties in the course of the 2023 financial year.

Including capitalised development costs, the R&D ratio in relation to increased revenue decreased to 0.42% (previous year: 0.72%).

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 the five brands. More than 150 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.

Developing new products is a complex process involving multiple areas and departments. Knaus Tabbert's innovation work currently focuses on:

- sustainable drive systems,
- lightweight components as a substitute for conventional steel and wooden constructions,
- greater self-sufficiency (independence from mains-connected electricity supply) as well as
- the use of sustainable materials.

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

Sustainable drive systems

The electrification of vehicles continues to play a key role in reducing emissions. With its development projects of the past years, Knaus Tabbert has already implemented the first prerequisites for this.

Electrically supported caravan axle

As electric vehicles can only cover relatively short distances at present, they do not represent a sufficiently attractive option in combination with 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, supporting electric drive. This allows the range of both electrically and conventionally powered towing vehicles to be significantly increased. Secondary effects such as considerably improved trailing characteristics and greater stability during braking, but also a higher degree of self-sufficiency during camping operations, make the system even more attractive. In addition, electric motors can generate electricity via recuperation when decelerating and driving downhill. Another advantage is that the electric drive can also be used as a manoeuvring aid.

Concept vehicle KNAUS E.POWER DRIVE

Knaus Tabbert presented its KNAUS E.POWER DRIVE study for an electrically driven motorhome in September 2021 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 first 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 (REX). The lithium-ion cells of the system carrier can 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 innovative additional modules, we aim to retain the popular 3.5 tonnes vehicle class. After all, the use of electromobility in the motorhome sector should not limit holidays due to environmental zones or entry restrictions. This is being achieved in particular through weight savings and an efficient choice of components for the electric system.

In the year under review, further development work was conducted for this concept, for instance in relation to weight. 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 the supply of the requisite components.

Lightweight components as a substitute for conventional steel and wooden constructions

At first glance, the advantages of lightweight construction technologies lie in the weight savings and the associated reduction in vehicle fuel consumption. However, they make an equally important contribution to sustainability and resource conservation. In addition, the possible uses of e-mobility in leisure vehicles is increased.

Due to its complexity, the overarching "lightweight construction" project has been divided into several sub-projects. One example is lightweight furniture construction, which aims to replace plywood panels with lightweight panels made from wood composites. The knowledge gained from the project so far has contributed to 100% of the furniture fronts in the KNAUS SPORT and KNAUS SÜDWIND caravans being made of lightweight panels.

The promising results of this project as well as the positive customer feedback have encouraged Knaus Tabbert to equip further recreational vehicles with the lightweight panels.

Greater self-sufficiency

Knaus Tabbert's aim in this area is to make users of leisure vehicles as independent as possible from external energy supplies. A great deal has been achieved so far: with the appropriate vehicle equipment, customers can live self-sufficiently for up to one week in a MORELO motorhome.

This is made possible on the one hand by reducing the energy consumption of vehicles and their equipment wherever possible. In addition to recuperation in electrically driven vehicles, the replacement of absorption fridges with compressor fridges is progressing steadily, resulting in a power consumption of just 60 watts instead of 170 watts per appliance.

On the other hand, more and more solutions are being developed for generating and efficiently storing energy within the vehicle. All Knaus Tabbert models now come with the option of solar panels, for instance. In addition, lithium-iron phosphate batteries are optionally available across the board.

Caravan without gas installations

With the launch of the Weinsberg CaraCito in 2020, Knaus Tabbert has introduced the first caravan industry-wide that has fully electric equipment and operates entirely without gas installations onto the European market.

Use of sustainable materials

As a manufacturer of leisure vehicles, Knaus Tabbert attaches great importance to the materials used in its products. The aim is to ensure high value and quality over the entire period of use, with sustainability playing an increasingly important role. As the service life of Knaus Tabbert vehicles can exceed 20 years, it is important to think ahead during development.

Part of Knaus Tabbert's vision is to develop leisure vehicles that are future-oriented and sustainable in every respect. The sparing use of materials in the production of its vehicles is therefore of key importance to the Group.

In this spirit, making responsible use of materials in the manufacture of leisure vehicles is a top priority. Knaus Tabbert is working on the development of leisure vehicles that are forward-looking and sustainable in every respect. For the company, environmentally friendly materials are materials made from renewable resources (such as wood) and those that are eco-friendly due to their recyclability (plastics, metals) or durability and repairability (special plastics, e.g. GRP).

Even at the design stage, great importance is attached to keeping the use of materials as low as possible and thus minimising the resources required in the production process. In addition, Knaus Tabbert strives to reduce material waste in production and to recycle production waste as far as possible. Production waste from recyclable materials such as plastic or aluminium is recycled in close cooperation with suppliers. The materials thus remain part of the value chain and contribute to the circular economy. However, at present, the availability of the required quantity of recyclates cannot be guaranteed at all times.

The careful selection and appropriate processing of materials are important elements of the highly complex product development process involving multidisciplinary teams – from research and development to design, production, quality management and corporate management. As such, all those involved within the company bear responsibility for ensuring success. However, Knaus Tabbert's influence on its suppliers is limited. One such example concerns the chassis for motorhomes, for which Knaus Tabbert has no control over the choice of materials.

Procurement

Effective procurement and supply chain management are essential for guaranteeing smooth-running production at the Knaus Tabbert Group.

As a manufacturer of leisure vehicles, we require various components and systems from a number of different suppliers.

Our procurement strategy is based on just-in-time orders, allowing us to respond flexibly to the requirements of our production. We work closely with our suppliers to ensure timely and reliable deliveries.

We have implemented a needs-based stockpiling system for critical components in order to avoid bottlenecks and production downtimes. By carefully planning and monitoring our inventories, we minimise risks while optimising our cost structure.

The Knaus Tabbert Group's procurement strategy focuses on sourcing the required purchased parts, materials and components to a large extent from Germany, but also from other European countries. In addition, international suppliers are incorporated via European distributors in order to offset currency risks and ensure a reliable supply. With a network of around 2,200 suppliers, we strive for broad diversification in order to minimise potential risks and maintain a stable supply base. Our focus is on selecting suppliers with high quality, reliability and sustainability.

In 2023, the Group sourced half of its material requirements from our top 10 suppliers. This close cooperation allows us to ensure efficient procurement while exploiting synergies.

By regularly reviewing and evaluating our suppliers, we strive to continuously optimise our procurement processes in order to remain competitive in the future and ensure sustainable success.

Employees

As of 31 December 2023, the Knaus Tabbert Group employed a total of 3,099 members of staff including trainees (previous year: 3,035).

In addition, a further 1,116 individuals (previous year: 951 individuals) were working for the company through temporary employment agencies as of the reporting date.

The total headcount of Knaus Tabbert AG (individual company), including temporary workers, at its sites in Jandelsbrunn and Mottgers was 2,303 as of 31 December 2023 (previous year: 2,186).

STAFF DEVELOPMENT

in heads	*2023*	*2022*	*Change*
Total employees	**4,215**	**3,986**	**229**
of which temporary workers	1,116	951	165
BY LOCATIONS			
Jandelsbrunn	1,837	1,722	115
Schlüsselfeld	461	448	13
Mottgers	466	463	3
Nagyoroszi	1,381	1,289	92
Dealers	70	63	7

Knaus Tabbert considers the know-how and commitment of its employees to be fundamental to its success, particularly in a market environment marked by continuous technological change. Knaus Tabbert therefore promotes the individual skills of its employees through targeted professional development. In addition, training measures are implemented with the goal of increasing the motivation and job satisfaction of its staff.

Lifelong learning is an inherent part of daily working life at Knaus Tabbert. The company therefore implements a wide range of training and further education measures to promote the professional development of its employees. These include apprenticeships, internal and external training courses and further education programmes. The Knaus Tabbert Academy, which serves as a central hub, organises the majority of the training measures. With its initiatives in this area as well as its comprehensive set of personnel marketing measures, Knaus Tabbert is an attractive local employer and successfully counters the existing shortage of skilled workers. The organisational measures and KPIs described below apply to employees at all production sites.

Personnel development and organisation

The personnel department at the company headquarters in Jandelsbrunn is responsible for employee development, training and further education at all Knaus Tabbert locations. It reports directly to the Management Board. Knaus Tabbert steers measures and processes and defines priorities on the basis of a clearly defined HR strategy. Training measures are also included in personnel budget planning in consultation with the Management Board.

Training requirements are systematically identified on a regular basis. To this end, managers report their employee budget plans to the company's personnel department once a year. The respective training requirements are determined either as part of employee appraisals or according to changing professional requirements within the company. HR is responsible for organising training courses and seminars, which include further training measures and advanced training to become a master craftsman or technician, as well as extra-occupational courses of study.

Focus on safety

In the 2023 financial year, Knaus Tabbert placed a particular focus on safety training. Courses included the handling of diisocyanates, fire safety training, first aider training and high-voltage training. Other key topics included data protection, IT applications, caravan technology, leadership skills, communication and health promotion. In 2022, a training portal was developed for the sites in Jandelsbrunn and Mottgers, through which employees have been able to access the Group's comprehensive range of training opportunities since 2023.

Training workshop of the Knaus Tabbert Academy

At Knaus Tabbert, new members of staff are prepared for their tasks in the company at specially created learning facilities. At the Hungarian site and in Jandelsbrunn, this takes place in a so-called training workshop. As part of a structured onboarding process, new employees are familiarised with their future workplace in the training workshop. The physical separation from the production area ensures a high degree of safety. The new members of staff are assisted by experienced personnel. This also allows us to reliably determine whether a new employee is suitable for a particular job in the respective working environment.

For Knaus Tabbert, the training workshop is also an important tool for ensuring consistent and high production quality. The company expects this project to reduce staff turnover, decrease the need for rework and avoid product complaints.

Solid professional training

In order to recruit skilled employees in the future, Knaus Tabbert invests heavily in the training of young people. The company thus attaches great importance to dual vocational training – simultaneous education at a vocational school and within the company. Knaus Tabbert's training programme comprises ten apprenticeships and one dual course of study. With this broad offering, the company is not only securing qualified specialists for the future, but is also actively countering the shortage of skilled workers. These training and development opportunities make Knaus Tabbert an attractive local employer in the region of each location. The company regularly attends training and university fairs to promote its offering on the job market. In addition, Knaus Tabbert offers its own programme designed to get children interested in technical vocational training, and organises factory tours for schools to give young people a direct insight into company practice. A collaboration with the Bavarian environmental protection association BUND Naturschutz is planned for the 2024 financial year.

Practical and certified training programmes

The training programmes at Knaus Tabbert are characterised by practical and business-oriented learning, enabling participants to develop and expand their skillset for a successful career. The Knaus Tabbert site in Jandelsbrunn has been awarded Chamber of Industry and Commerce certification as an examination centre.

Apprenticeships at Knaus Tabbert

- wood technician/carpenter
- electronics technician for industrial electrics
- mechatronics technician
- warehouse logistics specialist
- industrial mechanic
- industrial clerk
- foreign language industrial clerk
- technical product designer
- IT specialist
- dual study programme in business administration
- caravan and motorhome technician

New apprenticeship for the caravanning industry

Due to the development of the caravanning industry, industry-specific specialists are urgently needed to counteract the current shortage of skilled manpower, which primarily affects manufacturing and trade. In the past years, Knaus Tabbert therefore joined forces with the German Caravanning Industry Association (CIVD), the German Caravanning Trade Association (DCHV) and the Central Association of Body and Vehicle Technology (ZKF) to develop the new training course for caravan and motorhome technicians, which is recognised throughout Germany. Knaus Tabbert played a key role in the development of this new, three-year apprenticeship. The first apprentices to enrol in this programme have been receiving training at the Jandelsbrunn site since September 2023.

Regular employee appraisals

Training and further education is also the subject of regular employee appraisals at Knaus Tabbert. The aim is to improve the exchange of information and knowledge, to optimise work processes, and to motivate and retain employees in the company in the long term.

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 stakeholders. The Works Council is valued as a significant body and link to Knaus Tabbert's most precious resource, its employees.

ECONOMIC REPORT

Business environment

The overall economic situation at the turn of 2023/2024 remains very bleak due to the effects of the aftermath of preceding crises, in particular the considerable loss of purchasing power as a result of the huge rise in energy and food prices, the poor development of the global economy, geopolitical crises and monetary policy tightening. For the whole year 2023, GDP in Germany fell by 0.3% – this had largely been expected. Private consumption in particular saw a price-adjusted decrease of 0.8% last year due to the continuing loss of purchasing power and consumer restraint, not least as a result of the heightened uncertainty caused by recent geopolitical conflicts. As a result, private consumption is still slightly below its pre-corona level of 2019.

The labour market proved robust despite the economic downturn; employment continued to increase over the course of the year (+0.7%), reaching a historic high of nearly 46 million people in employment on average in 2023.

The disposable income of private households also developed positively, increasing noticeably by +5.9% in 2023. Both employee compensation (+6.7%) and corporate and investment income (+6.5%) increased significantly. In addition to noticeable wage increases, income growth was also supported by government relief measures to alleviate the inflation-induced loss of purchasing power, such as energy price brakes, the possibility of tax-free inflation compensation premiums and increases in social benefits (housing benefit, citizens' allowance, increase in child benefit). These measures benefited the lower income groups in particular.

GLOBAL ECONOMY MAKES SLOW PROGRESS AT THE END OF THE YEAR

Global industrial production showed a sideways trend in October, following slight increases in the previous two months. The sharp rise in interest rates and the ongoing reduction in high inventory levels in the wake of supply chain disruptions continued to weigh heavily on industry. The global purchasing manager indices also remained below the growth threshold in many of Germany's key trading partner countries in December.

The S&P Global sentiment indicator continued to recover in December, and is now slightly above the growth threshold at 51 points. While the sentiment in the manufacturing sector deteriorated slightly from 49.3 to 49.0 points, it improved by one point to 51.6 points among service providers.

However, according to forecasts by international organisations, a moderate recovery of the global trade volume (2023: +0.5%, 2024: +3.1%) can be expected in 2024 following the completion of inventory corrections and the resulting increase in new business – even if the growth rate of global GDP is likely to remain below average at around 3%. In western economies, economic growth is likely to converge following the slowdown in the US and the recovery of EU countries after being severely hit by the energy price crisis. In Asia, on the other hand, a divergence is expected between the slowing expansion rates in China and Japan and the relatively strong growth in other Asian countries, above all India. On the whole, demand for German export goods is likely to increase noticeably again this year following the pronounced slump last year.

Source: https://www.bmwk.de/Redaktion/DE/Dossier/konjunktur-und-wachstum.html

Development within the industry

Caravans and motorhomes made in Germany are in high demand, both at home and abroad. As in previous years, the German caravanning industry continued to produce under difficult conditions in 2023. Company order books remain well filled. At 133,568 units, 3.3 % more vehicles were produced overall than in the previous year, of which 51,984 were exported. The industry's annual turnover increased to around 15.3 billion euros.

Despite the continued high interest in leisure vehicles from Germany, manufacturers have been producing under difficult conditions for more than two years. Factors such as the shortage of motorhome chassis, rising production costs and a shortage of skilled workers have had a significant impact on production in the recent past. Nevertheless, the industry was able to continue working off the high order backlog in 2023. The first improvements in delivery times were achieved in 2023.

Motorhome production recovers, caravan production scaled back

Thanks to the improved availability of vehicle chassis, motorhome production increased by 18.3% compared to the previous year to 88,699 units. Over the course of the year, 30,917 motorhomes (+9.3%) were exported. Due to the shortage of chassis, manufacturers of both vehicle types increasingly shifted to caravans in 2022, thereby achieving a significant increase in production for this segment. As expected, the improved availability of chassis for motorhomes led to a reduction in the number of caravans produced: in 2023, 44,869 caravans (-17.4%) were produced in German plants, and 21,067 units (-20%) were exported to other countries.

A closer look at the general environment indicates that the German caravanning industry will continue to face major challenges: In addition to the shortage of skilled workers across industries and rising energy and material costs, logistics bottlenecks are still occurring in some areas. Due to numerous volatile factors, it is still unclear when the industry will be able to produce under relatively normal conditions again.

BUSINESS PERFORMANCE AT A GLANCE

KEY FIGURES GROUP

in EUR million	*2023*	*2022*	*Change*
Revenue	1,441.0	1,049.5	37.3%
Total output	1,474.6	1,078.2	36.8%
EBITDA (adjusted)	123.8	70.1	76.6%
EBITDA margin (adjusted)	8.6%	6.7%	
EBITDA	123.8	69.3	78.6%
EBIT	95.4	45.5	109.8%
EBIT margin	6.6%	4.3%	
Equity ratio	28.2%	26.4%	

These Consolidated Financial Statements are presented in euros. Unless otherwise stated, all amounts reported in the Consolidated Financial Statements have been rounded to the nearest thousand (EUR thousand) for commercial reasons. Deviations of up to one unit (EUR thousand) are due to computational rounding differences.

Overall business performance

Knaus Tabbert recorded strong revenue growth in the 2023 financial year. Group sales thus increased to EUR 1,441.0 million (previous year: EUR 1,049.5 million). This corresponds to an increase of 37.3% compared to the comparative period in 2022.

This strong revenue growth is attributable to the multi-brand strategy for chassis and the associated high demand for motorhomes (caravans and camper vans) from the Knaus Tabbert Group.

Inflationary price increases of approximately 7% additionally supported sales growth.

Since the middle of the 2022 financial year, Knaus Tabbert has been producing motorhomes and camper vans of the Premium Knaus and Weinsberg brands on seven different chassis from five independent manufacturers (Stellantis, MAN, VW Commercial Vehicles, Mercedes and Ford), and no longer from just one manufacturer (Stellantis). The Morelo brand in the Luxury segment uses chassis from Mercedes Actros and Iveco Daily.

The Premium segment accounted for EUR 1,274.3 million of Group revenue (previous year: EUR 918.8 million). A further EUR 166.8 million (previous year: EUR 130.7 million) was generated in the Luxury segment. Group revenue mainly resulted from the sale of leisure vehicles.

The Aftersales segment, which essentially comprises the spare parts business for all brands, and does not constitute a business segment with separate reporting, contributed EUR 24.0 million to revenue (previous year: EUR 24.3 million).

In light of the positive developments in the first nine months of the 2023 financial year, and based on the results of purchase price negotiations in the third quarter of 2023, Knaus Tabbert revised upwards its forecast for the full year 2023, communicated in the Annual Report in March 2023, in September 2023.

Overall, the development of business has thus fulfilled management's expectations from the adjusted 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 2022*	*Forecast March 2023*	*Forecast September 2023*	*Results 2023*
Revenue	EUR 1,049.5 mill.	Significant revenue growth	EUR 1.35 bn. to EUR 1.45 bn.	EUR 1,441.0 mill.
EBITDA-margin (adjusted)	6.7%	7.5% to 8.5%	8.5 % to 9.0 %	8.6%

Sales

In the 2023 financial year, Knaus Tabbert sold a total of 30,613 vehicles (previous year: 29,556) and expanded its market position in almost all major markets.

UNITS SOLD BY PRODUCT CATEGORY

in units	*2023*	*2022*
Units sold total	**30,613**	**29,556**
thereof caravans	12,029	18,130
thereof mobile homes	11,474	7,284
thereof camper vans	7,110	4,142

The stable availability of chassis and camper vans enabled a significant shift in the product mix towards higher-priced motorhomes and camper vans occurred, additionally supporting sales growth.

In contrast, sales of caravans fell by 33.7 %. This development must be viewed in the context of the deliberate focus placed on the production and sale of caravans in the 2022 financial year. In the 2022 financial year, the available capacities were put to the best possible use with the production of caravans in view of the shortage of motorised chassis due to supply chain disruptions.

PRODUCT MIX

in units	*2023*	*2022*
UNITS SOLD	30,613	29,556
Thereof in %		
Caravans	39.3%	61.3%
Mobile homes	37.5%	24.6%
Camper Vans	23.2%	14.0%

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 backlog

The high demand for Knaus Tabbert leisure vehicles continued in 2023. With 19,985 units (previous year: 30,711 units), or an order volume of EUR 946 million (previous year: EUR 1.3 billion), Knaus Tabbert achieved an order backlog providing the necessary planning security for the 2024 financial year, both in the Premium and Luxury segments, as of the balance sheet date 31 December 2023.

In line with the general market trend, the number (in units) of motorised vehicles (motorhomes and camper vans) amounted to 55% (previous year: 58%) of the order backlog as of 31 December 2023.

ORDER BACKLOG

	31.12.2023	*31.12.2022*
Number of units	19,985	30,711
Order backlog in EUR mill.	946	1,342

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.

In the 2023 financial year, there were no individual items resulting in an adjustment to EBITDA and EBIT. In all further presentations, adjusted EBITDA and EBIT therefore correspond to reported EBITDA and EBIT.

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

2023 FINANCIAL YEAR

in EUR mill.	*Premium segment*	*Luxury segment*	*Total*
Revenue	1,274.3	166.8	1,441.0
EBITDA adjusted	102.0	21.8	123.8

2022 FINANCIAL YEAR

in EUR mill.	*Premium segment*	*Luxury segment*	*Total*
Revenue	918.8	130.7	1,049.5
EBITDA adjusted	54.6	15.6	70.2

In contrast to the 2023 financial year, the bottlenecks in supply markets proved to be challenging for the material planning for motorised vehicles in the first nine months of 2022. In order to make the best possible use of available production capacities and to optimally respond to the needs of dealers and customers, Knaus Tabbert increasingly allocated existing production slots to the manufacture of additional caravans in the 2022 financial year.

Thanks to the now stable availability of chassis and camper vans, there was a shift in the product mix towards higher-priced motorhomes and camper vans in the 2023 financial year, which significantly supported revenue growth.

As a result, 80.6% (previous year: 65.9%) of the total revenue of EUR 1,441.0 million in the 2023 financial year was generated by motorised vehicles (motorhomes and camper vans). The sale of caravans accounted for 17.7% (previous year: 31.8%) of total revenue.

A further 1.7% (previous year: 2.3%) of the sales volume is attributable to the Aftersales segment.

This means that the sales forecast revised by the Management Board in September 2023 has been met.

At EUR 19.1 million, the change in inventories is higher than the previous year's figure of EUR 16.3 million, and results from an increase in finished and unfinished vehicles as of the balance sheet date of 31 December 2023.

This change is mainly due to the stock of finished goods and work in progress as a result of volume changes and the shift in the product mix towards motorised and thus higher-priced vehicles.

However, the change in inventories largely results from the effects of normalizing stocks of the company's own trading operations and a higher stock of trade fair and press vehicles.

Own work capitalised decreased by EUR 1.7 million to EUR 4.6 million. Including other operating income of EUR 9.9 million (previous year: EUR 6.0 million), total output significantly increased by 36.8% to EUR 1,474.6 million (previous year: EUR 1,078.2 million).

In the reporting period, the cost of materials increased by EUR 294.9 million to EUR 1,070.8 million. This development was mainly driven by higher sales and higher total output as well as the clear change in the product mix towards a higher number of motorhomes and camper vans. These have a higher proportion of materials than caravans due to chassis or camper vans being used as a base vehicle.

The cost-of-materials ratio (including expenses for temporary workers) in relation to total output increased slightly by 0.6 percentage points to 72.6% due to the effects explained above.

Personnel expenses increased by EUR 16.1 million to EUR 157.6 million compared to the previous year. This increase is mainly due to the increase in production capacities.

Personnel expenses including temporary workers accounted for 12.8% of total output, which is 2.4 percentage points below, and thus considerably lower than, the previous year's figure of 15.1%.

Excluding temporary workers, who make a significant contribution to value creation, the ratio was 10.7%, which is also 2.4 percentage points below the previous year's figure of 13.1%.

This development confirms the decision made by management in the 2022 financial year to maintain the existing headcount and continue to focus on qualifying staff.

Other operating expenses increased by 34.0%, or EUR 31.1 million in absolute terms, to EUR 122.5 million compared to the previous year.

In addition to greater expenses for trade fairs and advertising, this change is also due to higher freight costs, energy costs, rental costs and handling costs for storage space compared to the previous year, as well as higher legal and consulting costs.

In relation to total output, other operating expenses fell by 0.2 percentage points to 8.3% compared to the previous year.

The easing of tension in supply chains and the described cost development in relation to total output (economies of scale), particularly in the HR area, are also reflected in the development of the operating result, which is disproportionate to sales.

The adjusted EBITDA margin increased significantly to 8.6% (previous year: 6.7%). The updated earnings forecast of the Management Board has therefore been met.

Depreciation and amortiSation increased by 18.8% due to the investments in capacity expansions in previous years, amounting to EUR 28.3 million compared to EUR 23.9 million in the previous year.

The operating result (EBIT) thus amounted to EUR 95.4 million, compared to EUR 45.5 million in the previous year.

The financial result amounted to EUR 9.7 million in the reporting year (previous year: EUR 3.7 million). This significant increase is due to the higher average annual drawdown of credit facilities and a generally higher interest rate level.

Taking into account tax expenses of EUR 25.4 million (previous year: EUR 12.2 million), this results in annual net profit of EUR 60.3 million for the 2023 financial year (previous year: EUR 29.6 million).

EUR 15.6 million of the annual net profit of the previous year were distributed as dividends.

Appropriation of profits includes dividend proposal of EUR 2.90 per share

The appropriation of profits is in principle determined by the annual financial statements of Knaus Tabbert AG, prepared in accordance with commercial law. This amounted to EUR 51.0 million as of 31 December 2023 (previous year: EUR 24.0 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, the Supervisory Board and Management Board will therefore propose to the Shareholders' Meeting a dividend of EUR 2.90 per share.

This corresponds to a total volume of EUR 30.1 million, and thus approximately 50% of the consolidated annual net profit (according to IFRS) and 59% 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 1,274.3 million, revenue in the Premium segment in the 2023 financial year was 38.7% higher than in the previous year (EUR 918.8 million). In total, 30,041 units (previous year: 29,037) were sold in this segment.

EBITDA for the segment amounted to EUR 102.0 million, which is 89.5% higher than the previous year's figure (EUR 53.8 million). In the 2023 financial year, there were no individual items leading to an adjustment of EBITDA.

The investment volume in the Premium segment totalled EUR 45.5 million (previous year: EUR 61.1 million), of which EUR 5.9 million were spent on intangible assets such as development services, industrial property rights and similar assets. A further EUR 39.6 million were invested in property, plant and equipment such as land, machinery and other operating and office equipment, largely in connection with the planned growth investments to significantly expand capacities at the Jandelsbrunn site (Germany). The new production hall was commissioned in the autumn of 2023.

Development of the Luxury segment

In the Luxury segment, Knaus Tabbert recorded sales of 572 units (previous year: 519). Revenue increased by EUR 36.1 million, or 27.6%, to EUR 166.8 million.

At EUR 21.8 million, EBITDA in the Luxury segment was 40.4% higher than the previous year's figure of EUR 15.5 million. In the 2023 financial year, there were no individual items leading to an adjustment of EBITDA.

The total investment volume in the Luxury segment amounted to EUR 12.6 million (previous year: EUR 9.3 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 increases at the Schlüsselfeld site.

Asset situation and capital structure

ASSETS

in EUR mill.	31.12.2023	31.12.2022
Intangible assets	22.5	23.3
Tangible Assets	222.1	184.1
Other receivables and other assets	1.7	1.7
Deffered tax assets	6.7	4.8
Non-current assets	**253.0**	**213.9**
Inventories	308.6	253.0
Trade accounts receivable	85.0	33.5
Other receivables and other assets	23.0	37.5
Tax receivables	1.2	6.9
Cash and cash equivalents	11.7	12.6
Current assets	**429.5**	**343.5**
Total balance sheet/assets	**682.5**	**557.4**

Non-current assets increased significantly to EUR 253.0 million as of the reporting date 31 December 2023 due to investments in production facilities. This increase is almost exclusively attributable to property, plant and equipment, which increased by EUR 37.9 million.

Of the investments in property, plant and equipment in the amount of EUR 51.6 million (previous year: EUR 63.6 million), EUR 39.6 million relate to the Premium segment. As in the previous year, this is the result of growth investments at the Jandelsbrunn site (Germany) to significantly expand capacities. A further EUR 12.0 million concerned the Luxury segment, mainly due to investments to expand capacities at the Schlüsselfeld site.

As of the balance sheet date, investments of EUR 16.4 million (previous year: EUR 52.7 million) were made in assets under construction, mainly in the Luxury segment. These primarily concern advance payments for the construction of a new production hall in Schlüsselfeld.

So far, payment obligations of EUR 11.2 million (previous year: EUR 23.1 million) have been incurred for the completion of the production hall and for further investments in property, plant and equipment, financed from the ongoing cash flow and the syndicated loan agreement.

Additions to intangible assets include investments in development costs of EUR 4.7 million (previous year: EUR 6.2 million), mainly in connection with 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 429.5 million, current assets were EUR 86.0 million higher than at the reporting date in the previous year. This development is primarily attributable to the increase in inventories of EUR 55.6 million, and to trade receivables; which increased by EUR 51.5 million.

This is related to the significant increase in finished and unfinished vehicles (change in inventories). To safeguard its production planning, Knaus Tabbert agreed to early deliveries of chassis in some cases in the 2023 financial year. As a result, inventories were considerably higher as of 31 December 2023.

Trade receivables increased due to the significant increase in revenue, resulting from considerably higher production volumes. The shift in the product mix towards higher-priced motorised vehicles compared to the 2022 financial year also contributed to this development.

Other assets decreased mainly due to lower factoring receivables, which were paid out early as part of an agreement with the factoring company.

LIABILITIES

in EUR mill.	31.12.2023	31.12.2022
Share capital	10.4	10.4
Capital reserves	27.3	27.1
Retained earnings	83.1	74.7
Profit-/Loss carry-forwards	13.3	7.7
Annual net profit	60.3	29.6
Acumulated other comprehensive income	−1.8	−2.5
Total equity	**192.6**	**146.9**
Other provisions	6.4	5.4
Liabilities to financial institutions	102.0	102.6
Other liabilities	15.3	13.7
Deferred tax liabilities	11.2	10.0
Non-current liabilities	**134.9**	**131.7**
Other provisions	23.6	17.8
Liabilities to financial institutions	141.0	89.5
Trade accounts payable	122.4	112.9
Other liabilities	51.9	55.6
Tax liabilities	16.1	2.9
Current liabilities	**355.0**	**278.8**
Liabilities	**489.9**	**410.5**
Total balance sheet/liabilities	**682.5**	**557.4**

The balance sheet equity of the Knaus Tabbert Group amounted to EUR 192.6 million (previous year: EUR 146.9 million) as of the balance sheet date. This significant increase is mainly due to the annual net profit generated. This was offset by dividend payments to shareholders for the 2022 financial year in the amount of EUR 15.6 million.

The balance sheet equity ratio at the end of 2023 stood at 28.2% (previous year: 26.4%).

As of the reporting date, the credit line (total volume: EUR 180 million) had been drawn down in the amount of EUR 116.7 million (previous year: EUR 75.9 million).

At EUR 355.0 million, current liabilities were significantly higher than in the previous year (EUR 278.8 million) due to the increase in liabilities to banks resulting from the higher working capital and the increase in tax liabilities.

Financial position

Knaus Tabbert generated a cash flow from operating activities of EUR 32.1 million in the 2023 financial year (previous year: EUR 2.8 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 increase in cash flow from operating activities is mainly due to higher earnings compared to the previous year. The significant increase in inventories had the opposite effect, and is directly related to the higher stocks of unfinished and finished vehicles (change in inventories) and an increase in chassis stocks as of the reporting date.

At EUR -53.8 million, the cash flow from investing activities is EUR 18.9 million lower than in the previous year (EUR 72.7 million). Significant investments to increase capacities was largely completed in the 2022 financial year. In the reporting period, expenditures of EUR 12.1 million were made in connection with the expansion of the second production line for the Morelo brand at the Schlüsselfeld site (Germany).

At EUR 6 million, investments in intangible assets such as development services, industrial property rights and similar assets are roughly the same as in the previous year (EUR 6.8 million).

Knaus Tabbert recorded a cash inflow from financing activities in the amount of EUR 19.3 million (previous year: EUR 72.5 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 50.5 million.

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

KNAUS TABBERT AG (HGB)

Knaus Tabbert AG steers its operational business on the basis of two key figures, revenue and EBITDA adjusted for one-off effects. In the 2023 financial year, there were no individual items leading to an adjustment of EBITDA.

MOST IMPORTANT FINANCIAL PERFORMANCE INDICATORS

in EUR mill.	2023	2022
Revenue	1,271.2	909.1
EBITDA adjusted	89.7	43.5

Significant increase in revenue and total output

Motorised vehicles (motorhomes and camper vans) accounted for 75.0% (previous year: 61.3%) of the total revenue of EUR 1,271 million. The sale of caravans contributed 20.0% (previous year: 36.3.%) to total revenue. A further 5.0% 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 2023 was not been published.

The strong growth in revenue is attributable to the multi-brand strategy for chassis and the associated high demand for motorhomes (caravans and camper vans) from the Knaus Tabbert Group.

Inflationary price increases of approximately 7% additionally supported revenue growth.

Since the middle of the 2022 financial year, Knaus Tabbert has been producing motorhomes and camper vans of the Premium Knaus and Weinsberg brands on seven different chassis from five independent manufacturers (Stellantis, MAN, VW Commercial Vehicles, Mercedes and Ford), and no longer from just one manufacturer (Stellantis). The Morelo brand representing the Luxury segment uses chassis from Mercedes Actros and Iveco Daily.

At EUR 11.9 million, changes in inventories were significantly higher than the previous year's figure of EUR 2.6 million, and resulted from a higher stock of trade fair and press vehicles as well as unbilled dealer vehicles.

Increase in the materials ratio by 0.4 percentage points

In the reporting period, the cost of materials increased by EUR 286.7 million to EUR 978.1 million due to the substantial increase in revenue, but also as a result of material price increases and higher purchasing volumes. The cost of materials in relation to total output increased by 0.4 percentage points to 75.5%.

Further decrease in personnel expenses ratio

Personnel expenses increased by EUR 11.3 million to EUR 120.4 million compared to the previous year. This increase is mainly due to the workforce expansion in view of the planned increase in production capacities in the 2023 financial year. However, the ratio of personnel expenses to total output decreased from 11.9% in the previous year to 9.3% in the reporting year.

Other operating expenses up on the previous year

Other operating expenses increased by 38.6%, or EUR 29.7 million in absolute terms, from EUR 76.9 million in the previous year to EUR 106.6 million. In addition to advertising, trade fair and distribution costs, which were significantly higher than in the previous year, as well as costs for the storage and handling of finished and unfinished vehicles, this change is primarily driven by legal and consulting costs as well as higher warranty costs due to higher sales.

The easing of tension in supply chains and the described cost development in relation to total output (economies of scale), particularly in the HR area, are also reflected in the development of the operating result, which has developed disproportionately to sales.

EBITDA for the financial year increased by 110.3%, from EUR 42.6 million in the previous year to EUR 89.7 million. The adjusted EBITDA margin stands at 7.1%.

Knaus Tabbert AG has thus met the forecast for the 2023 financial year.

Depreciation and amortisation increased from EUR 15.3 million to EUR 18.3 million due to investments made in capacity expansions in recent years.

This results in an operating result (EBIT) of EUR 71.4 million after EUR 27.3 million in the previous year.

Earnings before taxes for the financial year increased by 126.4%, from EUR 30.9 million to EUR 70.1 million.

Taking into account tax expenses of EUR 19.0 million (previous year: EUR 6.9 million), this results in an annual net profit of EUR 51.0 million for the 2023 financial year (previous year: EUR 24.0 million). EUR 15.6 million of the annual net profit of the previous year were distributed to shareholders as dividends.

Net asset position and capital structure

At EUR 178.3 million, the fixed assets of Knaus Tabbert AG were higher than in the previous year. Investments in property, plant and equipment in the amount of EUR 30.8 million (previous year: EUR 45.1 million) relate primarily to investments in capacity expansions at the Jandelsbrunn site, replacement investments in machinery and operating equipment, and investments in tools required for the production of the new models.

Additions to intangible assets include investments in development costs in the amount of EUR 4.7 million (previous year: EUR 6.2 million), mainly in connection with the development of new caravans and motorhomes.

Financial assets include acquisition costs for stakes in subsidiaries as well as loans to the Hungarian subsidiary, which were extended to finance investments at the Hungarian site. In the reporting year, a further EUR 2.5 million were lent to Knaus Tabbert Kft, Hungary, in the current financial year.

At EUR 348.1 million, current assets were EUR 77.0 million higher than on the reporting date in the previous year. This development is mainly due to the rise in inventories by EUR 51.7 million and the increase in trade receivables by EUR 47.4 million, offset by the reduction in other assets of EUR 26.6 million.

This development is related to the significant increase in the number of unfinished vehicles (change in inventories) as well as the high volume of chassis delivered early.

The balance sheet equity of Knaus Tabbert AG amounted to EUR 144.1 million as of 31 December 2023 (previous year: EUR 108.4 million). The balance sheet equity ratio was 27.2% in 2023, representing an increase of 2.1 percentage points compared to the balance sheet date of the previous year. This is mainly due to the significant increase in earnings, offset by dividend payments to shareholders for the 2022 financial year and higher financing requirements in connection with the increase in current and non-current assets.

Provisions were up EUR 18.1 million on the previous year. This increase is connected to the significantly higher tax provisions as a result of the higher earnings.

At EUR 206.0 million, liabilities to banks were significantly higher than in the previous year (previous year: EUR 162.5 million). The main reason for this was the need to finance the increased working capital.

Financial position

The cash flow from operating activities in the 2023 financial year amounted to EUR 8.8 million (previous year: EUR -0.7 million) and was thus significantly higher than in the previous year. This figure was derived from the net profit for the year, taking into account non-cash expenses and income and the change in working capital. The increase in cash flow from operating activities is mainly due to the improved earnings situation, which is offset by the increase in inventories.

At EUR -28.6 million, the cash flow from investing activities is EUR 23.4 million lower than in the previous year (EUR -54.2 million). This development can be attributed to the investment programme at the Jandelsbrunn site, which was largely completed in the 2023 financial year. As a result, investments in property, plant and equipment of EUR 30.8 million were down on the previous year's figure of EUR 45.1 million.

Knaus Tabbert AG recorded a cash inflow from financing activities of EUR 19.0 million (previous year: EUR 55.7 million). This includes dividend payments to the company's shareholders for the 2022 financial year in the amount of EUR 15.6 million (previous year: EUR 15.6 million) as well as payouts from the existing syndicated loan agreement.

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

Forecast for Knaus Tabbert AG

The further economic development of Knaus Tabbert AG is closely tied to the future operating performance of the Group as a whole. For the 2024 financial year, the management of Knaus Tabbert AG therefore expects revenue to develop in proportion to Group revenue, with a slightly lower adjusted EBITDA margin than forecast for the Group.

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 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 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 RMS was performed by the internal audit department. In the process, no findings were identified that could compromise the appropriateness or effectiveness of the RMS.

In all material respects, there were no indications as of the reporting date that the Risk Management System as a whole was inadequate or ineffective.

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 – COSOII ©".

The RMS is based on the principles of auditing standard IDW PS 340 (as amended in January 2022) issued by the German Institute of Auditors with regard to the early risk detection system in accordance with Section 317 (4) HGB.

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. 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.

In 2023, we created the position of risk manager, who is responsible for the proper and efficient implementation of the RMS. This includes quarterly meetings with all risk owners, during which all risks are discussed in detail, the validation of the risk portfolio, maintenance of the RMS software and reporting to the Management Board and the Audit Committee. Changes to significant risks are briefly described in the respective quarterly reports published.

In the 2023 financial year, the risk owners received further detailed training on the methodology and implementation of the RMS. The identification and recognition of risks was thus further systematised, and the evaluation and management system further standardised.

As part of the risk assessment, the identified risks are systematically evaluated with regard to the maximum amount of damage (potential and realistic 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: "highly unlikely", "unlikely", "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 risks typically occur.

Level	*Probability of occurrence in %*
Highly unlikely	<10 %
Unlikely	10% – 29%
Rarely	30% – 49%
Probably	≥ 50%

When assessing the possible scope of damage, we distinguish between the six categories “marginal”, “low”, “moderate”, “material”, “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 EUR thousand*
Marginal	**≤100**
Low	**101–500**
Moderate	**501–2,500**
Material	**2,501–5,000**
High	**5,001–7,500**
Critical	**>7,500**

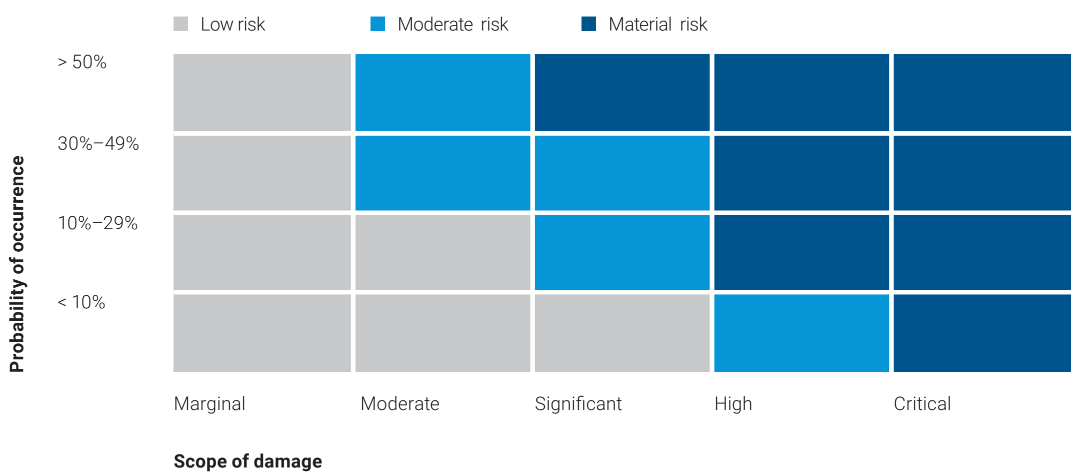
In the 2023 financial year, the monetary thresholds for the scope of damage were adjusted to the development of revenue and EBITDA of recent years compared to previous years, allowing risks to be assessed in line with the increased business volume.Furthermore, the levels "insignificant" and "significant" have been replaced with "marginal" and "material" respectively for ease of understanding; this is because the term "significant" carries a specific meaning in the broader context of this report ("significant risk").

Until the end of the 2022 financial year, the following categories were applied:

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

Risks falling into the "marginal" category are not formally included in the assessment of the Group's general risk profile. Similar to quantifiable risks, non-quantifiable risks such as reputational damage are divided into the categories "low risk", "moderate risk" and "material risk". To this end, the potential impact is initially classified as low, medium, high or very high. 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 significant risks that exhibit both a probability of occurrence and scope of damage according to the risk matrix presented below.

RISK ASSESSMENT CATEGORIES



Overview and description of the main risks

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 2024, Knaus Tabbert has once again divided the identified risks into superordinate risk 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 in the past financial year resulted in particular from the elimination of certain risks (see below). 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.

The risks currently categorised as material are described in detail below. Given the current political and economic developments, any further prediction of the impact of additional risk effects are fraught with uncertainty. A further escalation of the war between Russia and Ukraine, for example, would most likely have a negative impact on Knaus Tabbert's business. Management at Knaus Tabbert continues to carefully monitor economic and geopolitical developments and their potential impact on the Group's profit, financial and net assets position, and will take appropriate measures in good time if necessary.

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

Areas of risk	*Maximum net loss amount*	*Probability of occurrence*	*Net exposure*	*Management report 2022*	*Unchanged to 2022*
Market & Customer					
Service capacities in the industry	Critical	Highly unlikely	Significant risk	Significant risk	Unchanged
Retail financing France	Significant	Unlikely	Moderate risk	Significant risk	Lower
Finance					
Currency risk Hungary	Moderate	Rarely	Moderate risk	Significant risk	Lower
Dealer financing risk	Critical	Highly unlikely	Significant risk	Significant risk	Unchanged
Legal & Compliance					
Conformity of products to standards	High	Unlikely	Significant risk	Significant risk	Unchanged
IT					
Cyber attack	High	Rarely	Significant risk	Significant risk	Unchanged
Purchasing					
Chassis supply	Critical	Highly unlikely	Significant risk	Significant risk	Unchanged
Monopolists	Critical	Highly unlikely	Significant risk	Significant risk	Unchanged
Suppliers with special manufacturing processes	Significant	Unlikely	Moderate risk	Significant risk	Lower
Supply bottlenecks/supply chain	Critical	Unlikely	Significant risk	Significant risk	Unchanged
Material price increase	Significant	Rarely	Moderate risk	Significant risk	Lower
Production					
Unfinished vehicles	Moderate	Probably	Moderate risk	Significant risk	Lower

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

The following changes to the risk assessment occurred in the past financial year compared to the previous year:

These risks are no longer considered material risks as we were able to eliminate them:

- in the financial area: absence of discount effects due to improved supply reliability
- in the purchasing area: energy supply bottlenecks due to improved reliability of supply
- in the production area: gas supply with production interruptions due to improved supply conditions

Furthermore, the following risks were downgraded from material to moderate:

- in the market & customers area: end customer financing France: through a new financing partner
- in the financial area: currency risk for Hungary due to the stabilisation of the HUF
- in the procurement area: suppliers with special manufacturing processes by adjusting the risk assessment in line with company growth
- in the procurement area: material price increases by adjusting the risk assessment in line with company growth
- in the production area: unfinished vehicles through improved supply chains

In addition, following the upgrade in the third quarter of 2023, the following risk was downgraded again from significant to moderate:

In the quality area: camper van pop-up roofs, through appropriate balance sheet provisions and an improved quality measure to remedy the problem

Market & customers

In spite of careful and detailed revenue planning, economic conditions, unexpected market developments and individual customer risks may have an impact on the sales and profit situation of Knaus Tabbert. Geopolitical crises such as wars and their knock-on effects pose a significant risk to the global economy. Increased energy costs and high inflation in the principal sales markets place a burden on private households, companies and governments. This can have an effect on consumer spending and thus on medium to long-term sales development.

In this context, a stable order book represents an effective safeguard against this risk for the period under review. The keen interest shown in our products at international and regional industry fairs as well as the demand for alternative travel options continue to support sales at Knaus Tabbert. The restocked warehouses of our dealers offer customers a wide range of products to choose from when making their purchase decisions.

A risk of relevance to earnings results from dealer purchase financing and end customer financing. Knaus Tabbert was able to secure various financing partners for trade financing in the domestic market and for export financing in the past years, and is continuing its efforts to expand these in order to adapt to the increase in sales. At the end of 2023, a financing partner was also found for the end customer financing of certain caravan segments on the French market, thereby reducing the associated risks.

Due to increasing sales figures in the European caravanning 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, Knaus Tabbert initiated a service cooperation with MAN workshops back in 2019. At the same time, the company is constructively supporting and incentivising its dealer network to expand their after-sales activities.

Finances

The Group operates a production site in Nagyoroszi, Hungary. Foreign currency risks result from a loan granted to the plant in Hungary and from operating cash flows denominated in HUF. To date, the operating foreign currency risk has been partially insured as offsetting effects act as a natural hedge. In fact, we no longer consider the foreign currency risk from granting loans to be material due to the gradual stabilization of the HUF.

Knaus Tabbert distributes its products through an extensive dealer network. To support its dealers, Knaus Tabbert has concluded framework agreements with financial institutions that enable selected 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 late payment or insolvency of an authorised dealer, Knaus Tabbert is generally obliged to repurchase the vehicle stock financed by the respective financing partner on behalf of the dealer at 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 inventory financing, observing general market statistics, regular visits to dealers by sales managers, monthly inventory reports from dealers, and monitoring the current order status of dealers in the SAP systems as well as the receivables balance. This allows us to rapidly identify signs of change in the demand situation as well as any financial problems of individual dealers. By maintaining continuous and constructive dialogue with our dealers, we try to identify potential risks in advance and resolve them together with our dealer network in a spirit of partnership. Moreover, provisions are created for possible repurchase obligations as a precautionary measure.

The terms of the syndicated loan of EUR 180 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, and to 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. For this reason, Knaus Tabbert and the syndicate banks agreed to adjust the covenants of the syndicated loan in 2023, in line with budget planning. Due to the high level of inventories at the end of the financial year, the equity ratio was slightly lower than agreed. A corresponding waiver was agreed with the banks, which also provides for a temporary adjustment in 2024 in line with budget planning, thus reducing the associated risks. The renegotiations and the increases in key interest rates will lead to higher financing costs, which we have taken into account in our planning for the 2024 financial year. 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 cross-company processes.

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 clearly defined rules of conduct, codes and guidelines relating to our process flows, and through our internal compliance structure, and we have concluded appropriate insurance policies as are customary in the industry.

Our development and production processes also entail compliance risks with regard to product standards relating to type approvals such as exhaust emissions, dimensions and weight. These risks could damage Knaus Tabbert's financial position and reputation. As a precautionary measure, Knaus Tabbert therefore also created provisions in the past financial year, particularly for expected legal and consulting services, and is attempting to counter these risks through additional guidelines as well as ongoing and occasion-specific internal audits. The Group is also subject to strict environmental and other regulatory requirements, which may change, give rise to additional costs or liabilities, or restrict the Group's business operations. Environmental risks are identified and assessed at regular intervals. The most important environmental processes are included in the Management Manual. At present, Knaus Tabbert has not identified any significant environmental risks from its ongoing business operations. In principle, possible regulatory risks could arise from the ESG context. These are described in the section on sustainability.

In its Premium segment, the Knaus Tabbert Group operates a certified quality management system, which is supported by further quality-improving processes. The introduction of a certified quality management system in the Luxury segment is currently in progress. Nevertheless, the Knaus Tabbert Group is exposed to the risk of products being delivered in poor quality, thus giving rise to product liability or warranty risks in the form of warranty or goodwill claims, or claims for damages. Moreover, Knaus Tabbert AG 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 recognizing provisions in the balance sheet once the accounting requirements are met. 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

Personnel expenses represent a significant cost item in the Group's earnings statement. A large proportion of the workforce is in permanent employment, while the remainder have fixed-term contracts. In order to respond to changing conditions, the Group makes use of various instruments to manage the personnel structure as required, such as partial retirement.

In addition to the number of employees, personnel expenses are also influenced by the development of collective wage agreements (Germany), surcharges for overtime and the general wage level (especially in Hungary), both in Germany and in Hungary, where the Group's production facilities are located. In Germany, Knaus Tabbert

AG is subject to existing collective bargaining agreements (so-called collective recognition agreements), in which wage agreements with longer terms have been concluded on a large scale. The effects of collectively agreed wage adjustments for 2024 have already been included in the budget planning. The risk of wage cost increases therefore no longer represents a material risk in the current financial year.

IT

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 the 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 a cyber attack. In addition, we regularly raise awareness among our employees about such dangers. We therefore assess a potential cyber attack as a critical risk scenario. However, we have taken out cyber insurance, and have recently increased the insurance cover.

Procurement

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 Group. In this context, the inflationary trend has recently declined somewhat, but still remains at a high level, which is why we see a moderate risk here. In addition, occasional delivery or quality problems, or supply disruptions at sub-suppliers, can give rise to risks in production. Financial bottlenecks of suppliers, capacity restrictions or 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. Although the situation regarding the supply of chassis stabilised again in the 2023 financial year, any further shortages would have a significant negative impact on the Group's earnings situation. For this reason, too, we have maintained our expanded supplier base for chassis with four additional manufacturers (MAN, Mercedes, Ford, Volkswagen). This allows for much more flexible planning. In addition, Knaus Tabbert safeguards its motorhome production through chassis safety stocks. A number of suppliers in the caravanning business have a monopoly or oligopoly position, which makes price negotiations difficult. In this respect, Knaus Tabbert is dependent on individual suppliers to a substantial extent, which is to be considered a material risk. In addition to motorised chassis and various systems in the area of building services and air conditioning technology, this particularly concerns manufacturers with special production processes. This gives rise to availability and price risks, which have recently been classified as only moderate. 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 impairment of the production of our products can arise from having different suppliers. Causes such as a shortage of raw materials, 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 material. This applies to both the Luxury and Premium segments in equal measure.

Energy and electricity prices remain high, affecting Knaus Tabbert's cost of materials and energy costs. Knaus Tabbert has allowed for the resulting cost increases in its planning for the 2024 financial year. A self-sufficient heating system using wood waste from production is currently in operation at the Jandelsbrunn and Mottgers sites, making these locations independent of gas supplies. Knaus Tabbert plans to further expand its energy self-sufficiency in the coming years through photovoltaics and additional boilers for wood waste at its sites. At present, we consider the risk of a blackout or of gas supply issues to be very unlikely. However, this risk could increase again by the winter of 2024/2025 and cause disruptions to our supply chain. Global developments along the supply chain have led to significant price increases in many industries, which have also affected Knaus Tabbert. In order to keep the Group's margins stable, the effects of the material cost increases are passed on to customers every six months during the price negotiation rounds for the respective model year.

Production

In principle, bottlenecks may occur in production due to a lower availability, or complete 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, resulting in a lack of parts or production defects, thereby increasing the stock of unfinished vehicles, which subsequently causes additional reworking expenses. Therefore, plans are in place to optimise inventories in the long term by increasing management focus. In addition, we counter these risks through 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

Sustainability is a key element of Knaus Tabbert's corporate strategy. Our awareness of our responsibility in this area is reflected in all processes within the company and along our entire value chain. In the area of climate and environmental protection, the company has defined a clear strategy to reduce its greenhouse gas emissions along the entire value chain. When it comes to social issues, we focus on fair and respectful treatment of our employees and ensuring equal opportunities within the company. With regard to governance, Knaus Tabbert relies on an all-embracing corporate governance approach as well as binding company guidelines. Knaus Tabbert publishes details of its comprehensive measures and goals in its sustainability report (https://www.knaustabbert.de/en/sustainability/).

Opportunities and risks arise from increasing ESG requirements, regulatory constraints and the company's own sustainability strategy with its associated social and corporate goals as well as climate and environmental protection targets. Our corporate governance approach also takes into account the opportunities and risks in the supply chain, with the aim of minimising risks and strengthening long-term and sustainable partnerships.

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. A specific case in point is the possible formation of cracks in the pop-up roof of camper vans. A quality measure to rectify the problem has already been established and is currently being implemented. For such cases, Knaus Tabbert creates adequate provisions that generally cover these risks in full. The costs to be expected in this context are reflected in the general or specific 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.

Overview and description of the main opportunities

In addition to identifying and avoiding risks, identifying and taking advantage of opportunities is of equal importance for achieving the company's strategic goals. The opportunities described below are a selection of the key issues that are currently considered significant; however, other opportunities may of course also exist. In this respect, the opportunities presented give an indication of the relative importance of these topics for the company and thus remain unchanged from the previous year, with the exception of the newly included topic of "innovation".

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, also with regard to new distribution channels. The opening of new distribution channels could have a positive effect on our revenue and profit situation. As announced at the press conference at the CMT in Stuttgart at the beginning of 2024, the launch of a new brand will increase our product offering in the various user categories of the Knaus Tabbert brand portfolio, and will allow us to systematically further develop our dealer and service networks to unlock new sales opportunities. As part of our focused efforts to digitalise sales processes, including through the use of state-of-the-art CRM and automation technologies as well as the exploration of AI potential in the areas of consulting, order entry and customer loyalty, new opportunities may present themselves in the design of more efficient, sustainable and forward-looking distribution models.

Furthermore, Knaus Tabbert is planning to expand its market presence in Asia with a focus on Malaysia.

Opportunities in connection with our procurement strategy

Knaus Tabbert is currently still 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. Further opportunities may arise from a possible easing of inflationary pressure and the associated fall in interest rates, and from volume effects in the context of 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 digitising its processes.

Opportunities in connection with societal 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.

Opportunities in connection with innovation

Knaus Tabbert continues to invest in the continued development of its products, particularly with regard to lightweight construction, multi-functionality and space utilisation. Its innovative strength represents a key competitive factor contributing to the Group's strategic growth.

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, the Group is 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 2023 financial year, a Monte Carlo simulation with confidence intervals of 95% and 5% was used 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 all 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 – COSOII ©", 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.

In all material respects, there were no indications as of the reporting date that the Internal Control System or the Risk Management System as a whole were inadequate or ineffective.

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, which applies throughout the company. To monitor the effectiveness of the ICS, regular reviews of accounting-relevant processes are carried out through internal controls and, occasionally, through recurring reviews by the Internal Audit department. 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 identifying, assessing, mitigating, monitoring and communicating 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 (HGB) 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 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)

The declaration on the appropriateness and effectiveness of the Internal Control System marked with ^ was not checked for accuracy.

FORECAST REPORT

General economic development

The OECD forecasts global GDP growth of 2.9% in 2024 and a slight improvement to 3.0% in 2025. This is broadly in line with the OECD's latest projections from November 2023. As in 2023, Asia is expected to make a significant contribution to global economic growth in the period 2024-2025.

In view of the diminishing cost pressure, the gradual fall in inflation is likely to continue. Overall inflation in the G20 countries is expected to fall from 6.6% in 2024 to 3.8% in 2025. In the United States, growth of 2.1% and 1.7% is expected for the years 2024 and 2025 respectively, as consumers continue to reduce their savings accumulated during the pandemic. The easing of financing conditions is also having a positive effect. In the eurozone, the economy is likely to remain subdued in the short term due to restrictive lending conditions before recovering again thanks to increasing real incomes. GDP is thus expected to grow by 0.6% in 2024, and by 1.3% in 2025. The Japanese economy is likely to grow by 1% in both 2024 and 2025, driven primarily by private consumption and corporate investment. In China, projections indicate a growth rate of 4.7% for 2024 and 4.2% for 2025, the lowest values recorded in the 25 years prior to the coronavirus pandemic. This can be explained by weak consumer demand and structural problems on the real estate markets.

The OECD has identified a number of challenges. Geopolitical tensions remain a major source of uncertainty, and have increased further with the escalation of the conflict in the Middle East. The threats to shipping in the Red Sea have increased freight costs and delivery times. In the event of an escalation, these factors could trigger a further rise in goods prices and jeopardise the anticipated economic upturn. The OECD estimates that a sustained doubling of sea freight costs will increase consumer price inflation in the OECD area by 0.4 percentage points after approximately one year.

Monetary policy measures should remain cautious in order to permanently reduce inflationary pressure. Should the downward inflation trend continue, key interest rates may be cut in most leading economies this year. However, the pace of interest rate cuts will depend on the availability of data and will vary from economy to economy. The OECD also points out that governments need to counteract growing fiscal pressure and adjust their fiscal policy in order to overcome long-term challenges to growth. These include, in particular, high national debt, the need to improve educational outcomes for future generations, and climate change. Furthermore, reviving global trade is crucial to improving the prospects for growth and economic development worldwide.

Source: OECD Economic Outlook, February 2024

Industry outlook

In the past year, almost EUR 87 billion were spent on holidays, more than ever before. This corresponds to approximately 7% of net average household income. Last year, Germans spent around EUR 110 per person per day, roughly 10% more than in the previous year. In terms of consumption priorities, holiday travel is second only to food. For most people, going on holiday is more important than spending money on new furniture, cars or mobile phones. Interestingly, travelling is also significantly more important to people than making provisions for old age. These findings were published by the market research institute NIT (New Insights for Tourism) in its regularly conducted "Travel Analysis".

Holidaying patterns shape the caravanning business

Free, flexible and informal holidays well away from mass tourism have been enjoying ever-increasing popularity for a number of years. Categories and target group range 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%)
- being close to nature (75%)
- an eco-friendly way to travel (21%)

In addition to demographic change, 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 annual 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, and often have 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.

Interest unbroken, yet challenges remain

The caravanning industry will continue to face major challenges in 2024. The situation of the caravanning industry and trade is, and remains, tense. Manufacturers are still a long way from normal production conditions, and dealers are also feeling the current level of uncertainty among customers.

Aggravating factors such as the acute shortage of skilled workers and high energy prices are placing an additional burden on the industry.

The drop in the inflation rate at the end of the 2023 financial year gives us reason to believe that consumers' purchasing power will continue to stabilise in the coming months. An improved interest rate situation should provide customers with more planning security again. In the current situation, it is particularly important for policymakers to give companies and consumers positive stimuli and create stable economic conditions.

Aside from this, caravanning has proven to be a crisis-proof form of holidaying during the pandemic, and Germans' interest in leisure vehicles remains high.

Forecast for the Group

Over the past three years, the Knaus Tabbert Group has implemented key strategic measures aimed at sustainably strengthening its market position in the most important sales categories. These measures mainly relate to investments in the expansion of capacities at almost all locations, broadening the supplier base for chassis from one main supplier to five independent suppliers, and the introduction of a completely new vehicle category in the motorhome segment, the Caravan Utility Vehicle (CUV).

The focus for the 2024 financial year is on sustainably optimising workflows and processes in production. We expect this to have an effect on the gross margin as early as the 2024 financial year.

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 devised new strategies in the 2022 financial year to make its procurement even more flexible and resilient in the future.

In addition to chassis from Stellantis and MAN, Knaus Tabbert has been using chassis from Mercedes, Volkswagen Commercial Vehicles and Ford in the Premium segment all year round since the 2023 financial year. The aim was to improve the procurement situation compared to previous years while noticeably increasing the variety of our offering to dealers and end customers.

For the model year 2024 (1 August 2023 - 31 July 2024), Knaus Tabbert achieved a price freeze for series material as a result of all negotiations and exploited potential.

Investments

For the 2024 financial year, the company plans to invest a maximum of 3%-4% of its revenue in property, plant and equipment and other intangible assets, including capitalised development costs.

A significant part of this capital expenditure will be used to complete the plant expansion at the Schlüsselfeld site. Construction of a second assembly line at the Schlüsselfeld site was begun in the 2023 financial year to reduce the complexity of manufacturing processes. Commissioning is scheduled for the second half of 2024.

Further investments will primarily be made in structural adjustments, quality optimisation, increasing the level of automation and innovation measures.

Liquidity

In 2024, the Management Board will focus in particular on optimising workflows and processes in production. In this context, planned investments will be reassessed in terms of their timing and spread over the coming years in line with Knaus Tabbert's growth plan.

At the same time, Knaus Tabbert remains fundamentally committed to implementing its corporate strategy geared towards profitable growth. The company has created the essential prerequisites for this with its investments made in 2021 and 2022.

With these measures, we also aim to reduce the capital commitment in the Group and increase the return on capital employed (ROCE).

Expanded brand portfolio

Knaus Tabbert plans to introduce a sixth corporate brand in the second half of 2024. The aim is to attract a younger audience to caravanning as a leisure activity. Reflecting the trend among this new, younger target group, in addition to the existing dealer network, Knaus Tabbert is focusing its marketing efforts for the new brand on the digitalisation of its distribution processes, including the use of state-of-the-art CRM and automation technologies, as well as the exploration of AI potential in the areas of consulting, order entry and customer loyalty.

Order development

Following the extraordinary years of the pandemic, the caravanning industry is now returning to normality. This is also reflected in the ordering behaviour of dealers and, consequently, of end customers. A comparison with the order dynamics of the years 2020 to 2022 is therefore not permissible. As of the 2024 financial year, the order backlog will therefore be stated exclusively in EUR million, as is customary in the industry, and no longer in units.

In principle, Knaus Tabbert's business is characterised by seasonal demand patterns within a financial year. The order backlog traditionally reaches its peak in the second or third quarter of the financial year.

Dividend

The Knaus Tabbert Group's dividend policy, which is geared towards continuity, is to be maintained 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.

In light of the above, we now plan to propose an increase of dividends payments at the Shareholders' Meeting in June 2024.

If the Shareholders' Meeting approves the planned proposal, dividends for the 2023 financial year would increase to EUR 2.90 per share. The number of shares issued remained unchanged at 10,377,259 as of 31 December 2023. The company holds no treasury shares. The expected total dividend payout would thus increase to EUR 30.1 million compared to EUR 15.6 million in the previous year.

Forecast

The following forecasts for the key performance indicators are based on the current business development and the internal planning of the Knaus Tabbert Group.

Group revenue of between EUR 1.4 billion and EUR 1.55 billion expected

Given the current expectations with regard to growth of the global economy and the European caravanning industry, which is of relevance to Knaus Tabbert, the company anticipates a change in Group revenue of between EUR 1.4 billion and EUR 1.55 billion for the 2024 financial year compared to the 2023 financial year.

For the further course of the model year 2024 ending on 31 July 2024, Knaus Tabbert does not plan to charge retailers higher prices for the time being.

Management at Knaus Tabbert continues to carefully monitor economic and geopolitical developments and their potential impact on the Group's profit, financial and net assets position, and will take appropriate measures in good time if necessary.

EBITDA margin expected in a range of 8%-9%

Profitability, expressed in terms of adjusted EBITDA and the adjusted EBITDA margin, is expected to be in a range of 8%-9% according to the expected sales development.

REMUNERATION REPORT AND REMUNERATION SYSTEM

The Remuneration Report for the 2023 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.

The Corporate Governance Statement marked with ^ has not been substantively checked.

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 2023, 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 2023.

The rights and obligations of the shareholders are defined according to AktG 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 31 December 2023:

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 para. 2, 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, 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 combination or the acquisition of companies, parts of companies, operations or shares in companies, industrial property rights (i.e. patents, utility models, trademarks or licences thereto) or other product rights;
- 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 5,000,000.00, 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.

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 by 20 September 2025, 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 10 % 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 a 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 10% 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, 26 March 2024

Wolfgang Speck   Werner Vaterl   Gerd Adamietzki

CONSOLIDATED FINANCIAL STATEMENTS

CONTENTS

CONSOLIDATED BALANCE SHEET

ASSETS

in KEUR	*Note*	*31.12.2023*	*31.12.2022*
Assets			
Intangible assets	5.1	22,516	23,265
Property, plant and equipment	5.2	222,079	184,138
Other assets	5.7	1,665	1,709
Deferred tax assets	6.9	6,696	4,755
Non-current assets		**252,955**	**213,866**
Inventories	5.3	308,613	252,986
Trade receivables	5.4	84,968	33,470
Other assets	5.7	23,043	37,540
Tax receivables	5.5	1,201	6,933
Cash and cash equivalents	5.6	11,693	12,614
Current assets		**429,519**	**343,543**
Balance sheet total		**682,474**	**557,409**

LIABILITIES

in KEUR	*Note*	*31.12.2023*	*31.12.2022*
Equity			
Subscribed capital	5.8	10,377	10,377
Capital reserves	5.8	27,333	27,087
Retained earnings	5.8	83,067	74,678
Profit/loss carry forwards		13,319	7,653
Consolidated net income		60,322	29,620
Consolidated net income	5.8	−1,850	−2,487
Total equity		**192,569**	**146,930**
Liabilities			
Other provisions	5.9	6,424	5,393
Liabilities to banks	5.10	102,017	102,555
Other liabilities	5.12	15,260	13,705
Deferred tax liabilities	6.9	11,155	10,046
Non-current liabilities		**134,856**	**131,699**
Other provisions	5.9	23,644	17,773
Liabilities to banks	5.10	141,043	89,549
Trade payables	5.11	122,375	112,923
Other liabilities	5.12	51,927	55,647
Tax liabilities	5.13	16,059	2,888
Current liabilities		**355,048**	**278,780**
Liabilities		**489,904**	**410,479**
Balance sheet total		**682,474**	**557,409**

CONSOLIDATED PROFIT AND LOSS STATEMENT

in KEUR	Note	01.01. to 31.12.2023	01.01. bis 31.12.2022
Revenue	6.1	1,441,020	1,049,520
Changes in inventory	6.2	19,050	16,343
Other own work capitalised	6.2	4,613	6,308
Other operating income	6.3	9,900	6,002
Cost of materials	6.4	−1,070,777	−775,874
Personnel expenses	6.5	−157,557	−141,539
Depreciation and amortisation	6.6	−28,342	−23,856
Other operating expenses	6.7	−122,494	−91,432
Financial income	6.8	1,050	224
Finance costs	6.8	−10,704	−3,921
Tax expense	6.9	−25,438	−12,155
Consolidated net income		**60,322**	**29,620**
Earnings per share (undiluted) in EUR	**6.10**	**5.81**	**2.85**
Earnings per share (diluted) in EUR	**6.10**	**5.81**	**2.85**

CONS. STATEMENT OF COMPREHENSIVE INCOME

in KEUR	*01.01. to 31.12.2023*	*01.01. bis 31.12.2022*
Consolidated net income	**60,322**	**29,620**
Items that may be reclassified to profit or loss if certain conditions are met:		
Currency translation differences	637	–1,092
Other comprehensive income	**637**	**–1,092**
Total comprehensive income	**60,959**	**28,529**

CONSOLIDATED CASH FLOW STATEMENT

CASH FLOWS FROM OPERATING ACTIVITIES

in KEUR	Note	2023	2022
Consolidated net income		60,322	29,620
Adjustments for:			
Depreciation and amortisation/write-ups on intangible assets and property, plant and equipment	6.6	28,342	23,856
Increase/decrease in provisions	5.9	6,902	1,962
Other non-cash income/expenses		167	2,773
Increase/decrease in inventories, trade receivables and other assets not related to investing or financing activities		−91,104	−147,376
Increase/decrease in trade payables and other liabilities not related to investing or financing activities		3,093	89,666
Net finance costs	6.8	9,654	2,734
Income tax expense	6.9.1	25,140	11,822
Income taxes paid		−10,420	−12,259
Cash flows from operating activities		**32,096**	**2,798**

CASH FLOWS FROM INVESTING ACTIVITIES

in KEUR	Note	2023	2022
Proceeds from the sale of property, plant and equipment		16	353
Payments for investments in property, plant and equipment		−48,283	−62,880
Payments for investments in intangible assets		−5,770	−6,812
Payments from the acquisition of a subsidiary, net of cash acquired		–	−3,424
Income taxes paid		215	75
Cash flows from investing activities		**−53,823**	**−72,688**

CASH FLOWS FROM FINANCING ACTIVITIES

in KEUR	Note	2023	2022
Dividend payments	5.8	−15,566	−15,566
Proceeds from liabilities to banks		148,839	287,937
Repayments of liabilities to banks		−98,360	−194,146
Interest paid		−11,463	−2,589
Repayment of liabilities from leases		−4,174	−3,144
Cash flows from financing activities		**19,276**	**72,492**

Net change in fund of means of payment		**−2,452**	**2,603**
Impact of exchange rate fluctuations on fund of means of payment		−4	30
Fund of means of payment at the beginning of the period		**5,803**	**3,170**
Fund of means of payment at the end of the period	5.6	**3,347**	**5,803**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FINANCIAL YEAR 2023

in KEUR	*Note*	*Subscribed capital*	*Capital reserves*	*Currency translation reserves*	*Retained earnings*	*Profit/loss carry-forwards*	*Consolidated net income*	*Total*
Status as of 01.01		**10,377**	**27,087**	**–2,487**	**74,678**	**7,653**	**29,620**	**146,930**
Allocation of consolidated net income in profit/loss carry-forwards		–	–	–	–	29,620	–29,620	–
Transfer of profit/loss carried forward to retained earnings		–	–	–	8,389	–8,389	–	–
Profit before tax from continuing operations		–	–	–	–	–	60,322	60,322
Other comprehensive income		–	–	637	–	–	–	637
Total comprehensive income		**–**	**–**	**637**	**8,389**	**21,231**	**30,702**	**60,959**
Transactions with owners								
Contributions and distributions								**–**
Share-based payment	13		246					246
Distributions	5.8	–	–	–	–	–15,566	–	–15,566
Total contributions and distributions		**–**	**246**	**–**	**–**	**–15,566**	**–**	**–15,320**
Total transactions with owners of the company		**–**	**246**	**–**	**–**	**–15,566**	**–**	**–15,320**
Status as of 31.12.		**10,377**	**27,333**	**–1,850**	**83,067**	**13,318**	**60,322**	**192,569**

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 01.01		**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**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

1.1. Reporting entity

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 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 2023 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) on 31 December 2023, 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 2023 under the going-concern assumption. The Consolidated Financial Statements were approved for publication by the Management Board on 22 of March 2024.

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 judgements 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.

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.

When 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 3.7 and 3.9.

Capitalisation of internally generated 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 lease 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 contract, and can thus significantly impact the rights of use or lease liabilities. For further information, please refer to Note 3.5.

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 of 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 is fulfilled when control of the motorhomes, caravans and camper vans is transferred to the customer, and that revenue is recognised as of that date. For details, please refer to Note 3.16.1. When recognising revenue from the sale of goods, judgement 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 judgement.

1.5. 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 2023. 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 conclusions 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

The Consolidated Financial Statements were prepared as of the reporting date of the Annual Financial Statements of the parent company Knaus Tabbert AG, 31 December 2023, on the basis of uniform accounting and valuation policies in accordance with IFRS, as to be applied in the EU.

Scope of consolidation

The scope of consolidation of Knaus Tabbert AG as of 31 December 2023 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**
MORELO Reisemobile GmbH	**Schlüsselfeld**	**100.00**
Foreign		
Knaus Tabbert Kft	**Vac (Ungarn)**	**100.00**

[1] These companies choose to be exempt from disclosing their annual financial statements according to section 264 (3) HGB

Knaus Tabbert Stiftung gGmbH, which was founded this fiscal year, has been excluded from consolidation due to materiality.

Business combinations

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.

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 are essentially only conducted by the Hungarian subsidiary Knaus Tabbert Kft. in its functional currency, the HUF.

Assets and liabilities 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 of HUF were used as the basis for the currency translation:

CURRENCY EXCHANGE RATES

	AVERAGE EXCHANGE RATES		YEAR-END EXCHANGE RATES AS PER 31 DECEMBER	
1 euro is equal to	2023	2022	2023	2022
Hungary (HUF)	381.76	390.94	382.80	400.87

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 expenses.

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
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 2023.

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.

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 and 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.

3.5. Leases

The Group as lessee

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.

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.

Klicken oder tippen Sie hier, um Text einzugeben.In its balance sheet, the Group records usage rights under 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 via its subsidiaries HÜTTLrent GmbH, Caravan-Welt GmbH Nord and WVD-Südcaravan GmbH. From the perspective as a lessor, all leases are classified as operating leases as not all the risks and rewards incidental to ownership are transferred when leasing the recreational vehicles. For further information, please refer to Note 6.1.

3.6. Inventories

Inventories are generally measured at the lower of acquisition or production cost and net realisable value. Net realisable value is the estimated selling price achievable 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.

3.7. Financial instruments

Recognition and initial measurement

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 – subsequent measurement

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, 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.

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

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 for its derivative financial instruments.

Financial guarantee

The financial guarantee was 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 derecognized 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 connection, 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.

3.8. 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.

3.9. 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.

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

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 an impairment 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.

Defaults and write-offs
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.

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.

3.10. Share-based remuneration arrangements

The fair value of share-based remuneration 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.

3.11. Provisions

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.

3.12. 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.

3.13. 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 recognized 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 recognized.

3.14. Income and expense recognition

3.14.1. Revenue recognition

The Group recognises the majority of its revenue in accordance with IFRS 15 (Revenue from Contracts with Customers). To a small 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

Sale of goods
The Group has determined, based on the fulfilment of the criteria below, that the performance obligation is fulfilled when the control of motorhomes, caravans and camper vans is transferred to the customer, and that revenue is 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 recognized 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
The Group recognizes 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.

3.14.2. Expense recognition

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

3.15. 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.

3.16. 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.

Tax effects that may arise from the future application of the regulations on a global minimum tax (Pillar Two) are not taken into account when determining the deferred tax assets and liabilities to be recognised.

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.

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 profit before taxes 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.

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

GROUP COMPANY	2023	2022
Knaus Tabbert AG	27.68%	27.68%
Knaus Tabbert Kft (HU)	9.00%	9.00%
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%	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 as of the reporting date.

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

3.17. 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 2023 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 2022. The IASB has not published any new IFRS for which the first-time application is mandatory in the 2023 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 2023. This did not have any material impact on the Group in the 2023 financial year.

FIRST-TIME APPLICATION	NEW OR AMENDED STANDARDS AND INTERPRETATIONS
Financial years beginnung on or after January 2023	**Insurance contracts (IFRS 17)**
	Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
	Definition of Accounting Estimates (Amendments to IAS 8)
	Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
23rd of May 2023	**International Tax Reform - Pillar Two Modul Rules (Amendments to IAS 12)**

New standards and interpretations to be applied in the future

The following new standards must be applied for reporting periods of a financial year commencing after 1 January 2023, 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
1 January 2024	**Non-current Liabilities with Covenants (Amendments to IAS 1)**	**No effects**
	Classification of liabilities as current or non-current and non-current liabilities with credit terms (amendments to IAS 1)	**No material effects**
	Lease liabilities from sale and leaseback transactions (amendments to IFRS 16)	**No effects**
1 January 2025	**Lack of Exchangeability (Amendments to IAS 21)**	**No effects**
Date of first application still open	**Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)**	**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, that is 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 and valuation 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	*Description*
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 2023 and 2022 is presented below.

2023

KEUR	Luxury segment	Premium segment	Total
Revenues from external customers	166,761	1,274,259	1,441,020
Inter-segment revenues	–	86	86
Segment revenues	**166,761**	**1,274,345**	**1,441,107**
EBITDA	**21,794**	**101,961**	**123,755**
Financial income	6	1,044	1,050
Finance costs	1,370	9,334	10,704
Scheduled depreciation and amortisation	2,282	26,060	28,342
Assets	**84,633**	**597,840**	**682,473**
Additions to non-current assets	12,552	54,300	66,852
Liabilities	**48,516**	**441,387**	**489,904**

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**

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

2023

					PRODUCT GROUP
KEUR	Caravans	Motorhomes	Camper Vans	After sales / other	Total
Luxury segment	–	165,989	–	772	166,761
Premium segment	254,931	650,998	345,066	23,264	1,274,259
Total	**254,931**	**816,987**	**345,066**	**24,036**	**1,441,020**

2022

KEUR	Caravans	Motorhomes	Camper Vans	After sales / other	Total
					PRODUCT GROUP
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**

With information presented according to geographic region, revenue is broken down according to customers' geographic locations. 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.

2023

KEUR	Germany	Europe	Rest of the world	Total
				GEOGRAPHIC REGION
Luxury segment	127,000	38,743	1,018	166,761
Premium segment	923,956	338,675	11,628	1,274,259
Total	**1,050,956**	**377,418**	**12,647**	**1,441,020**

2022

KEUR	Germany	Europe	Rest of the world	Total
				GEOGRAPHIC REGION
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**

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	2023	2022
Revenue		
Segment revenue	1,441,107	1,049,571
Elimination of inter-segment revenue	–86	–51
Revenue, consolidated	**1,441,020**	**1,049,520**
EBITDA		
EBITDA of the segments, consolidated	123,755	69,328
Depreciation and amortisation of the segments	–28,342	–23,856
Financial result of the segments	–9,654	–3,697
Profit before taxes, consolidated	**85,760**	**41,775**
Assets		
Assets of the segments	682,473	557,408
Consolidation effects	1	1
Consolidation effects	**682,474**	**557,409**
Liabilities		
Liabilities of the segments	489,904	410,478
Consolidation effects	1	1
Liabilities, consolidated	**489,904**	**410,479**

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:

GEOGRAPHIC INFORMATION - NON-CURRENT ASSETS

in KEUR	2023	2022
Germany	209,947	177,088
Hungary (HUF)	36,313	32,023
Non-current assets	**246,260**	**209,112**

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 2023 and 2022 can be found in the Asset Schedule.

Goodwill
As in the previous year, KEUR 841 of goodwill amounting to KEUR 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 last performed as of 31 December 2023.

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	31.12.2023	31.12.2022
Concessions, industrial property rights and similar rights and assets acquired for consideration, as well as licences to such rights and assets	3,785	3,108
thereof		
WEINSBERG brand	*87*	*87*
T@B brand	*57*	*57*
KNAUS brand	*856*	*856*
TABBERT brand	*576*	*576*
MORELO brand	*373*	*373*
Software	*1,572*	*932*
Licences	*265*	*227*

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 2023 financial year, research and development costs of KEUR 1,410 (2022: KEUR 1,403) were recognized 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 testing
For a presentation of the scheduled depreciation, 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 is 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	31.12.2023	31.12.2022
CGU Luxury		
Discount rate (WACC)	10.1	10.5
Revenue growth rate detailed planning period (CAGR)	11.0	16.4
Planned EBITDA growth rate (average of the next four years)	11.0	13.4
Sustainable growth rate	1.0	1.0
CGU Premium		
Discount rate (WACC)	10.1	10.5
Revenue growth rate detailed planning period (CAGR)	10.6	23.1
Planned EBITDA growth rate (average of the next four years)	15.3	46.4
Sustainable growth rate	1.5	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 four years along with a perpetual 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 2023, 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 19.3% (previous assumption: 18.8%);
- the sustainable EBIT margin in the annuity year is lower than 3.7% (previous assumption: 3.8%).

For the CGU Premium, the situation occurs when:

- the discount rate (WACC) exceeds the amount of 21.3% (previous assumption: 29.0%);
- the sustainable EBIT margin in the annuity year is lower than 1.6% (previous assumption: 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 Luxury exceeds its carrying amount by KEUR 89,558 (31.12.2022: KEUR 63,059).

The goodwill of the Premium CGU was tested for impairment on a rotational basis. 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	2023	2022
WEINSBERG brand		
Revenue growth rate detailed planning period (CAGR)	3.7	13.4
T@B brand		
Revenue growth rate detailed planning period (CAGR)	−6.5	−11.2
KNAUS brand		
Revenue growth rate detailed planning period (CAGR)	5.7	17.2
TABBERT brand		
Revenue growth rate detailed planning period (CAGR)	−0.4	0.3
MORELO brand		
Revenue growth rate detailed planning period (CAGR)	13.1	24.4
The following applies to all brands:		
Discount rate (WACC)	10.1	10.5
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 perpetual 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 tests performed as of 31 December 2023, no impairment was identified for the acquired brands with indefinite useful lives.

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

- the discount rate (WACC) exceeds 19.6% for the TABBERT brand (previous assumption: 20.6%), 10.1% for the T@B brand (previous assumption: 12.3%), 38.1% for the KNAUS brand (previous assumption: 39.5%), 720.0% for the WEINSBERG brand (previous assumption: 680.0%), and 27.3% for the MORELO brand (previous assumption: 31.1%);
- the average sales volume in the detailed planning period in percent (CAGR) decreases by 25.2% for the Tabbert brand (previous assumption: decrease of 24.7%), decreases by 7.0% for the T@B brand (previous assumption: decrease of 18.0%), decreases by 34.1% for the KNAUS brand (previous assumption: decrease of 31.8%), decreases by 77.8% for the WEINSBERG brand (previous assumption: decrease of 75.4%), and decreases by 25.3% for the MORELO brand (previous assumption: decrease of 21.1%).

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 2023 and 2022 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 factors indicating the need to perform an impairment test in the 2023 financial year.

c) Collateral
As of 31 December 2023, no properties were pledged as collateral for bank loans (31.12.2022: properties with a carrying amount of KEUR 15,100 were pledged as collateral).

d) Property, plant and equipment under construction
In the financial year 2023, the Group largely completed the construction of production halls and warehouses. The acquisition and production costs incurred for assets still under construction amounted to KEUR 7,180 (31.12.2022: KEUR 30,990). These costs include capitalized borrowing costs of KEUR 166 (31.12.2022: KEUR 1,029). The calculation was based on a financing cost rate of 4.7% (31.12.2022: 3.7%).

5.3. Inventories

For the accounting policies, see Note 3.6.

Inventories are divided into the following main groups:

INVENTORIES

in KEUR	31.12.2023	31.12.2022
Raw, auxiliary and operating materials	195,876	160,692
Work in progress	21,806	47,572
Finished goods and merchandise	90,931	44,592
Advance payments made on inventories	–	130
Total	**308,613**	**252,986**

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 the net realisable value of inventories amount to KEUR 6,583 (31.12.2022: KEUR 6,658) in the 2023 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 3.7. The gross carrying amounts and net carrying amounts of the trade receivables are composed as follows:

TRADE RECEIVABLES

in KEUR	31.12.2023	31.12.2022
Gross carrying amount	**86,324**	**34,027**
Expected credit losses	–1,356	–557
Net carrying amount	**84,968**	**33,470**

Trade receivables increased due to the significant increase in revenue in the fourth quarter of 2023.

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 2023 and 31 December 2022 are as follows:

TAX RECEIVABLES

in KEUR	31.12.2023	31.12.2022
Tax receivables	1,201	6,933

Tax receivables relate exclusively to income tax. For the development of deferred tax assets, please refer to Note 6.9.

5.6. Cash and cash equivalents

For the accounting policies, see Note 3.8. Cash and cash equivalents are as follows:

CASH AND CASH EQUIVALENTS

in KEUR	31.12.2023	31.12.2022
Cash	38	30
Bank deposits	11,654	12,584
Total	**11,693**	**12,614**

Bank deposits include cash subject to limitations on disposal in the amount of KEUR 8,345 (31.12.2022: KEUR 6,811). This concerns the collateral fund within the framework of the purchase financing model for dealers (see Notes 3.8 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:

RECONCILIATION

in KEUR	*31.12.2023*	*31.12.2022*
Cash and cash equivalents	**11,693**	**12,614**
Less bank balances from dealer purchase financing model	8,345	6,811
Fund of means of payment	**3,347**	**5,803**

5.7. Other assets

For accounting policies regarding other financial assets, see Note 3.7. Other assets are composed as follows:

OTHER ASSETS

in KEUR	31.12.2023	31.12.2022
Other non-current assets		
Other financial assets	20	41
Other non-financial assets	1,645	1,667
Total	**1,665**	**1,709**
Other current assets		
Other financial assets	8,727	21,891
Other non-financial assets	14,316	15,649
Total	**23,043**	**37,540**
Total non-current	**1,665**	**1,709**
Total current	**23,043**	**37,540**
Total other assets	**24,708**	**39,248**

5.7.1. Other financial assets

Other financial assets include the following items:

OTHER FINANCIAL ASSETS

in KEUR	31.12.2023	31.12.2022
Non-current other financial assets		
Derivative financial instruments	20	41
Total	**20**	**41**
Other current financial assets		
Receivables from factoring	4,356	21,412
Vendors with debit balances	551	409
Other contractual claims	3,423	
Derivative financial instruments	397	70
Total	**8,727**	**21,891**
Total current	**8,727**	**21,891**
Total other financial assets	**8,748**	**21,932**

Other contractual claims include reimburstement claims against insurance companies and suppliers.

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 2023 and 31 December 2022 are as follows:

DERIVATIVE FINANCIAL INSTRUMENTS

	NOMINAL VALUE		FAIR VALUE	
in KEUR	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Interest rate swap	–	300	–	1
Interest rate cap	830	942	20	41
Forward exchange contract	500	500	902	69
Total	**1,330**	**1,742**	**922**	**111**

5.7.2. Other non-financial assets

Other non-financial assets include the following items:

OTHER NON-FINANCIAL ASSETS

in KEUR	31.12.2023	31.12.2022
Other non-current, non-financial assets		
Special bonuses	1,589	1,399
Other	56	268
Total	**1,645**	**1,667**
Other current, non-financial assets		
Prepaid expenses and deferred charges	6,034	4,530
Added-value tax receivables	3,290	1,818
Special bonuses	797	980
Bonus receivables	1,823	6,604
Other	2,373	1,716
Total	**14,316**	**15,649**
Total non-current	**1,645**	**1,667**
Total current	**14,316**	**15,649**
Total other non-financial assets	**15,960**	**17,316**

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 amounted to KEUR 10,377 as of the reporting date (31.12.2022: 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 share 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 2023 amounts to KEUR 27,333 (31.12.2022: KEUR 27,087). 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 2023 stand at KEUR 83,067 (31.12.2022: KEUR 74,678). 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 translations, and amount to KEUR -1,850 as of 31 December 2023 (31.12.2022: KEUR -2,487).

Distributions

Distributions in the 2023 financial year amount to KEUR 15,566 (31.12.2022: KEUR 15,566). This corresponds to a distribution of EUR 1.50 per dividend-bearing no-par value share.

For the 2023 financial year, a distribution of EUR 2.90 per dividend-bearing no-par value share was proposed. This corresponds to a distribution of KEUR 30,094 in the 2024 financial year.

5.9. Provisions

For the accounting policies, see Note 3.11.

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 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**
Status as of 1 January 2023	**17,102**	**2,267**	**3,797**	**23,166**
Additions	14,434	90	6,316	20,841
Used	–11,671	–33	–2,147	–13,851
Reversals	–66	–	–4	–70
Acquisition through business combinations	–	–	–	–
Change in carrying amount due to compounding or siscounting	–	–18	–1	–18
Status as of 31 December 2023	**19,800**	**2,306**	**7,962**	**30,068**
Non-current	**3,873**	**2,306**	**244**	**6,424**
Current	**15,927**	**–**	**7,717**	**23,644**

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, percentages based on historical data are applied to the sales subject to warranty of the current and past three financial years, modified where necessary by qualitative factors. The general risk, and thus the percentages used, are estimated on the basis of historical 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 2023 are largely expected within a period up to 2026 (31.12.2022: up to 2025).

Remediation and asset retirement obligations mainly relate to the soil decontamination of a production site. The resulting cash outflows are mainly expected until 2025 (31.12.2022: until 2025).

Other provisions mainly comprise current provisions for legal disputes (31.12.2023: KEUR 5,778; 31.12.2022: KEUR 1,395) and miscellaneous other provisions (31.12.2023: KEUR 1,966; 31.12.2022: KEUR 2,095). The cash outflows for non-current provisions as of 31.12.2023 are largely expected within a period up to 2033 (31.12.2022: until 2032).

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 3.7.

Liabilities to banks are composed as follows:

LIABILITIES TO BANKS

in KEUR	31.12.2023	31.12.2022
Liabilities to banks		
Non-current	102,017	102,555
Current	141,043	89,549
Total	**243,060**	**192,104**

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 2023, property with a carrying amount of KEUR 0 (31.12.2022: KEUR 15,100) was pledged as collateral for bank loans (see Note 5.2).

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 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 complied with as of 31 December 2023.

5.11. Trade payables

For the accounting policies, please see Note 3.7.

Trade payables are composed as follows:

TRADE PAYABLES

in KEUR	31.12.2023	31.12.2022
Current	122,375	112,923
Total	**122,375**	**112,923**

Of the current trade payables, KEUR 0 (31.12.2022: KEUR 0) 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	31.12.2023	31.12.2022
Other non-financial liabilities		
Other financial liabilities	11,618	10,825
Other non-financial liabilities	3,642	2,879
Total	**15,260**	**13,705**
Other current liabilities		
Other financial liabilities	15,387	18,126
Accrued liabilities	23,137	17,687
Other non-financial liabilities	13,404	19,834
Total	**51,927**	**55,647**
Total non-current	**15,260**	**13,705**
Total current	**51,927**	**55,647**
Total other liabilities	**67,188**	**69,352**

5.12.1. Other financial liabilities

For the accounting policies, please see Note 3.7.

Other financial liabilities comprise the following items:

OTHER FINANCIAL LIABILITIES

in KEUR	31.12.2023	31.12.2022
Other non-current financial liabilities		
Lease liabilities	11,618	10,325
Contingent consideration	–	500
Total	**11,618**	**10,825**
Other current financial liabilities		
Lease liabilities	3,989	2,969
Liabilities to shareholders	50	50
Refund liabilities	10,617	14,882
Financial guarantee	731	225
Total	**15,387**	**18,126**
Total non-current	**11,618**	**10,825**
Total current	**15,387**	**18,126**
Total other financial liabilities	**27,005**	**28,952**

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 731 (31.12.2022: KEUR 225). 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 3.7 and 5.6).

The reconciliation of changes in financial liabilities to cash flows from financing activities is presented below.

					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 2023	**192,104**	**50**	**13,295**	**–**	**10,377**	**27,087**	**74,678**	**7,653**	**325,244**
Changes in cash-flow from financing avtivities									
Incurrence of financial liabilities	148,839	–	–	–	–	–	–	–	148,839
Repayment of financial liabilities	−98,360	–	–	–	–	–	–	–	−98,360
Incurrence of lease liabilities	–	–	−4,174	–	–	–	–	–	−4,174
Interest paid	−11,217	–	−246	–	–	–	–	–	−11,463
Distribution to shareholders	–	–	–	–	–	–	–	−15,566	−15,566
Total change in cash flow from financing activities	**39,261**	**–**	**−4,420**	**–**	**–**	**–**	**–**	**−15,566**	**19,276**
Other changes in relation to liabilities ans equity									
Supervisory Board remuneration	–	–	–	–	–	–	–	–	–
Interest expenses	11,695	–	246	–	–	–	–	–	11,941
New leases	–	–	6,480	–	–	–	–	–	6,480
Other non-cash expenses and income	-	–	6	–	–	–	–	–	6
Net gains/losses from derivative financial instruments	–	–	–		–	–	–	–	–
Allocation of net income to profit/loss carried forward	–	–	–	–	–	–	–	29,620	29,620
Allocation of profit/loss carried forward to retained earnings	–	–	–	–	–	–	8,389	−8,389	–
Share-based payment	–	–	–	–	–	246	–	–	246
Total other changes in relation to liabilities	**11,695**	**–**	**6,732**	**–**	**–**	**246**	**8,389**	**21,231**	**48,294**
Status as of 31 Dec. 2023	**243,060**	**50**	**15,607**	**–**	**10,377**	**27,333**	**83,067**	**13,319**	**392,814**

					EQUITY				
in KEUR	Liabilities to banks	Liabilities to share-holders	Lease liabili-ties	Liabilities from deriva-tive financial intruments	Subscribed capital	Capital re-serve	Retained earn-ings	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 finan-cial liabilities	287,937	–	–	–	–	–	–	–	287,937
Repayment of finan-cial liabilities	−194,146	–	–	–	–	–	–	–	−194,146
Incurrence of lease liabilities	–	–	−3,022	–	–	–	–	–	−3,022
Interest paid	−2,409	–	−171	–	–	–	–	–	−2,580
Distribution to share-holders	–	–	–	–	–	–	–	−15,566	−15,566
Total change in cash flow from financing activities	**91,382**	**–**	**−3,193**	**–**	**–**	**–**	**–**	**−15,566**	**72,623**
Other changes in re-lation to liabilities ans equity									
Supervisory Board re-muneration	–	–	–	–	–	–	–	–	–
Interest expenses	3,741	–	171	–	–	–	–	–	3,912
New leases	–	–	2,694	–	–	–	–	–	2,694
New leases from business combina-tions mergers		–	5,405	–	–	–	–	–	5,405
Other non-cash ex-penses and income	-	–	5	–	–	–	–	–	5
Net gains/losses from derivative financial instruments	–	–	–	−15	–	–	–	–	−15
Allocation of net in-come to profit/loss carried forward	–	–	–	–	–	–	–	25,904	25,904
Allocation of profit/loss carried forward to retained earnings	–	–	–	–	–	–	2,685	−2,685	–
Payments from ac-quisition of a subsid-iary, less acquired cash and cash equiv-alents Cash and cash equiv-alents	1,599	–		–	–	–		–	1,599
Share-based pay-ment	–	–	–	–	–	87	–	–	87
Total other changes in relation to liabili-ties	**5,340**	**–**	**8,275**	**−15**	**–**	**87**	**2,685**	**23,219**	**39,592**
Status as of 31 December 2022	**192,104**	**50**	**13,295**	**–**	**10,377**	**27,087**	**74,678**	**7,653**	**325,245**

5.12.2. Accrued liabilities

For the accounting policies, see Note 3.14.

Accrued liabilities are exclusively current in nature and include the following significant items:

ACCRUED LIABILITIES

in KEUR	31.12.2023	31.12.2022
Personnel-related accruals	13,333	12,381
Outstanding invoices	2,923	2,830
Audit costs and expenses for preparing the annual financial statements	919	584
Insurance premiums	1,259	751
Dealer financing	3,082	605
Miscellaneous accrued liabilities	1,621	536
Total accrued liabilities	**23,137**	**17,687**

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	31.12.2023	31.12.2022
Added-value tax receivables	388	1,359
Vendors with debit balances	2,433	1,580
Other taxes	1,595	1,502
Liabilities from wages and salaries	2,189	2,212
Contract liabilities	5,830	11,796
Deferred income	3,856	3,050
Other liabilities	755	1,214
Total other non-financial liabilities	**17,046**	**22,713**

Contract 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 3.13.

DEFERRED INCOME

in KEUR	31.12.2023	31.12.2022
Government grants	3,855	3,050
Total deferred income	**3,855**	**3,050**
Total non-current	**3,642**	**2,879**
Total current	**213**	**170**
Total deferred income	**3,855**	**3,050**

In the 2023 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 constructing an office building. The company fulfilled the necessary terms of the grant programme by finsishing the construction on the 31 December 2021 and expects to meet the programme´s further requirements regarding revenue and retention of jobs until 31 Dezember of 2026-. 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 2023, KEUR 273 of this amount was released and reported under other operating income.

5.13. Tax liabilities

Tax liabilities as of 31 December 2023 and 31 December 2022 are as follows:

TAX LIABILITIES

in KEUR	31.12.2023	31.12.2022
Tax liabilities	16,059	2,888

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 Consolitated Profit and Loss Statement

6.1. Revenue

Revenue is divided between the product groups caravans, motorhomes, camper vans and aftersales/other as follows:

REVENUES BY PRODUCT GROUPS

in KEUR	2023	2022
Caravans	254,931	332,982
Motorhomes	816,987	496,052
Camper vans	345,066	196,144
After sales / other	24,036	24,343
Total	**1,441,020**	**1,049,520**

Revenue is divided between the geographic regions of Germany, Europe and the rest of the world as follows:

REVENUES BY GEOGRAPHIC REGION

in KEUR	2023	2022
Germany	1,050,956	708,748
Europe	377,418	336,850
Rest of the world	12,647	3,922
Total	**1,441,020**	**1,049,520**

Revenue mainly falls within the scope of IFRS 15 and is recognised in full at a point in time. In addition, revenue accounted for under IFRS 16 in the amount of KEUR 1,876 (2022: KEUR 1,816) is included. For further information on revenue, please refer to Note 3.14.1. For the breakdown of revenue between the Luxury and Premium segments, please see Note 4.2.

The following table provides information on receivables and contract liabilities from contracts with customers.

RECEIVABLES AND CONTRACT LIABILITIES

in KEUR	Note	31.12.2023	01.01.2023	31.12.2022	01.01.2022
Trade receivables	5.4	84,968	33,470	33,470	6,948
Contract liabilities	5.12.3	5,830	11,796	11,796	4,027

The contract liabilities result from advance payments received from customers and outstanding bonus points within the framework of a customer loyalty programme (see Note 3.14.1). The reversal of these contract liabilities is expected within the next financial year.

In the 2022 financial year, a further bonus and incentive programme for sales advisors at dealerships was introduced (see Note 3.14.1). The reversal of these contract liabilities is expected within the next two financial years.

The main changes in contract 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 11,796; 2022: KEUR 4,027), and 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 3,884; 2022: KEUR 10,073). The remaining contract liabilities (KEUR 1,946; 2022: KEUR 1,723) are attributable to bonus points of a two-year customer loyalty programme, that was newly introduced in the financial year.

6.2. Changes in inventories and other own work capitalised

CHANGES IN INVENTORY AND OTHER OWN WORK CAPITALISED

in KEUR	2023	2022
Changes in inventory finished goods	44,816	−12,796
Changes in inventory work in progress	−25,766	29,139
Changes in inventory	**19,050**	**16,343**
Other own work capitalised	**4,613**	**6,308**

For the development of changes in inventories, 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	2023	2022
Income from the disposal of assets	39	13
Income from currency translation	2,028	324
Insurance compensation	2,298	290
Subsidies	53	29
Government grants	2,176	2,024
Remuneration in kind	569	602
Revenues from material recourse from suppliers	1,970	1,702
Income from changes in default risks	–	79
Other income	768	938
Total	**9,900**	**6,002**

The increase in other operating income is mainly due to higher earnings on currency conversion of the Hungarian subsidy as well as earnings on insurance compensations for relevant claims. Earnings from government grants include extraordinary income amounting to KEUR 1.679 for the German Electricity Price Brake Act.

6.4. Cost of materials

The cost of materials increased as a result of the greater total output in the financial year and higher purchasing prices, and comprises the following items:

COST OF MATERIALS

in KEUR	2023	2022
Expenses for raw, auxiliary and operating materials	1,003,996	726,592
Purchased services	66,780	49,282
Cost of materials	**1,070,777**	**775,874**

6.5. Personnel expenses

In the reporting year, an average of 2,413 (2022: 2,347) industrial workers and 572 (2022: 546) 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	2023	2022
Wages and salaries	131,726	117,771
Social security contributions and expenses for pensions and other benefits	25,831	23,768
of which retirement benefits	23,767	21,886
Personnel expenses	**157,557**	**141,539**

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 11% in the 2023 financial year (2022: 13%).

The retirement benefits exclusively comprise employer contributions to the German statutory pension scheme.

Personnel expenses include an amount of KEUR 246 (2022: KEUR 87) 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	2023	2022
Intangible assets	6,813	5,380
Property, plant and equipment	21,529	18,476
of which on rights of use from leases	3,469	2,988
Scheduled depreciation and amortisation	**28,342**	**23,856**

6.7. Other operating expenses

In the 2023 financial year, other operating expenses increased by KEUR 31,062 relative to the previous year, and comprise the following items:

OTHER OPERATING EXPENSES

in KEUR	2023	2022
Costs for premises, energy and maintenance	20,423	11,652
Expenses for advertising, trade fairs and sales	38,005	30,534
Research and development costs	1,410	1,403
Expenses from foreign currency translation	404	1,740
Insurance policies and legal and consultancy costs	14,427	8,625
Warranty and goodwill expenses	14,101	12,356
Order-related expenses	12,806	9,471
Travel and representation expenses	3,052	2,044
Vehicle expenses	2,132	1,933
Costs for IT, tools and small devices	6,412	4,748
Contributions and fees	1,057	858
Other personnel-related expenses	1,306	1,008
Incidental costs of monetary transactions	1,260	792
Expected credit losses	1,000	40
Other expenses	4,699	4,229
Total	**122,494**	**91,432**

The increase in other operating expenses is partly the result of higher rental expenses due to the expansion of warehousing capacities, and of higher costs in connection with the distribution of vehicles, mainly due to higher freight costs as a result of higher sales.

Also there were higher costs of insurance as well as risen legal and consulting fees.

6.8. Financial result

The main components of the financial result are shown in the following table:

FINANCIAL RESULT

in KEUR	2023	2022
Interest income	217	75
Income from investments	–	23
Income from derivative financial instruments	833	126
Financial income	**1,050**	**224**
Interest expenses	9,724	3,109
Expenses from the financial guarantee	529	32
Credit commissions and pool management fees	451	779
Finance costs	**10,704**	**3,921**
Financial result	**–9,654**	**–3,697**

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 increase in interest expenses in the 2023 financial year was due to higher growth-related capital requirements and the rise in interest rates. The increase in expenses from the financial guarantee is due to a higher level of receivables, again the general rise in interest rates, and a higher risk of default on receivables in the economy as a whole.

The net gains or 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	2023	2022
Net gains from derivate financial Instruments	833	126

6.9. Income taxes

Taxes recognised to profit or loss

TAXES RECOGNISED IN PROFIT OR LOSS

in KEUR	2023	2022
Current year	26,009	10,939
Previous years	−40	11
Current tax expense	**25,968**	**10,950**
Creation/reversal of temporary differences from tax losses	−830	477
Deferred tax expense	**−830**	**477**
Income tax expense	**25,138**	**11,427**

Tax expenses of KEUR 25,438 (2022: KEUR 12,155), recognised in the Consolidated Profit and Loss Statement, include other taxes in the amount of KEUR 300 (2022: KEUR 728).

Owing to its business activities in Hungary, the Group generally falls within the scope of the regulations on a global minimum tax (Pillar Two). The Group is currently working together with tax specialists to implement the standards. Due to the complexity of the regulations and detailed country-specific questions that have not yet been resolved, the quantitative effects cannot be reliably estimated at present. However, due to the nature of its business activities in Hungary, the EU member state concerned, Knaus Tabbert assumes that any increase in tax expenses will be minimal.

Reconciliation of the effective tax rate

The expected tax expense for the 2023 financial year is calculated on the basis of an income tax rate of 28.0% (2022: 28.0%), 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

	31.12.2023		31.12.2022	
	%	KEUR	%	KEUR
Profit before tax from continuing operations		85,462		41,050
Expected taxes	27.7%	23,656	27.7%	11,363
Deviations in tax rates	−0.3%	−267	−0.5%	−200
Tax corrections (permanent effects)	2.1%	1,778	0.6%	237
Non-recognition of losses of the current year and change / value allowance of tax loss carry-forwards and temporary differences	0.0%	–	0.2%	62
Prior-year taxes	0.0%	−40	0.0%	16
Other	0.0%	11	−0.1%	−51
Effective taxes	**29.4%**	**25,138**	**28.0%**	**11,427**

Change in deferred taxes in the balance sheet during the year

FINANCIAL YEAR 2023

							STATUS AS OF 31.12.		
in KEUR	Net as of 01.01.	In profit/loss	In other compreln other comprehensive income	Recognised in equity	Business combinations	Other	Net	Deferred tax assets	Deferred tax liabilities
Intangible assets	4,782	−952	–	–	–	–	3,830	–	3,830
Property, plant and equipment	4,584	978	–	–	–	–	5,562	−35	5,597
Financial assets	121	−120	–	–	–	–	2	–	2
Inventories	269	158	–	–	–	–	426	–	426
Trade receivables	−84	121	–	–	–	–	37	−35	72
Other assets	152	911	–	–	–	–	1,063	–	1,063
Other provisions	−449	−426	–	–	–	–	−875	−875	
Liabilities to banks	85	−20	–	–	–	–	65	–	65
Other liabilities	−3,682	−629	–	–	–	–	−4,311	−4,378	67
Other	−486	−852	–	–	–	−2	−1,340	−1,373	33
Tax claims/liabilities before offsetting	**5,291**	**−830**	**–**	**–**	**–**	**−2**	**4,459**	**−6,696**	**11,155**
Offsetting of taxes	–	–	–	–	–	–	–	–	–
Tax claims/liabilities net	**5,291**	**−830**	**–**	**–**	**–**	**−2**	**4,459**	**−6,696**	**11,155**

FINANCIAL YEAR 2022

in KEUR	Net as of 01.01.	In profit/loss	In other compreln 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**

Unrecognised deferred tax assets

Due to the merger of the transferring CFC Camping Freizeit Center GmbH into the absorbing WVD-Südcaravan GmbH in the 2023 financial year, all deferred tax assets were recognized as of the balance sheet date of 31 December 2023.

	31.12.2023		31.12.2022	
Unrecognised deferred taxes (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:

	31.12.2023		31.12.2022	
in KEUR	Gross	Expiry date	Gross	Expiry date
Forfeitable	–	–	–	–
Non-forfeitable	–	–	202	–

Outside basis differences

Pursuant to IAS 12.39, temporary differences from outside basis differences in the amount of KEUR 2,233 (2022: KEUR 1,687) exist as of the balance sheet date 31 December 2023.

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

		2023	2022
Consolidated net income	KEUR	60,322	29,620
Calculation of the weighted average number of ordinary shares			
Undiluted	Quantity	10,377,259	10,377,259
Diluted	Quantity	10,377,259	10,377,259
Earnings per share			
Undiluted	EUR	5.81	2.85
Diluted	EUR	5.81	2.85

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			
31.12.2023 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	–	922	–	922	–	922	–	922
	–	**922**	**–**	**922**	**–**	**922**	**–**	**922**
Financial assets not measured at fair value								
Trade receivables	84,968	–	–	84,968	–	–	–	–
Receivables from factoring	4,356	–	–	4,356	–	–	–	–
Cash and cash equivalents	11,693	–	–	11,693	–	–	–	–
	101,017	**–**	**–**	**101,017**	**–**	**–**	**–**	**–**
Financial liabilities measured at fair value								
Financial guarantee	–	731	–	731	–	731		731
	–	**731**	**–**	**731**	**–**	**731**	**–**	**731**
Financial liabilities not measured at fair value								
Liabilities to banks (current)	–	–	141,043	141,043	–	–	–	–
Liabilities to banks (non-current)	–	–	102,017	102,017	–	95,443	–	95,443
Liabilities to shareholders	–	–	50	50	–	–	–	–
Trade payables	–	–	122,375	122,375	–	–	–	–
Refund liabilities	–	–	10,617	10,617	–	–	–	–
	–	**–**	**376,102**	**376,103**	**–**	**95,443**	**–**	**95,443**

	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**

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, adjusted 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 risks

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 2023 and 31 December 2022 is as follows:

DEFAULT RISK BY GEOGRAPHIC REGION

in KEUR	31.12.2023	31.12.2022
Germany	56,716	15,660
Europe	21,848	14,003
Rest of the world	6,404	3,807
Total	**84,968**	**33,470**

The maximum default risk for trade receivables, broken down by type of customer, as of 31 December 2023 and 31 December 2022 is as follows:

DEFAULT RISK BY TYPE OF CUSTOMER

in KEUR	31.12.2023	31.12.2022
Dealers	83,818	32,460
End customers	1,150	1,010
Total	**84,968**	**33,470**

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.

2023

in KEUR	Loss rate (weighted average)	Gross carrying amount	Impairment
Not overdue	0.35%	51,599	–180
0–29 days past due	1.03%	18,785	–193
30–60 days past due	2.13%	10,754	–229
61–90 days past due	7.40%	3,169	–235
91–180 days past due	18.80%	732	–138
More than 180 days past due	29.75%	1,284	–382

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

The impairment of trade receivables developed as follows:

DEVELOPMENT OF EXPECTED CREDIT LOSSES ON TRADE RECEIVABLES

in KEUR	31.12.2023	31.12.2022
Status as of January	**557**	**243**
Additions to non-current assets	798	398
Reversals	–	–79
Exchange rate effects	1	–5
Status as of 31 December	**1,356**	**557**

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 recognize any impairments for expected credit losses (ECL).

Cash and cash equivalents

As of 31 December 2023, the Group holds bank deposits in the amount of KEUR 11,654 (31.12.2022: KEUR 12,584). 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 sufficiently high credit rating.

7.3.3. Liquidity risks

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 any 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 liquidity risks
The following table shows the contractual residual terms of the financial liabilities on the balance sheet date. The amounts shown are undiscounted gross amounts:

31.12.2023

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	243,060	249,032	141,437	86,531	21,065
Liabilities to shareholders	50	50	50	–	–
Trade payables	122,375	122,375	122,375	–	–
Lease liabilities	15,607	16,381	4,130	10,136	2,116
Total	**381,092**	**387,839**	**267,991**	**96,666**	**23,181**

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**

7.3.4. Market risks

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 risks
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 risks
Interest rate risks are 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 instruments focus on the interest-bearing net financial liabilities of the Knaus Tabbert Group.

Significance of the interest rate risk

in KEUR	31.12.2023	31.12.2022
Interest rate exposure		
Variable-rate financial liabilities	175,402	124,058

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 864 (31.12.2022: KEUR 333). A decrease of 50 basis points would produce a positive effect on earnings before income taxes of KEUR 864 (31.12.2022: KEUR 333).

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 by means of the equity ratio. 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 181,748) to the adjusted balance sheet total according to the calculation scheme of the syndicated loan agreement (KEUR 671,653). 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 239,812) to adjusted EBITDA according to the calculation scheme of the syndicated loan agreement (KEUR 119,898). 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.

in KEUR	31.12.2023	31.12.2022
Equity	192,569	146,930
Equity ratio	28.22%	26.36%
Proprietary funds	181,248	137,550
Proprietary funds ratio	27.01%	25.10%
Debt-to-equity ratio	2.2	2.9
Net working capital ratio	–	–

8. Business combinations

In the 2022 financial year, Knaus Tabbert AG acquired the WVD-Südcaravan group comprising the operating companies WVD-Südcaravan GmbH (WVD) and Camping Freizeit Center GmbH (CFC). CFC was merged into WVD with effect from 1 January 2023.

9. Leases

For the accounting policies, see Note 3.5.

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	31.12.2023	31.12.2022
Interest expenses for lease liabilities	246	171
Expenses for short-term leases	4,407	2,330
Expenses for leases of an asset of low value, with the exception of short-term leases of assets of low value	900	694

c) Amounts recognised in the Cash Flow Statement

In KEUR	31.12.2023	31.12.2022
Total cash outflows for leases	4,174	3,022

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 3,475 (31.12.2022: KEUR 3,343).

9.2. The Group as lessor

The Group recognised revenue from its rental business in the amount of KEUR 1,876 in the financial year (31.12.2022: KEUR 1,816).

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 2023.

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 11,234 (2022: KEUR 23,052). Further payment obligations mainly result from maintenance and service contracts.

FUTURE PAYMENT OBLIGATIONS

in KEUR	31.12.2023	31.12.2022
Due within one year	12,408	24,052
Due in between one and five years	605	524
Total	**13,013**	**24,576**

11. Contingent receivables and liabilities

The Group holds no contingent receivables as of 31 December 2023. The following contingent liabilities exist at the balance sheet date:

CONTINGENT LIABILITIES

in KEUR	31.12.2023	31.12.2022
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
- persons holding key positions in the Company are members of the Management Board and Supervisory Board of Knaus Tabbert AG, including their close relatives
- other related companies

Business transactions with related parties exercising a significant influence on the reporting company

2023				
in KEUR	Transaction volume Expense	Liability	Transaction volume Revenue	Receivable
Consulting services	50	50	–	–
Total	**50**	**50**	**–**	**–**

2022				
in KEUR	Transaction volume Expense	Liability	Transaction volume Revenue	Receivable
Sale of goods	–	–	478	–
Consulting services	50	50	–	–
Total	**50**	**50**	**–**	**–**

Business transactions with persons holding key positions within 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 12.

The total remuneration of the Supervisory Board consists exclusively of short-term benefits.

REMUNERATION FOR MANAGE BOARD AND SUPERVISORY BOARD

in KEUR	2023	2022
Total remuneration Management Board	3,050	3,461
thereof severance payments	–	620
Total remuneration Supervisory Board	463	458
Social security contributions and expenses	20	19

Business transactions wiht related companies

in KEUR	2023 Transaction volume Expense	Liability	Transaction volume Revenue	Receivable
Purchase of goods	14,610	128	–	–
Total	**14,610**	**128**	**–**	**–**

in KEUR	2022 Transaction volume Expense	Liability	Transaction volume Revenue	Receivable
Purchase of goods	14,526	–	–	6
Total	**14,526**	**–**	**–**	**6**

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 financial year 2021. 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 2023 (2022), the members of the Management Board were awarded the third (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 to 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.

As of 1 January 2023, the members of the Management Board were granted 22,240 performance shares (1 January 2022: 11,300; 1 December 2022: 2,825) under the LTIP. The term 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 when determining the fair value at the grant date of the share-based remuneration plans:

DETERMINATION OF FAIR VALUE - ASSUMPTION

LTIP tranche	2023	2022
Fair value per performance share at grant date [EUR]	15.17	23.10
Share price on grant date [EUR]	31.70	55.30
Initial price = exercise price [EUR]	28.78	56.65
Share price for cap (share price at which cap is reached) [EUR]	80.94	159.29
Expected volatility [%]	45.0	42.5
Maturity [years]	4.0	4.0
Risk-free interest rate, based on government bonds [%]	2.457	−0.556
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:

	2023		2022	
	Quantity of PS	Exercise price	Quantity of PS	Exercise price
Reconciliation of outstanding performance shares (PS)				
Outstanding as of 1 January	19,328	57.95	10,704	59.80
Expired in the financial year	–	–	−5,501	58.18
Exercised in the financial year	–	–	–	–
Granted in the financial year	22,240	28.78	14,125	56.65
Outstanding as of 31 December	41,568	42.34	19,328	57.95
Vested as of 31 December	–	–	–	–

The performance shares outstanding as of 31 December 2023 had an exercise price of between EUR 28.78 and EUR 59.80, and a weighted average remaining contractual term of 2.3 years (2022: 2.6 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

The Management Board member responsible for finances, Ms Carolin Schürmann, left the company with effect from 29 February 2024 for personal reasons. The financial department will in future be managed by CEO Wolfgang Speck, whose contract has been extended until 2026.

15. Additional disclosures pursuant 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	2023	2022
Industrial workers	2,413	2,347
Salaried employees	572	546
Average number of employees, excluding apprentices	**2,985**	**2,893**
Apprentices	73	61
Total number of employees, including apprentices	**3,058**	**2,954**

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:

FEE FOR THE AUDITOR OF THE CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO SECTION 314 PARA.1 (9) HGB

in KEUR	2023	2022
a) audits of the Consolidated Financial Statements	511	502
b) other assurance services	155	69
Total	**667**	**571**

Other assurance services include assurances with regard to covenant figures under the syndicated loan agreement, and 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 2023:

Name of the company	Registered office	Share in %
Caravan-Welt GmbH Nord	**Bönningstedt, Germany**	**100**
HÜTTLrent GmbH	**Maintal, Germany**	**100**
WVD-Südcaravan GmbH	**Freiburg, Germany**	**100**
MORELO Reisemobile GmbH	**Schlüsselfeld, Germany**	**100**
Knaus Tabbert Kft	**Vac, Hungary**	**100**
Knaus Tabbert Stiftung gGmbH	**Jandelsbrunn, Germany**	**100**
CVO Software GmbH	**Koblenz, Germany**	**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 12.

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)
Gerd-Rainer Adamietzki, Kaufmann (business administrator), Chief Sales Officer (CSO)
Werner Vaterl, Diplom-Kaufmann (graduate business administrator), Chief Operating Officer (COO)
Carolin Schürmann, Diplom Wirtsch.-Ingenieur, Chief Financial Officer (CFO till 29 February 2024)

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) MitbestG, 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
Linda Schätzl, Works Council
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 2023

INTANGIBLE ASSETS

in KEUR	*Licences and acquired rights*	*Goodwill*	*self-created intangible assets*	*Advance payments*	*Total intangible asstes*
Acquisition / production costs					
Status as of 01.01.2023	11,513	4,625	49,435	188	65,762
Currency differences	4	–	1	–	6
Additions Acquisition	–	–	–	–	–
Additions	999	–	4,710	61	5,770
Reclassifications	475	–	–	–182	293
Disposals	16	–	–	–	16
Status as of 31.12.2023	12,975	4,625	54,146	67	71,814

in KEUR	*Licences and acquired rights*	*Goodwill*	*self-created intangible assets*	*Advance payments*	*Total intangible asstes*
DEPRECIATION AND AMORTISATION					
Status as of 01.01.2023	8,405	–	34,091	–	42,496
Additions Acquisition	–	–	–	–	–
Currency differences	4	–	1	–	5
Currency differences Current depreciation	–	–	–	–	–
Depreciation for the financial year	797	–	6,016	–	6,813
Disposals	16	–	–	–	16
Status as of 31.12.2023	9,190	–	40,108	–	49,298

Carrying amount 31 December 2023	3,785	4,625	14,038	67	22,516
Carrying amount 31 December 2022	3,108	4,625	15,344	188	23,265

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									
Status as of 01.01.2023	109,904	*16,327*	49,507	*1,007*	71,724	3,666	*2,757*	52,749	283,884
Currency differences	1,128	*15*	472	–	201	–	*10*	247	2,048
Additions	12,250	*765*	19,764	*4,232*	16,058	2,959	*1,002*	12,509	60,582
Reclassifications	33,188	–	12,790	–	2,801	–	–	−49,072	−293
Disposals	70	*70*	1,087	*811*	3,487	3,076	*18*	–	4,644
Status as of 31.12.2023	156,399	*17,037*	81,446	*4,427*	87,298	3,549	*3,751*	16,434	341,577

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									
Status as of 01.01.2023	24,138	*5,055*	25,346	*642*	50,262	667	*1,635*	–	99,746
Currency differences	152	*10*	256	–	129	–	–	–	537
Currency differences Current depreciation	−2	–	−4	–	−2	–	–	–	−8
Depreciation for the financial year	5,532	*2,209*	5,976	*489*	10,020	1,210	*771*	–	21,529
Disposals	70	*70*	919	*646*	1,317	936	–	–	2,306
Status as of 31.12.2023	29,750	*7,204*	30,655	*485*	59,092	941	*2,406*	–	119,498

Carrying amount 31 December 2023	126,649	*9,833*	50,792	*3,943*	28,206	2,608	*1,345*	16,434	222,079
Carrying amount 31 December 2022	85,765	*11,271*	24,162	*365*	21,461	3,000	*1,123*	52,749	184,138

ASSET SCHEDULE 2022

INTANGIBLE ASSETS					
in KEUR	*Licences and acquired rights*	*Goodwill*	*self-created intan-gible assets*	*Advance payments*	*Total intangible asstes*
Acquisition / production costs					
Status as of 01.01.2022	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
Status as of 31.12.2022	11,513	4,625	49,435	188	65,762
in KEUR	*Licences and acquired rights*	*Goodwill*	*self-created intan-gible assets*	*Advance payments*	*Total intangible asstes*
DEPRECIATION AND AMORTISATION					
Status as of 01.01.2022	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
Status 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, 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									
Status as of 01.01.2022	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
Status 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, 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									
Status as of 01.01.2022	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
Status 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

Jandelsbrunn, 25th March 2024

Wolfgang Speck 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, 25 March 2024

Wolfgang Speck Werner Vaterl Gerd Adamietzki

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, 2023, 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, 2023, 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, 2023.

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, 2023, and of its financial performance for the financial year from January 1 to December 31, 2023, 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, 2023. 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 and the disclosures on revenue in section 3.14.1 of the notes to the consolidated financial statements.

RISKS ASSOCIATED WITH THE CONSOLIDATED FINANCIAL STATEMENTS

The Group's revenues in the 2023 financial year amount to EUR 1,441 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 inspected 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 19.8 million (approx. 2.9 % of the balance sheet total) as of December 31, 2023.

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 (i.e., fraudulent financial reporting and misappropriation of assets) 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 the risk of not detecting a material misstatement 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, includ-

ing 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 actions taken or safeguards applied to eliminate independence threats.

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-2023-12-31-de.zip" (SHA256-Hashwert:
b4670f74d189755c4906a13c891bbee44d1bc88750912a4589d3b68dbc347270)] 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, 2023, 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.

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 (06.2022)). Our responsibility in accordance therewith is further described below. Our audit firm applies the IDW Standard on Quality Management: Requirements for Quality Management in Audit Firms (IDW QS 1 (09.2022)).

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 23, 2023. We were engaged by the supervisory board on December 4, 2023. We have been the group auditor of the Knaus Tabbert AG without interruption since the financial year 2013, thereof four financial years during which the company met the definition of a public-interest entity within the meaning of section 316a sentence 2 HGB without interruption.

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 entered in the company register – 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.

The German Public Auditor responsible for the engagement is Maximilian Bergler.

Nuremberg, 26 March 2024

KPMG AG

Wirtschaftsprüfungsgesellschaft

Original German version signed by:

Maximilian Bergler

German Public Auditor

Rafael Sanetra

German Public Auditor

FURTHER INFORMATION

This annual report of Knaus Tabbert AG is also available in German. The report is available in German and English as a PDF on the Knaus Tabbert website. This annual report was published on 27 March 2024. The editorial deadline was 22 March 2024.

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CONTACT

Group headquarters
Knaus Tabbert AG
Helmut-Knaus-Strasse 1
D-94118 Jandelsbrunn
Telephone: +49 (0)8583 / 21–1
Internet: www.knaustabbert.de

Head of Investor Relations
Manuel Taverne
Telephone: +49 (0)8583 / 21–307
Mobile phone: +49 (0)152 02092909
E-mail: m.taverne@knaustabbert.de

IMPRINT

Media owner and publisher: Knaus Tabbert AG, Helmut-Knaus-Strasse 1, 94118 Jandelsbrunn, Germany, Telephone: +49 (0)8583 / 21–1, Fax: +49 (0)8583 / 21–380, E-mail: ir@knaustabbert.de

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Knaus Tabbert AG
Helmut-Knaus-Strasse 1
94118 Jandelsbrunn
Germany

Telephone: +49 (0)8583 / 21–1
Fax: +49 (0)8583 / 21–380
E-mail: ir@knaustabbert.de

knaustabbert.de

KnausTabbert
Wir bewegen