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MANAGEMENT REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31ST 2021 OF PIERER MOBILITY AG, WELS

1. DEVELOPMENT OF THE PIERER MOBILITY GROUP

THE COMPANY

The PIERER Mobility Group is Europe's leading manufacturer of powered two-wheelers (PTWs). With its KTM, HUSQVARNA Motorcycles, and GASGAS motorcycle brands, it is one of the technology and market leaders in Europe, especially when it comes to premium motorcycles. In addition to vehicles with combustion engines, the product range of the PIERER Mobility Group also includes zero-emission two-wheelers with electric powertrains (in particular e-motorcycles and e-bicycles). As a pioneer in electric mobility of two-wheelers, the group, with its strategic partner Bajaj, has created the basis for assuming a leading global role in the low-voltage range (48 volts). Establishing the (e-)bicycle division with PIERER E-Bikes GmbH was another important move in also stepping up its activities in the area of electric bicycle mobility. The bicycles will be marketed under the HUSQVARNA E-Bicycles, R Raymon, and GASGAS E-Bicycles brands and, from 2022, also under the FELT Bicycles brand in order to gain a share of the attractive market growth in this segment and to develop into a significant international player in this field.

Since November 14th 2016, the shares of PIERER Mobility AG have had a primary listing in the International Reporting Standard of the SIX Swiss Exchange. On March 29th 2017, the shares of PIERER Mobility AG were included in the Swiss Performance Index (SPI) of the SIX Swiss Exchange. Since March 3rd 2020, the shares of PIERER Mobility AG have also been listed on the regulated market of the Frankfurt Stock Exchange (General Standard). As of March 1st 2022, trading has also commenced on the Prime Market of the Vienna Stock Exchange, which means that the shares of PIERER Mobility AG are listed in the top segment of the Vienna Stock Exchange. This step is intended to satisfy the great level of interest among investors in Austria and abroad.

DEVELOPMENT OF SALES AND REVENUE IN THE 2021 FINANCIAL YEAR

Despite supreme challenges in the international supply chains and the risks arising from the COVID-19 pandemic, the PIERER Mobility Group improved its revenue by about 1/3 and achieved record revenue of € 2,041.7 million (previous year: € 1,530 million). With 332,881 motorcycles sold under the KTM, HUSQVARNA and GASGAS brands (previous year: 270,407), PIERER Mobility increased its sales by 23%. This was driven by the high global demand for motorcycles. In addition, the Bicycle Division with its HUSQVARNA, R RAYMON and GASGAS brands achieved sales growth of more than 40%, selling 102,753 bicycles (previous year: 73,277) of which 76,916 were e-bicycles (previous year: 56,064).

In Europe, unit sales to dealers were 120,049 motorcycles and 101,437 bicycles. Almost two thirds of the motorcycles (212,832 units) were sold in markets outside Europe, and in particular in North America, India, and Australia. The implementation of the global product strategy and the expansion into further Asian and South American markets were pursued consistently over the past financial year.

A similar picture to wholesale is also reflected in the international retail market environment, where the European motorcycle market grew by approximately 8% to 740,000 units. The market share of all three motorcycle brands was therefore 11.5% in 2021. Both the U.S. and Australian markets also performed positively, each recording significant double-digit market share figures of 11.3% and 19.7%, respectively. The Indian motorcycle market as a whole is on a slight upswing (+2%). Bajaj sold around 60,000 KTM and Husqvarna motorcycles in India, resulting in a market share of 7%. The PIERER Mobility Group thus reaffirmed the strong registration figures of the previous year and was able to maintain global registrations at a high level.

ACQUISITION OF FELT BICYCLES

In the 2021 financial year, the bundling of the operating activities of the Bicycle Division was successfully completed in PIERER E-Bikes GmbH. An important highlight is this segment was the acquisition of the US brand "FELT" in November. FELT Bicycles was founded in 1991 in California, USA, and is known for manufacturing high-performance road, triathlon, track, cyclocross and gravel bikes. FELT bikes have been ridden to stage wins in Grand Tours and earned record-breaking triathlon world championship titles, Olympic gold medals and world championship titles on a variety of different terrains. The process of integrating the Felt brand into PIERER E-Bikes GmbH has already begun.

SIMPLIFICATION OF THE OWNERSHIP STRUCTURE WITH BAJAJ

The completion of the simplification of the ownership structure between the Pierer Group and the Indian Bajaj Group in Q4 2021 should be seen as an important milestone for the company. As planned, in a first step the Bajaj Group contributed a 46.5% share package in the operating subsidiary KTM AG to Pierer Bajaj AG, the majority shareholder of PIERER Mobility AG held by the Pierer Group. In return, Bajaj received a 49.9% stake in Pierer Bajaj

AG. In a second step, this 46.5% KTM share package now held by Pierer Bajaj AG was contributed to PIERER Mobility AG as part of an almost 50% capital increase through contributions in kind. 11,257,861 new shares were issued in the process. This capital increase through contributions in kind from the authorized capital amounting to € 895 million, corresponding to exactly 49.9% of the existing share capital, was carried out with exclusion of subscription rights. Only Pierer Bajaj AG was admitted to subscribe. As a result of this “uplifting project” including the capital increase, Pierer Mobility’s stake in the operating KTM AG (after acquisition of the remaining approximately 1.5% KTM AG shares held by Bajaj) increased to 99.75% (previous year: 51.71%). The remaining 0.25% will be transferred to the main shareholder PIERER Mobility AG in 2022 in return for an appropriate cash settlement (squeeze-out). This means a clear structure will be created in the PIERER Mobility Group on a sustainable basis and, in the process, the minority interests (“Minorities”) will be reduced to a negligible level.

STRATEGIC PARTNERSHIPS

As a pioneer in the electrification of motorized two-wheelers, the PIERER Mobility Group already generated sales revenues of around € 181 million (+55%) with electrically powered two-wheelers (e-motorcycles and e-bicycles) in 2021. In this context, the two strategic partnerships in the field of e-mobility which were entered into in 2021 with Bajaj on the one hand and VARTA on the other hand should be highlighted.

PIERER Mobility AG and Bajaj Auto Limited, India’s second largest motorcycle manufacturer, have now consolidated their 15-year strategic partnership in the international motorcycle industry to include the development of electric products in the two-wheeler sector. This is in order to meet the growing demand for innovative e-mobility concepts. Both companies are exploring common themes, such as the zero-emission exhaust system, low maintenance and durability of light electric vehicles in urban environments and metropolitan areas. This strategy also includes an open approach to different battery solutions to make use of both integrated and removable batteries.

Another strategic cooperation for the development of high-efficiency battery systems in the electric two-wheeler sector was agreed in March 2021 by PIERER Mobility AG and VARTA AG, the leading European manufacturer of Li-ion cells and a global innovation and technology leader. VARTA and KTM are keen to send a strong signal both within and from Europe with highly efficient battery systems. The objective is to cooperate in the areas of research, development, production, marketing and sales as well as in the area of take-back, recycling and the 2nd life of batteries. The cooperation partners see great potential for the development of a platform battery for lightweight electric vehicles in the 48 volt range with peak performances of up to around 20 kW.

To expand the bicycle and e-bike production capacity, in 2021 a 50:50 joint venture was established with MAXCOM Ltd. for e-bike production in Plovdiv. A state-of-the-art e-bike production and assembly facility is being built over an area of 130,000 m². International suppliers will also be given the opportunity to locate themselves at the site. Commissioning is scheduled for the second half of 2023. The annual production capacity will be around 350,000 units. PIERER Mobility AG is contributing all of its vehicle development and production expertise to the joint venture. MAXCOM Ltd. is one of the largest bicycle manufacturers in Eastern Europe and a member of the MAXEUROPE Group in Bulgaria. Maxcom already produces R RAYMON bicycles for PIERER E-Bikes GmbH, and increasingly also Husqvarna E-Bicycles.

CFMOTO should also be mentioned as another important joint venture partner. The deeper cooperation with partner CFMOTO to establish an additional production facility and supply chain in China has started successfully with the assembly of around 10,000 mid-range motorcycles in 2021. At the joint venture factory in Hangzhou, the 790 cc twin-cylinder platform will be used to create a model family for new, affordable mid-range Duke and Adventure models. Around 25,000 motorcycles are set to be produced in 2022.

INCREASE IN GLOBAL BRAND AWARENESS THANKS TO SENSATIONAL MOTORSPORT SUCCESSES

The major successes achieved in motorcycle racing in 2021 deserve special mention. Under the three KTM, Husqvarna, and GasGas brands, 21 world championship titles were won in both road and off-road racing.

Jeffrey Herlings secured the MX GP world championship crown riding a KTM bike, Cooper Webb (also KTM) was crowned Supercross Champion and Billy Bolt (Husqvarna) won the Hard Enduro Series, to name just a few. In road racing, two KTM riders triumphed in Moto2™, Remy Gardner ahead of his teammate Raul Fernandez, both of whom are also moving up to MotoGP™ in 2022.

In January 2022, Sam Sunderland won the prestigious Dakar Rally for the group riding GasGas. Matthias Walkner, the reigning Cross Country Rallies World Champion, claimed the second podium spot, finishing third in the standings.

COVID-19 PANDEMIC

In the 2021 financial year, there were no significant interruptions to production at the Austrian production sites. However, the occasionally high infection rate and the resulting temporary absence of employees posed significant challenges for production and logistics. Due to the high flexibility of employees, an additional expansion of employee numbers and the introduction of additional shifts, these challenges were largely overcome.

There was some instability and some delays in international supply chains. The recovery of the global economy led to an increase in demand and bottlenecks in freight containers and therefore a significant increase in freight costs. The risk detection system (revised in the past year) for identifying global events with a direct or indirect impact on the supply chain, has been improved in a goal-oriented manner. The proven supply chain from supplier to production sites in Mattighofen and Munderfing is primarily intended to ensure parts availability at economically competitive costs, but also to create a basis for the parties involved as suppliers and customers to establish or expand long-term business relationships. In order to be able to achieve these goals, a wide range of employees from the purchasing, quality management and research & development departments contribute their expertise even before the award of a contract for a new purchased part to a supplier company in a selection process. These proven relationships played a major part in ensuring that the global shortage of resources and bottlenecks in the supply chains had only a minor impact on the business operations of the group.

Motorcycle production at our strategic partner Bajaj ran in a largely normal manner and ensured the supply of small-engine KTM and Husqvarna street motorcycles (up to 400 cm³) for the worldwide sales of the PIERER Mobility Group. Relaxation of the national lockdown measures in some countries resulted in partial reopening of the global dealer network. The continued high demand for powered two-wheelers has resulted from a significant change in consumer behavior with regard to the use of public transport and an unwillingness to travel. The recovery effects recorded in retail sales continued in the past year in all relevant sales markets.

The effects of the outbreak of the COVID-19 pandemic had already been recognized by management at an early stage in 2019. KTM responded in a consistently proactive manner to the COVID-19 crisis in line with national regulations to restrict the spread of the virus and implemented these regulations in full. Production in 2021 proceeded continuously and without any direct restrictions due to the COVID-19 pandemic, allowing motorsport and marketing activities to significantly increase once again. The lockdown measures at the end of 2021 had only a minor impact; production was able to continue due to the measures taken and expansion of working from home reduced the number of employees on site and therefore the risk of infection. The supply of spare parts to end customers was guaranteed at all times.

Temporary delays in investment and development projects, as occurred in the year before, were avoided in 2021. Liquidity developed in a very positive manner in the course of business. In addition to the issue of a registered bond in the amount of € 30 million in May 2021, liquidity was further strengthened by the taking out of a loan with the European Investment Bank amounting to € 50 million. Aided by the positive development of retail sales and the working capital optimizations established in previous years and pursued consistently since, a free cash flow of € 172.2 million (previous year: € 165.8 million) was generated. Net financial debt was further reduced by € 122.5 million to € 189.9 million (previous year: € 312.4 million).

In order to minimize the risk of the COVID-19 pandemic and to ensure that production capacities were kept running, a comprehensive prevention concept was developed in 2021. This is guided by and implements the required regulatory measures. Various other precautions were taken to protect the health of employees. These included social distancing rules, regular disinfection of work areas as well as hygiene measures and restrictions on access depending on status as vaccinated, recovered or having recently tested negative. Due to the positive reception of working from home, it was retained on a flexible basis. A wide range of COVID-19 vaccination measures were offered to employees that was maintained continuously over the entire financial year and was in high demand among employees.

2. ECONOMIC ENVIRONMENT AND MARKET DEVELOPMENT

SARS-CoV-2 continues to influence global economic activity. It was identified at the end of December 2019 and has been present in all countries of the world in particular since March 2020. Governments all over the world have taken measures to slow down or prevent the spread and to mitigate the economic consequences of the measures required to prevent infection.

Setbacks in the fight against the pandemic are not the only cause for concern, but also the associated shortages of resources in the supply chains, as well as the rising and continuing inflation figures. The global economic situation is highly uncertain, and the existing disruptions to economic recovery have increased, particularly in relation to the course of the pandemic and access to vaccines.

The current assessment of the International Monetary Fund (IMF) of January 2022 is similarly still subject to great uncertainty. According to this forecast, the global economy will grow by 4.4% in 2022. For industrialized countries, a growth rate of 3.9% for 2022 and 2.6% for 2023 is forecast. Growth of 3.9% is expected for the euro area in 2022. For 2023, the IMF anticipates global economic growth of 3.8%, and for the euro area growth of 2.5%.

For emerging markets and developing economies, a growth in economic output of 4.8% and 4.7% is expected for 2022 and 2023 respectively. For China, a growth rate of 4.8% for 2022 and 5.2% for 2023 is forecast. India is also expected to develop positively, with economic output expected to increase by 9.0% for 2022 and by 7.1% for 2023.

In the 2021 financial year, the PIERER Mobility Group was able to reaffirm the excellent vehicle registration figures of the previous year and maintain global ¹ registrations at a high level. The motorcycle market environment increased by approx. 9% compared to 2020.

In **Europe** ², the motorcycle market grew to a volume of approx. 740,000 new registrations as of December 31st 2021, which corresponds to an increase of 8%. The market share of KTM, Husqvarna, and GASGAS motorcycles registered for road use is 11.5%. While Italy (+28%) and France (+12%) recorded increases both in the overall market and in group registrations (Italy +14%, France +10%), demand for motorcycles in Germany, one of the biggest relevant markets for the group in Europe, fell by 9%.

In the **USA** ³, the largest single motorcycle market for PIERER Mobility, the motorcycle market continued the positive growth of the previous year and recorded a volume of around 440,000 motorcycles (previous year: approx. 398,000) in both offroad and road segments in 2021 – an increase of 10%. The three motorcycle brands of the PIERER Mobility Group once again enjoyed a significant double-digit market share of 11.3% (previous year: 11.6%). Developments in **Canada** were almost identical and brought about an increase of 10% in the motorcycle market, with a market share of 14.1% in the 2021 financial year (previous year: 14.5%).

Despite long-lasting lockdowns in **Australia**, this market also grew significantly both in relation to the motorcycle market as a whole (2021: +8%; previous year: +17.9%) and for KTM, Husqvarna, and GASGAS products (2021: +4%; previous year: +46.5%), which translates to a market share of 19.7% (previous year: 20.4%).

While the year before was heavily affected by the coronavirus pandemic, the situation in the market in India recovered significantly in 2021, with sales growing by 2% to around 9.6 million units in the overall motorcycle market. In the relevant S2/S3 segment, in which the KTM and Husqvarna Motorcycles brands have a market share of 7%, approximately 60,000 motorcycles were sold via the distribution channels of our strategic partner Bajaj, as was the case in the previous year.

The market environment for motorcycles in **Argentina and Colombia**, which are the core countries relevant to the group in South America, developed very positively (overall market: approx. 600,000 units). In the 2021 financial year, the motorcycle market in Argentina grew by 29%, with sales of KTM and Husqvarna brand motorcycles rising by almost 70%. This resulted in a market share of 4%. There was even stronger growth in Colombia, where the overall market grew by 43%. In the 2021 financial year, the PIERER Mobility Group's motorcycle brands recorded a 76% increase in registrations and a market share of 2% in Colombia.

¹ Related to the key sales markets of the KTM group: DE, FR, IT, UK, ES, SE, BE, NL, AT, CH, FL, DK, NO, GR, PL, SL, HU, BALTIC, USA, CAN, AUS, NZ, JP, SA.

² Motorcycles = 120 cm³ excluding Motocross, scooters and ATVs, including electric motorcycles in the markets DE, FR, IT, UK, ES, SE, BE, NL, AT, CH, FI, NO, BALTIC

³ Motorcycles = 120 cm³ including Motocross, excluding scooters and ATVs, including electric motorcycles

The **e-mobility market** has great potential for growth. E-bicycles represent a healthy, sustainable, and individual mode of transport. They are an increasingly important component of modern mobility concepts. The popularity of e-bicycles, in particular, is growing dynamically and now encompasses all model groups in the bicycle sector. E-bicycles enable longer distances and higher average speeds, creating new mobility options in urban and rural areas. It is evident that high-quality brand-name products are also gaining ground in the bicycle market. Consumers are proving to be more quality aware and more environmentally aware, which directly results in higher demand on the bicycle market. This has proven to be a trend, especially in terms of data for the German sales market, which, according to recent scientific findings, depends not least on the changing population structure as well as the general level of education, which is becoming more aware of environmental issues.

According to reports from the German Two-Wheeler Industry Association (ZIV), 5.04 million units (e-bicycles and non-e-bicycles) were sold in Germany in 2020, a year-on-year increase of +16.9%. With conventional bicycles down by -7.2%, the strong growth was primarily attributable to the e-bicycles segment. In its report on the first half of 2021, ZIV confirms these positive trends for the e-bicycle market, while the forecast decline in the sales figures for bicycles overall is exclusively due to the decline in conventional bicycles. For example, ZIV reports that 1.95 million e-bicycles were sold in Germany in 2020 (2019: 1.36 million). Accordingly, the market share of e-bicycles in 2020 was 38.7% (2019: 31.5%). In the medium term, a market share of 40% to 50% of the total bicycle market in Germany is forecast for e-bicycles.

Similarly, a trend study by the auditing and consulting firm PwC indicates that the bicycle market will grow globally at an average rate of approx. 5.5% annually in the years ahead. This development is largely driven by the strong growth in the sales figures for e-bicycles (7.4% per annum according to the study). According to the study, the greatest potential for growth lies in the East Asian as well as the European and North American markets, with an estimated sales volume of approximately 210.4 million bicycles (e-bicycles and non-e-bicycles; estimated value of the sales volume: approximately EUR 80 billion) sold worldwide in 2025.

3. FINANCIAL PERFORMANCE INDICATORS

KEY FINANCIAL PERFORMANCE INDICATORS:

EARNINGS RATIOS		2020	2021	CHANGE IN %
Revenue	in € million	1,530.4	2,041.7	33.4%
EBITDA	in € million	233.5	332.2	42.3%
EBITDA margin	in %	15.3%	16.3%	
Result from operating activities (EBIT)	in € million	107.2	193.5	80.5%
EBIT margin	in %	7.0%	9.5%	

OTHER FINANCIAL FIGURES:

EARNINGS RATIOS		2020	2021	CHANGE IN %
Earnings after taxes	in € million	69.5	142.9	>100.0%
Earnings after minorities	in € million	34.9	82.5	>100.0%

BALANCE SHEET RATIOS		12/31/2020	12/31/2021	CHANGE IN %
Balance sheet total	in € million	1,686.0	2,033.7	20.6%
Equity	in € million	654.1	765.6	17.0%
Equity ratio	in %	38.8%	37.6%	
Working capital employed ¹⁾	in € million	181.5	160.5	-11.6%
Net debt ²⁾	in € million	312.4	189.9	-39.2%
Gearing ³⁾	in %	47.8%	24.8%	

CASH-FLOW UND CAPEX		2020	2021	CHANGE IN %
Cash flow from operating activities	in € million	312.8	367.4	17.5%
Cash flow from investing activities	in € million	-147.0	-195.1	32.7%
Free cash flow ⁴⁾	in € million	165.8	172.2	3.9%
Cash flow from financing activities	in € million	-104.7	-27.6	-73.6%
Capital expenditure ⁵⁾	in € million	150.2	178.5	18.8%

VALUE CREATION		12/31/2020	12/31/2021
ROCE (Return on Capital Employed) ⁶⁾	in %	9.7%	17.4%
ROE (Return on Equity) ⁷⁾	in %	10.9%	20.1%
ROIC (Return on Invested Capital) ⁸⁾	in %	7.7%	13.0%

1) Working capital employed = inventory + trade receivables - trade payables

2) Net financial debt = financial liabilities (current, non-current) - cash

3) Gearing = net financial debt / equity

4) Free cash flow = cash flow from operating activity + cash flow from investing activity

5) Additions to property, plant and equipment and intangible assets as per statement of changes in non-current assets; excluding lease additions (IFRS 16) in the amount of € 24.6 million (previous year: € 19.5 million)

6) ROCE: EBIT / average capital employed; capital employed = property, plant and equipment + goodwill + intangible assets + working capital employed

7) ROE = net result after tax / average equity

8) ROIC = NOPAT / average capital employed; NOPAT = EBIT - taxes

BUSINESS DEVELOPMENT AND ANALYSIS OF EARNINGS RATIOS

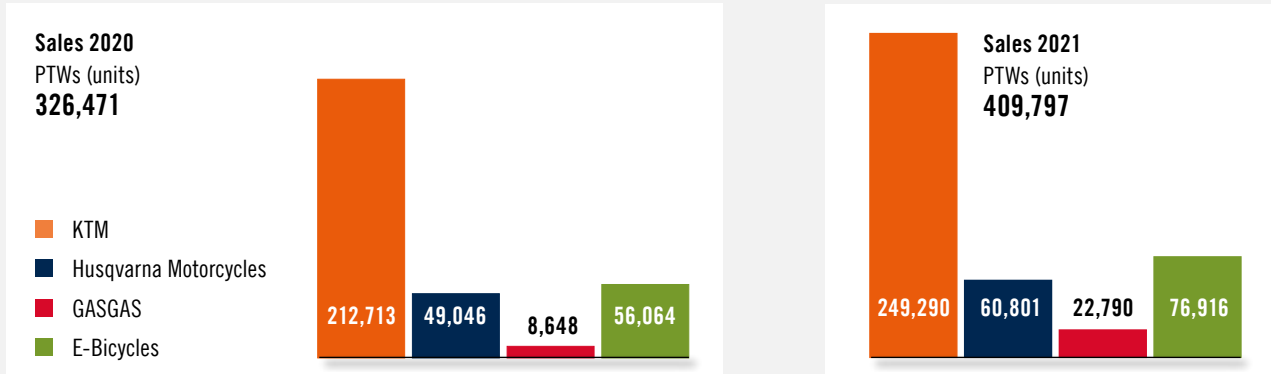
The PIERER Mobility Group can look back on a new record-breaking year in 2021. The main challenges for the successful continuation of our growth trajectory were the unstable international supply chains, securing the required production capacities as flexibly as possible and minimizing the risks arising from the COVID-19 pandemic for the employees. In 2021, thanks to the high market demand for Powered Two-Wheelers (PTWs) and active management of the challenges outlined above, the PIERER Mobility Group achieved record growth in both revenue and earnings despite the challenging situation.

In the 2021 financial year, the PIERER Mobility Group generated revenues of € 2,041.7 million (+33.4%), thus improving its revenue by € 511.3 million compared to the previous year. Approximately 95% of revenues were earned outside of Austria. Looking at different regions, 56.0% of revenues were generated in Europe (-1.2 percentage points year-on-year), 22.9% in North America including Mexico (-1.5 percentage points year-on-year), and 21.1% in the rest of the world (+2.7 percentage points year-on-year). Due to the high demand for motorcycles and e-bicycles worldwide, a total of 663 employees were added to the workforce in the past financial year, bringing the total number of employees at the end of the year to 5,249. Of these, 4,340 are employed in Austria.

The earnings before interest, taxes, depreciation and amortization (EBITDA) of € 332.2 million are around € 100 million higher than the previous year's figure of € 233.5 million. The EBITDA margin is 16.3%. The group increased EBIT by around 80% to € 193.5 million (previous year: € 107.2 million), which equates to an EBIT margin of 9.5%.

In addition, the net result after tax was more than doubled, reaching € 142.9 million in the 2021 financial year (previous year: € 69.5 million).

The sales figures for PTWs – motorcycles of the KTM, Husqvarna Motorcycles, and GASGAS brands as well as e-bicycles (excluding non-e-bicycles) – are distributed as follows:



The two segments “Motorcycles” and “E-Bicycles” represent the main operational areas of the PIERER Mobility Group, the development of which is discussed below.

MOTORCYCLES

The revenue drops recorded in 2020 owing to interruptions to production caused by the COVID pandemic were compensated for in the 2021 financial year and total revenue was significantly increased. In the KTM group, revenue of € 1,876.4 million was achieved in the past financial year (previous year: € 1,414.0 million), which corresponds to an increase in revenue of 32.7%. KTM achieved EBITDA of € 325.2 million in the 2021 financial year (+44.1% compared to the previous year) and EBIT of € 192.8 million (+83.1% compared to the previous year). This corresponds to an EBITDA margin of 17.3% (previous year: 16.0%) and an EBIT margin of 10.3% (previous year: 7.4%). The net result after tax was € 146.1 million (previous year: € 71.2 million).

In North America, KTM recorded revenue growth of 24.8% to € 466.1 million. This meant that 24.8% of revenue was generated in North America (previous year: 26.4%). In Europe, revenue increased by 29.1% to € 980.8 million compared to the previous year, which corresponds to a share of 52.3% (previous year: 53.7%). Revenue also increased in other countries by 52.9% to € 429.4 million compared to the previous year. The share of revenue generated in other countries was 22.9% (previous year: 19.9%).

With 249,290 KTM motorcycles sold, 60,801 HUSQVARNA motorcycles sold and 22,790 GASGAS motorcycles sold in the 2021 financial year, the KTM group sold a total of 332,881 motorcycles (+23.1% year-on-year; taking into account the motorcycles sold in India and Indonesia by partner Bajaj), thereby consolidating its presence in the key motorcycle sales markets with its three motorcycle brands. In the European sales regions, unit sales were 120,049 motorcycles (+23.3%). Significant growth was also recorded by the North American sales subsidiary with 65,792 motorcycles sold (+24.6%), and in Australia sales increased by 25.7% to 20,811. The strongest growth potential was seen in South America (+62.5%) with 32,562 and in Asia (+55.8%) with 29,847 motorcycles sold.

**UNIT SALES BY REGIONS
FY 2021**

- 36.1% Europe
- 19.8% North America (incl. Mexico)
- 18.1% Indien / Indonesia (by Bajaj)
- 26.0% remaining global region



**REVENUE BY REGIONS
FY 2021**

- 52.3% Europe
- 24.8% North America (incl. Mexico)
- 22.9% remaining global region



In the 2021 financial year, 178,992 motorcycles were manufactured at the Mattighofen production site. Compared to the previous year, this constitutes an increase of 38,740 units, or +27.6%. Taking into account the small-engine KTM and Husqvarna models produced by our partner Bajaj Auto Ltd. in India and the GASGAS Trials produced in Spain, 323,931 vehicles (+22.1%) were manufactured worldwide.

E-BICYCLES

In the Bicycle Division, activities in 2021 focused on establishing the three Husqvarna E-Bicycles, R Raymon and GasGas brands, as well as on further technical development and enhancing the quality of the product range. R RAYMON offers bicycles as well as e-bikes for a variety of target groups: from children’s bikes to racing bikes, from city e-bikes to sports E-MTBs. Husqvarna’s product range now covers the entire spectrum of e-mobility. GASGAS bikes were officially launched in April 2021. The Spanish own brand opened a new chapter in the field of e-mobility and now intends to give even more off-road enthusiasts the opportunity to share in the fun of off-road riding. With the various brands and the product range now even more broadly diversified, it will be possible to cater for this highly differentiated market in an optimum way. The global COVID-19 pandemic has increased consumer demand for personal transportation and sports solutions. In addition, consideration of sustainability issues is making consumers focus more on the need for zero-emission transportation. E-bikes in particular are proving to be especially popular and attractive to customers. The PIERER E-Bikes Group was able to take advantage of this, hold its own with its brands in a highly competitive market and continue growing.

In the 2021 financial year, revenue of € 162.7 million was generated in the e-bicycles segment (previous year: € 112.5 million). This represents a year-on-year increase in revenue of almost 45%. EBITDA in 2021 was € 11.4 million (previous year: € 6.5 million) and EBIT was € 7.0 million (previous year: € 2.2 million). This corresponds to an EBITDA margin of 7.0% (previous year: 5.8%) and an EBIT margin of 4.3% (previous year: 2.0%). The net result after tax was € 5.0 million (previous year: € 0.3 million).

With 76,916 e-bicycles (+37.2%) and 25,837 non-e-bicycles (+50.1%), the Bicycle Division was able to achieve sales growth with the HUSQVARNA, R RAYMON, and GASGAS brands of more than 40% in total and has already sold 102,753 bicycles (previous year: 73,277). Of the e-bicycles sold in the 2021 financial year, 40.8% were sold under the Husqvarna E-Bicycles brand, 53.3% under the R RAYMON brand, and 5.9% under the GASGAS brand. The sales of non-e-bikes were entirely attributable to the R RAYMON brand. Around 76% of sales were in the DACH region.

**UNIT SALES BY REGIONS
FY 2021**

- 76.1% DACH region
- 22.6% remaining Europe
- 1.3% remaining global region



**REVENUE BY REGIONS
FY 2021**

- 7.0% DACH region
- 24.9% remaining Europe
- 2.1% remaining global region



STATEMENT OF FINANCIAL POSITION ANALYSIS

The balance sheet structure of the PIERER Mobility Group is as follows:

	2020		2021	
	€ million	in %	€ million	in %
Non-current assets	942.0	55.9%	992.8	48.8%
Current assets	744.0	44.1%	1,040.9	51.2%
Assets	1,686.0	100.0%	2,033.7	100.0%
Equity	654.1	38.8%	765.6	37.6%
Non-current liabilities	581.4	34.5%	649.5	31.9%
Current liabilities	450.5	26.7%	618.7	30.4%
Equity and liabilities	1,686.0	100.0%	2,033.7	100.0%

The balance sheet total of the PIERER Mobility Group increased by 20.6% from € 1,686.0 million to € 2,033.7 million as of December 31st 2021 compared to the consolidated financial statements as of December 31st 2020.

Non-current assets increased from € 942.0 million to € 992.8 million in 2021, representing an increase of € 50.8 million or 5.4%. The increase was largely due to the level of investment being higher than depreciation and amortization, especially in the area of development projects, and the resulting increase in intangible assets.

Within current assets, cash in particular increased by € 155.2 million and stock by € 106.4 million. This was due in particular to the build-up of stock of unfinished products, raw materials and supplies. Overall, this resulted in a significant increase in current assets of 39.9% to € 1,040.9 million.

Current liabilities increased by € 168.2 million to € 618.7 million (+37.3%) in the past financial year. The increase is mainly due to the increase in trade payables amounting to € 133.5 million. Other increases related, among other things, to sales bonuses and employee benefits.

Non-current liabilities increased by 11.7% to € 649.5 million, largely as a result of borrowings. In May 2021, KTM AG issued registered bonds with a term of 12 years at a nominal value of € 30 million. In addition, a loan of € 50 million was taken out from the European Investment Bank in December 2021.

Equity increased by € 111.4 million to € 765.6 million in the 2021 financial year. On the one hand, equity was boosted by the pleasing net result after tax of € 142.9 million and the sale of treasury shares amounting to € 13.6 million. On the other hand, dividend payments amounting to € 24.4 million and the acquisition of shares in subsidiaries (increase in shares in KTM AG and KTM Technologies GmbH) totaling € 30.5 million led to a reduction in equity. The other effects mainly related to the recognition in equity of foreign currency differences, the valuation of financial instruments and the re-valuation of the net defined benefit liability. At 37.6%, the equity ratio reported as of December 31st 2021 was lower than the previous year's figure of 38.8% due to the increase in the balance sheet total described above.

LIQUIDITY ANALYSIS

Cash flow from operating activities amounted to € 367.4 million in the 2021 financial year, which was up 17.5% on the previous year's figure of € 312.8 million, and this was mainly attributable to the positive operating earnings development (EBITDA +€ 98.7 million compared to the same period in the previous year).

The cash outflow from investments amounted to € -195.1 million and was significantly higher overall than the previous year's figure of € -147.0 million. This increase was mainly due to the higher payments for the acquisition of intangible assets and property, plant and equipment (effect € -34.1 million).

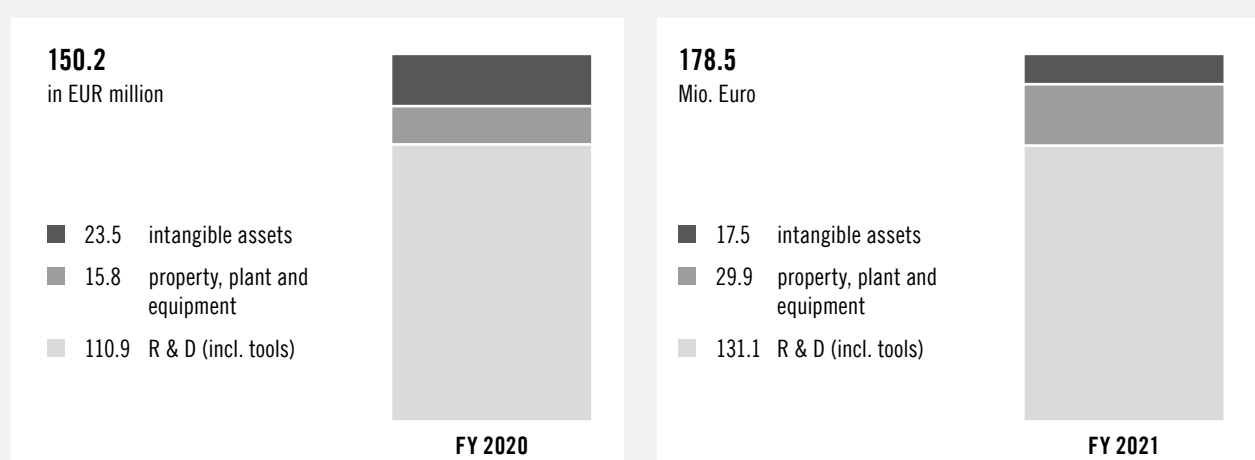
Due to the excellent result and the low working capital level, a strong free cash flow of € 172.2 million was generated, corresponding to 8.4% of 'revenue. Free cash flow increased by a total of € 6.4 million compared to the same period in the previous year.

After taking into account the cash flow from financing activities of € -27.6 million, cash and cash equivalents increased by € 155.2 million (including foreign currency effects of € 10.6 million) to € 373.5 million compared to December 31st 2020.

Thanks to the strong equity base and long-term financing, sufficient liquidity reserves are available on a sustainable basis.

INVESTMENTS

In the current financial year, total investments in the PIERER Mobility Group amounted to € 203.1 million (previous year: € 169.7 million) including IFRS 16 lease additions of € 24.6 million (previous year: € 19.5 million). The investments excluding leasing projects were divided between development projects (incl. tools), property, plant and equipment and intangible assets as follows::



Despite the COVID-19 pandemic, investments in the (further) development of existing and new models and in electric mobility have top priority. Expenditure on investments in research and development will therefore remain at the already high level of previous years on a sustained basis and this represents one of the key factors for the group's success. At 73%, the proportion of investments in development projects (incl. tools) compared to total investments is slightly below the previous year's figure of 74%. Investments in infrastructure (property, plant and equipment) accounted for 17% (previous year: 10%) of total investments. Intangible assets (trademark rights, IT, licenses) accounted for a further 10% (previous year: 16%). In the previous year, investments in intangible assets largely included the acquisition of the trademark rights to "GASGAS" amounting to around € 14 million.

The main expansions to infrastructure at our Austrian sites in the 2021 reporting year involved the expansion of the logistics center (scheduled completion in 2022) and the newly built training center at the Munderfing site. With the newly created "Production Academy" in Mattighofen, massive investments have also been made in the training and further education of production employees. In addition, the new GASGAS production site in Terrassa, Spain was expanded.

4. NON-FINANCIAL STATEMENT

The company prepared a consolidated non-financial report for the PIERER Mobility Group in accordance with Section 267a of the Austrian Commercial Code (UGB) for the 2021 financial year. This report contains information about concepts, non-financial risks, due diligence processes as well as results and performance indicators with regard to environmental, social and employee issues, respect for human rights, and the fight against corruption and bribery. This report has been reviewed by the Supervisory Board in accordance with Section 96 of the Austrian Stock Corporation Act (AktG) and is available online at <https://www.pierermobility.com/en/sustainability/sustainability-reports>.

The Corporate Governance Report is available on the Company's website at <https://www.pierermobility.com/en/investor-relations/corporate-governance>

5. RESEARCH & DEVELOPMENT AND NEW MODELS

PIERER Mobility AG intends to continue to expand its pioneering role in relation to technology, sales and image, especially in the motorcycle world. We have been particularly focused on the area of research and development for several years. The result of the R&D strategy we have pursued is innovative products, which meet our customers' high expectations in technology and performance. Thanks to the globally active research and development organization, the PIERER Mobility Group has a network of highly qualified employees – for instance in the construction, computation and simulation sectors. This network is supported by the in-house machinery and equipment that performs the production, construction and validation of newly developed prototypes.

Research and development expenses (before capitalization of development services) in the PIERER Mobility Group in the 2021 financial year amounted to € 162.4 million (previous year: € 137.7 million), which corresponds to 8.0% (previous year: 9.0%) of revenue. The products of all group companies operate at a very demanding performance level, which is why customers demand ongoing development and evolution. In the research and development department, the PIERER Mobility Group had as of December 31 in the 2021 financial year 976 employees (previous year: 808 employees), which corresponds to 18.6% of the total workforce. Around 6.4% of total revenue was invested in research and development (-0.8 percentage points compared to the previous year).

The research and development department is a global organization, with decentralized locations in Europe (in particular Austria and Spain), America and Colombia. The development programs are managed centrally at the research and development headquarters of KTM AG in Mattighofen and Munderfing. A large proportion of the employees from the research and development department are located here over a floor space of more than 20,000 m². Focusing on the power range from 250 W to 11 kW, the group is taking the next steps to intensify research & development (R&D) in the field of electric mobility and is pressing ahead at full speed in pursuing its vision to become the global leader in the field of electrically powered two-wheelers (PTW). For example, in the reporting year all R&D activities were combined and expanded further into their own research and development company – KTM Forschungs & Entwicklungs GmbH (KTM F&E GmbH) – which will ensure that KTM is always able to keep up with the ever-increasing pace of technological development. A special focus of the past year was making the move to the newly developed R&D location in Anif near Salzburg, which, in addition to the E-drive development division within F&E GmbH, also provides KTM Technologies GmbH with space for further growth. The investment volume for the 7,780 m² e-mobility center of expertise is EUR 20 million. The state-of-the-art facility provides space for more than 150 employees and is located right next to the KISKA design studio in Anif near Salzburg, Austria.

In 2021, we also made further progress in the development of batteries. KTM participates in a consortium for motorcycles with swappable batteries with Honda Motor, Piaggio Group and Yamaha Motor for motorcycles and light electric vehicles. Over the next three years, the consortium will develop a common technical standard for a battery swap system including the corresponding battery swap stations.

The research and development function of PIERER E-Bikes GmbH is organized in decentralized locations across Europe (Austria, Germany, Spain). This facilitates a specific response to the mobility needs of the respective markets, whether this is urban mobility in Munich and Barcelona or the off-road or dual sport community in rural or even alpine areas around Schweinfurt, Salzburg, and Munderfing.

MOTORCYCLES

In 2021, all three motorcycle brands made a clear statement with innovative upgrades and new models, both in the on-road and off-road segments.

One of the most important projects of last year for the street model platforms was the industrialization of KTM's spearheads in the street model portfolio – the 1290 SUPER ADVENTURE R and S models as well as the 1290 SUPER DUKE RR hyper-naked bike. Now, for the first time, the 2021 generation KTM 1290 SUPER ADVENTURE S comes with innovative adaptive cruise control as standard. It was developed thanks to intensive research side-by-side with Bosch. It automatically maintains an appropriate distance to other road users in front of the motorcycle using radar sensors and can be set at five levels via the redesigned combination switch.

Further highlights include the series production of the KTM RC generation in the Supersport segment, the series ramp-up of the HUSQVARNA Norden 901 and the ramp-up of the KTM 1290 SUPER DUKE R and KTM 1290 SUPER DUKE GT models, which incorporate extensive updates. The starting point was the KTM 890 DUKE model derivative, based on the two-cylinder mid-class platform, which had its series launch before the start of the motorcycle season in February 2021. The 890 DUKE adds the finishing touch to KTM's naked bike range, offering a direct successor to the extremely popular 790

DUKE, where the developers were able to make significant progress, particularly in terms of mechanics and performance as well as emissions behavior.

In 2019, HUSQVARNA Motorcycles introduced the “North” prototype of a motorcycle in the mid-range Travel segment. Exactly two years after its presentation, its series ramp-up took place in November 2021. With its foundation rooted in the building blocks of the KTM 890 ADVENTURE models, this model distinguishes itself significantly from its sisters in the group with its unique design, a reworked chassis and a range of other brand-typical detailed solutions. With the SVARTPILEN 125, Husqvarna expanded the range of naked bikes and now offers young riders a perfect model for entering the world of Husqvarna road bikes.

GASGAS Motorcycles confirmed the global availability of the latest TXT RACING and TXT GP Trial models of MY 2022. In addition, GASGAS Motorcycles has expanded its range of dirt bikes by adding the small-wheel MC 85, the MC 250 with a two-stroke engine, and the MC 350F with a four-stroke engine.

Another high point of the previous research year was the development and start of the transition to series production of the new KTM SX/SX-F and HUSQVARNA TC/FC Motocross model range in the full-size offroad segment. And because KTM's brand motto is “Ready to Race,” not only were the prototypes of these bikes successfully subjected to comprehensive prototype tests but, due to our commitment to global motorsports, they were also tested and validated in the toughest conditions. The most recent generation of models from the full-size off-road platform is the result of a complex platform strategy, the primary objective of which is to optimize the performance of all installed components and at the same time ensure a high degree of efficiency.

The research department is also working intensively on promising, sustainable mobility solutions. Part of the strategy pursued is an open approach to different battery solutions that take advantage of both integrated and removable batteries. The 2021 research year included a series of R&D projects in the field of purely electric powered vehicle concepts. In addition to the great efforts in the area of fundamental research and technological research, new vehicle concepts – the HUSQVARNA E-PILEN concept and the electric scooter concept the HUSQVARNA BLTZ – were presented to the public for the first time last year.

In addition, KTM AG formed a consortium for motorcycles with exchangeable batteries with Honda Motor, the Piaggio Group and Yamaha Motor. The aim of the consortium is to develop solutions to address customers' concerns regarding the future of electric mobility, such as range, charging time and infrastructure as well as costs. This is to be achieved while adhering to four main objectives: (a) Development of common technical specifications for interchangeable battery systems; (b) Confirmation of the joint use of battery systems; (c) Promotion of the common specifications of the consortium in European and international standardization committees as well as their adoption as a standard; (d) Worldwide application of the common specifications of the consortium. Work is being carried out together with the consortium partners to develop an exchangeable battery system for low-voltage vehicles (48 V) with up to 11 kW of power, which is based on international technical standards.

In parallel to the initiatives mentioned above in the area of electric mobility, the KTM group is also working on technologies for further reducing the emissions profiles of motorcycles equipped with combustion engines. The development strategy in the area of combustion engines development is clearly orientated towards a reduction in consumption and emissions. This includes R&D activities which address the further development of the thermodynamic system (electronic fuel injection, combustion) as well as exhaust aftertreatment systems (catalytic converters). Furthermore, approaches to using CO₂-free or CO₂-neutral fuels which can be obtained from, among other things, the CO₂ in the atmosphere are being studied. All engines in the displacement category over 500 cm³ are already qualified for operation with synthetic fuels (e-fuels) – other engine platforms can be changed within short response times. The MotoGP™ and Moto3™ racing series, that are particularly technology driven, will test the use of blended fuels (which consist of less than 40% fossil fuels) from the 2024 season onwards. It currently looks as though the premier class of the Motorcycle World Championship is planning to completely switch to synthetic fuels starting in the 2027 season.

E-BICYCLES

In the Bicycle Division, activities in 2021 focused on establishing the three Husqvarna E-Bicycles, R Raymon and GasGas brands, as well as on further technical development and enhancing the quality of the product range.

The Husqvarna fleet of models can expect a number of innovations in 2022. Of particular significance is the new off-road model division with its own

frame designs and technical innovations, which is represented above all by the brand new Mountain Cross 6 (MC 6). The MC 6 proves that Husqvarna E-Bicycles takes kinematics, design, and technology seriously and is aimed at a new generation of riders. Together with Husqvarna Motorcycles, Husqvarna E-Bicycles also presented its fleet of urban mobility vehicles, and the group positioned itself on this basis at the IAA Mobility 2021 in Munich as a holistic, zero-emission manufacturer of motorized two-wheelers. In January 2022, HUSQVARNA E-Bicycles also presented the 'Legacy Edition', an upgraded edition of the Mountain Cross 5 with an updated design.

In 2021, GASGAS Bicycles presented the Enduro Cross 9.0 as the top model. It combines the well-known robust aluminum frame, shaped in enduro geometry, with a Rock Shox ZEB 160 fork and a Rock Shox SDS+ shock absorber, as well as wheels in the 29" front and 27.5" rear formats for perfect handling and excellent agility. With its SRAM SX Eagle 12-speed drive, 4-piston Tektro brakes, a Yamaha PW-X2 motor with an advanced Quad Sensor System, 250 W power, and an integrated 630 Wh battery in the down tube, it embodies everything the GASGAS Bicycles brand represents.

In 2021, R RAYMON introduced its claim "Ride here. Ride now." that expresses the brand's attributes of growth and spirit. A typical example of this is the all-round TourRay E 5.0 with a sporty Yamaha PWST drive with 60 Nm of torque and the semi-integrated Yamaha battery with 500 Wh. The trekking power of the TourRay made it the absolute best seller in the e-bike range of 2021. With its 27.5" inch wheels, disc brakes, and an SR Suntour suspension fork with 75 millimeters of suspension travel, the TourRay E 5.0 offers plenty of comfort and traction on all types of terrain. In 2022, R RAYMON will once again expand its portfolio and enter the market of light e-mountain bikes. With the AirRay, R RAYMON will change perceptions – it combines the typical fun of a trail bike with solid performance and an ideal battery capacity. The highest torque motors and highest battery capacities were deliberately not selected for these three models. Instead, the focus was on achieving a balance between the three pillars of motor, battery, and weight. Equipped with the AIR DRIVE motor powered by Yamaha (50 Nm torque), a slim 2.8 kg carbon fiber frame, agile handling and riding dynamics at the highest level, the lightweight e-mountain bike R RAYMON AirRay 29" weighs less than 20 kilograms with a suspension travel of a full 150 mm. Further innovations can be expected in the coming year, which will include new frame platforms and concepts, while at the same time R RAYMON intends to establish itself more firmly in the sports segment.

6. OPPORTUNITIES AND RISK REPORT

As Europe's leading "Powered Two-Wheeler" (PTW) manufacturer, the PIERER Mobility Group with its KTM, HUSQVARNA Motorcycles, and GASGAS motorcycle brands is among the European technology and market leaders. The business activities of the PIERER Mobility Group are characterized by ongoing changes. Exploiting the opportunities that these changes present is the essential cornerstone of the success of the PIERER Mobility Group. In order to secure the future success of the business and exploit the opportunities that arise, the group must consciously take risks.

The management of opportunities and risks is the basis for responding appropriately to changes in the underlying political, economic, technical or legal conditions. Where it is likely that the opportunities or risks identified will occur, they have already been incorporated into the statements made in the notes to the consolidated financial statements and the group management report. The following statements include possible future developments or events that could lead to a positive (opportunities) or negative (risks) deviation from the company forecast for the PIERER Mobility Group.

As part of risk management, all individual and cumulative risks that could jeopardize the success of the company are monitored and controlled. Risks that could jeopardize the company as a going concern are generally avoided. The scope of risk consolidation corresponds to the scope of consolidation of the consolidated financial statements of the PIERER Mobility Group.

RISK MANAGEMENT SYSTEM

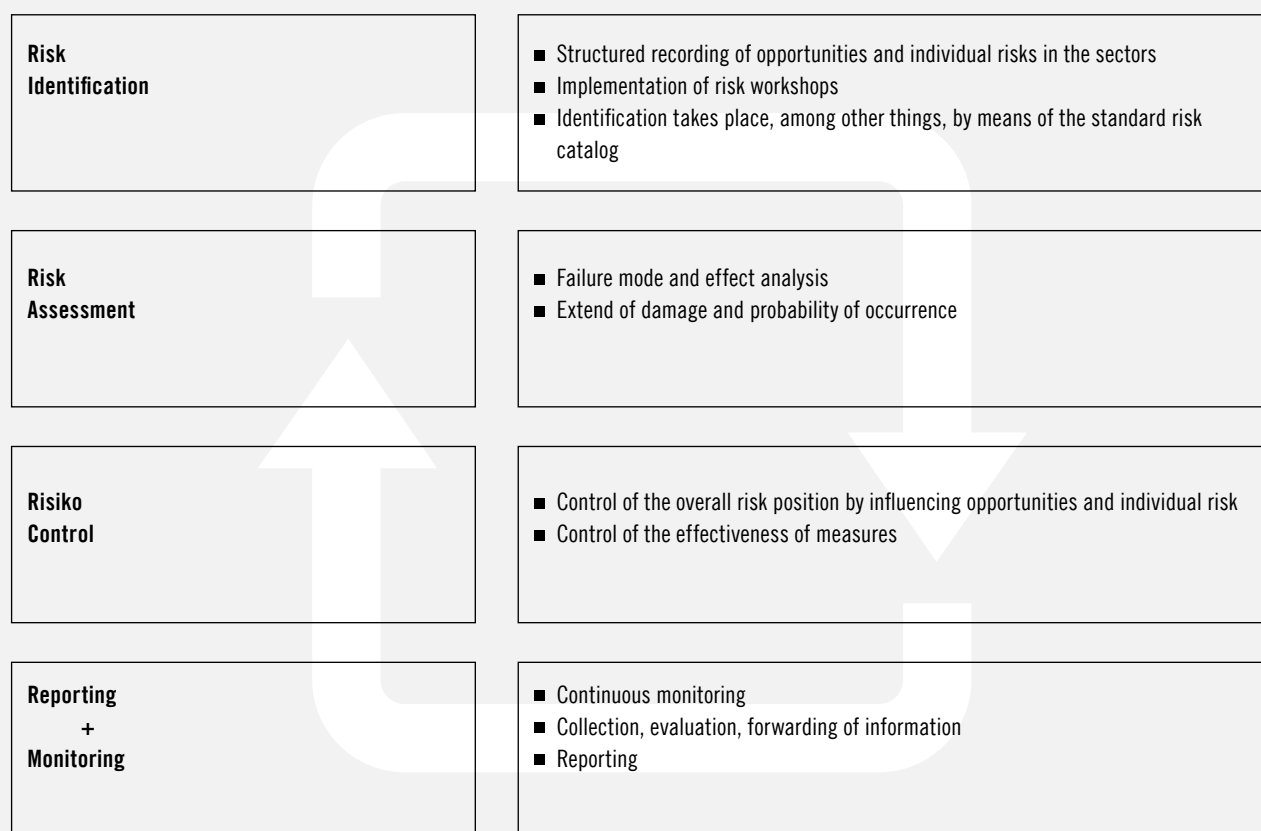
The main purpose of the PIERER Mobility Group's risk management system is to safeguard and strengthen the company by correctly and transparently assessing financial, operational and strategic risks. In this context, the Executive Board, together with the management of the main group companies, in particular KTM AG, performs extensive management and controlling tasks within the framework of an internal, integrated control system that covers all major sites. Recognizing, evaluating and responding to strategic and operational risks promptly is an essential part of the management activities of these units and adds significant value to the company. The basis for this is a uniform, group-wide reporting system established on a monthly basis, and ongoing monitoring of operational and strategic plans.

The PIERER Mobility Group has a multi-level risk management system in which group-wide risks are identified by location or geographical area. Operational responsibility and the assessment of group-wide risks is carried out by the risk management of KTM AG and local management and is reported directly to and monitored by the Executive Board and the Group Executive Board.

Preventive analysis of potential or near-miss events is another aim of risk management. In addition, risk management is also responsible for actively controlling risks and evaluating appropriate measures with the business units concerned.

RISK MANAGEMENT STRATEGY

The PIERER Mobility Group bases its risk management strategy on risk analysis and risk assessment according to the COSO® framework. Accordingly, the group has defined the following core areas of the risk management strategy:



Risk management established at the level of KTM AG regularly conducts risk analyses for selected production and distribution sites. Only risks outside the consolidated statement of financial position and the consolidated income statement are presented.

RISK MITIGATION

Depending on the impact on the company, efforts are made to minimize or avoid risks by taking appropriate measures or, in certain cases, to deliberately take them.

RISK ASSESSMENT

The aim of risk assessment is to perform continuous, qualitative and quantitative evaluation of all identified opportunities and risks in order to prioritize risk control measures. Opportunity and risk assessment at the PIERER Mobility Group should meet the following requirements:

- **Objectivity:** The assessment should be performed according to standards that are as objective as possible.
- **Comparability:** To allow the opportunities and risks to be compared with each other, a quantitative assessment is made using uniformly defined values (where reasonable and possible)

ASSESSMENT METHODOLOGY

Opportunities and individual risks are assessed on the basis of their likelihood of occurrence and their significance for the net assets, financial position and earnings position of the group. This assessment is based on information about a) risks that have actually occurred in the past, b) benchmark values from the industry or c) realistic expert estimates prepared by the group itself.

The quantitative assessment follows a scenario-based approach, distinguishing between the following categories: Best Case (BC), Most Likely Case (MLC), and Worst Case (WC). This is a classic triangular distribution. For isolated risks, a qualitative assessment can additionally be used, if necessary, or alternative distributions (normal distribution, etc.) can be used for fluctuating risks. The choice of the respective distribution depends on the type of risk.

RISK MONITORING / CONTROL

The essence of operational risk management is to identify, evaluate and control significant risks arising from operations. This process is carried out in particular by the senior and middle management levels of KTM AG and monitored by the Executive Board of PIERER Mobility AG.

OPPORTUNITIES AND RISK REPORT

The following overview provides a general summary of all identified risks and opportunities and highlights their significance for the PIERER Mobility Group. Overall, the PIERER Mobility Group has not identified any risks that could jeopardize its continued existence as a going concern, neither on the reporting date nor at the time that the financial statements were prepared.

▪ MARKET RISKS

Cyclical risk

The KTM group operates primarily in the motorcycle sector and the PIERER E-Bikes Group in the bicycle sector. Sales opportunities are determined by the general economic situation in the countries and regions in which the PIERER Mobility Group is represented with its products. As recent years have shown, the motorcycle sector in particular is cyclical and subject to large fluctuations regarding demand. This risk is counteracted by relevant market research and market forecasts, which are then taken into account in the planning process. Due to the change in mobility behavior, the global motorcycle market continues to grow, in particular in the most important sales regions year-on-year.

Competition and pricing pressure

Competition on the motorcycle market in industrialized countries is particularly intense; KTM's strongest competitors are four Japanese and three European manufacturers and, on a slightly smaller scale, a U.S. manufacturer, some of which have greater financial resources, higher sales figures and market shares. Price pressure in the street motorcycle market is very high, and new competitors are trying to enter the market using low-price strategies. Thanks to its successful market strategy, KTM is Europe's leading manufacturer of powered two-wheel vehicles. The full integration of GASGAS as the third motorcycle brand and the further development of the dealer network has also contributed to this. Thanks to our innovative strength, we see ourselves as the technology leader in the two-wheeler sector in Europe. The strategic partnership with Bajaj, India's second-largest motorcycle manufacturer, consolidates our competitiveness in global markets.

Sales risk

The largest individual sales markets of the PIERER Mobility Group are the European market and the U.S. market. A slump in these markets could have a negative impact on business activities. Entering new markets involves a major cost risk as, in some of these markets, the trend of sales as well as the geopolitical conditions are difficult to assess. By collaborating with its strategic partner Bajaj Auto Ltd., Pune, India, the company is working steadily toward implementing a global product strategy in the motorcycle sector. In order to diversify the sales risk, the Bicycle Division is also pursuing the goal of expanding successfully in other markets.

Geopolitical risks

It is also important to keep a closer eye on geopolitical risks. In particular, the war in Ukraine will have a negative impact on the global economy. The PIERER Mobility Group is not directly affected by the military conflicts in Ukraine. Indirectly, however, as is the case for industry as a whole, the risk increases for the PIERER Mobility Group in particular of further increases in energy and raw material costs as well as negative effects on the capital markets.

▪ INDUSTRY-SPECIFIC RISKS

Restrictions relating to motorcycling

The revenue of the group depends, inter alia, on the possible offroad uses of motorcycles and is therefore considerably influenced by the national legal framework regulating offroad motorsport, motorcycle registration and driver's licenses in the countries where the vehicles are sold.

Due to the introduction of the Euro 5 emissions standard on January 1st 2020, updating the entire Street motorcycle product range to meet the new regulatory requirements was the focus of R&D activities and was completed in 2020. During the 2020 calendar year, all models intended for the EU region and for operation on public roads were newly type-approved according to the "Euro 5" regulations or their type approval was upgraded from "Euro 4" to "Euro 5" by an amendment. Series production of the first "Euro 5" model took place in July 2020 (sample series of KTM 890 Adventure models). The last "Euro 4" model for the EU region was produced in December 2020. From January 1st 2021, only "Euro 5" vehicles have been produced for the EU region and for operation on public roads.

Procurement risk

In the current situation, the procurement risk faced by the KTM group is principally failing to receive ordered components or receiving them on dates other than those originally agreed. In order to ensure the best possible availability of components, KTM focuses on long-term cooperations with our supply partners as well as the careful selection of excellent new suppliers in accordance with established criteria. The KTM group works continuously on developing its relationships with its suppliers. From the perspective of KTM, a deep mutual understanding of the processes is essential here. As the quality of KTM's products is strongly determined by the quality and properties of the sourced subcomponents, particular attention is paid to suitable operating facilities and production processes of suppliers, as well as their financial strength and compliance with ecological, social and ethical standards.

In the second year following the outbreak of the COVID-19 pandemic, the KTM group faced increasing difficulties with regard to the supply of semiconductors and the associated shortages of electronic components. In order to support its suppliers in this situation, KTM AG actively intervened in the procurement of electronic components and was thus able to prevent major shortages both at suppliers and at our own production sites. In addition to the shortage of electrical components, there were also bottlenecks in the supply of raw materials such as aluminum and plastic granulate, but these only had immaterial effects on KTM AG due to intensive cooperation in the supply chain.

For 2022, KTM AG expects the situation to worsen – at least in the first two quarters. The difficult supply situation for suppliers, capacity bottlenecks at suppliers themselves and interruptions to logistical processes will continue to require close coordination. To reduce risk, among other things, stock at suppliers was built up in 2022, a market intelligence system for electronic components was introduced, and the logic of our scheduling agreement releases adapted to the changed situation.

In the PIERER E-Bikes Group, the procurement of components and bikes is planned for the medium term. Short-term fluctuations can also be offset by appropriate storage capacities. The products are priced on the basis of fixed negotiated purchase prices. Prices and capacities are agreed with suppliers in advance and secured. The PIERER E-Bikes Group has several suppliers from different countries for e-bikes in its portfolio to reduce the risk of dependency, as far as possible, and increase the stability of the supply chains. The timely availability of frames and drive components as a risk places increased demands on the suppliers of e-bikes.

Research and development, racing

Technical innovations and the introduction of new products are largely responsible for the PIERER Mobility Group's position in the market. To this end, new trends must be identified promptly. To counteract the risk, our own products' innovative capacity must be ensured. Racing achievements are not only an important marketing instrument for the company but also form the basis for product development and set standards for series development. Valuable experience is gathered whenever products can be tested in racing conditions at racing events. Before being introduced into series production, all technical innovations are moreover subjected to comprehensive testing by the quality management system so as to eliminate, to the greatest extent possible, any technical defects that could have a negative effect on earnings development.

In order to further expand our role as a technological pioneer and also to keep pace with major competitors, the PIERER Mobility Group pursues a very intensive research and development strategy. This also explains the relatively high research-spending ratio – currently around 8-9% of revenue.

▪ IT RISKS

The PIERER Mobility Group has implemented an IT security and risk management system for the purpose of identifying and managing company-relevant risks in the area of information security. For further information on IT risks, please refer to the notes to the consolidated financial statements (Chapter VII) of PIERER Mobility AG.

▪ FINANCIAL RISKS

For further information on the risk report and on financial instruments, including the specific measures to mitigate risks through the use of financial instruments (e.g. hedging of foreign currency positions with futures, swaps, etc.), please refer to the notes to the consolidated financial statements (Chapters VII and VIII) of PIERER Mobility AG.

▪ OTHER RISKS

Risks due to the legal framework

As the PIERER Mobility Group distributes motorcycles and e-bicycles or non-e-bicycles to a large number of countries through its stakes in the KTM group and PIERER E-Bikes Group, it is exposed to the risk of changes in national regulations, terms of licenses, taxes, trade restrictions, prices, income and foreign exchange restrictions, as well as the risk of political, social and economic instability, and inflation and interest rate fluctuations. Motorcycles registered for road use must comply with corresponding provisions concerning noise and exhaust gas emissions in order to be approved for marketing in the respective country. The possible offroad uses of motorcycles are also considerably influenced by the national legal framework in the countries where the vehicles are sold. In order to counteract the risk and to be able to act promptly in the event of changes in national legal frameworks, the respective country-specific regulations are thoroughly reviewed and monitored on an ongoing basis prior to market entry.

Business and environmental risk

Environmental risks may relate to products, production, procurement and non-operating factors. With regard to the products, risks arise in relation to emissions such as noise and pollutants or the leakage of harmful substances such as fuel or oil. In order to minimize these risks that may be caused by potential malfunctions, the homologation requirements are strictly observed in addition to other measures, each vehicle tested for its functionality and compliance with all limit values on our own test benches, and a laboratory is in operation to test the interaction of materials used with people and the environment. In addition, the development of emission-free alternative drive systems and products is becoming an increasingly important focus.

In production, environmental risks arise due to the potential leakage of substances, waste and material residues on the premises. Numerous measures are implemented to prevent them. These include waste management concepts, an engine oil treatment plant, emergency plans for each site and professional extraction systems for metal chips that deposit them in the container provided for this purpose. Emissions from operating the test benches are also caught by extraction systems.

Environmental risks in procurement may result from the environment-related shortage and rising prices of resources, cooperation with suppliers that do not operate with sufficient environmental measures, and emissions from delivery routes. In order to minimize these risks, measures are taken that include auditing suppliers, optimizing procurement channels, prioritizing regional procurement, and the use of resource-saving, modern production technology.

In addition, environmental risks arise from weather-related and climate-related phenomena, such as floods and other natural disasters. Although it is not possible to completely rule out the risk of natural disasters, efforts are made to minimize the risk of production processes being impaired by having suitable emergency plans and insurance policies.

Personnel-related risks

Risks may arise if key staff leave the company, in particular with regard to the course for growth. Efficient personnel management as well as the ongoing implementation of personnel development programs are designed to counteract the risk of key staff leaving the company. The risk of a shortage of skilled staff is countered, among other things, by a comprehensive apprentice training program in the company's own apprentice workshop. The aim is to recruit employees from the region and to retain them in the long term.

Internal and external measures to increase employer attractiveness are an essential element in conveying the predominant spirit of the PIERER Mobility Group to potential new employees. With various cross-media employee campaigns, the company was able to largely cover its personnel requirements in the reporting year. When it came to APPRENTICESHIPS, attention was not only given to addressing the right target groups, but a dedicated area was also created for the parents of future apprentices in order to provide information about opportunities and possibilities at an early stage and to prevent any uncertainties.

The PIERER Mobility Group has taken numerous measures to protect its employees since the outbreak of the coronavirus pandemic in Austria. Government measures and regulations were implemented comprehensively and quickly and, due to the forward-looking approach and constant engagement with the authorities, some of them were integrated into the day-to-day business even before they were legally required. It was therefore possible to prevent large-scale spread within the company.

7. DISCLOSURES PURSUANT TO SECTION 243A (1) OF THE AUSTRIAN COMMERCIAL CODE (UGB)

1. The share capital amounts to EUR 33,796,535. It is divided into 33,796,535 no-par-value bearer shares with voting rights, with each ordinary share participating in the share capital to the same extent. The shares grant the customary rights due to stockholders under the Austrian Stock Corporation Act [Aktiengesetz]. These include the right to payout of the dividends resolved upon at the Annual General Meeting as well as the right to vote at the Annual General Meeting. The shares of PIERER Mobility AG have been listed on the SIX Swiss Exchange (SIX) in the International Reporting Standard since November 14th 2016 (ISIN AT0000KTMIG02). In addition, the shares of PIERER Mobility AG have been listed on the regulated market (General Standard) of the Frankfurt Stock Exchange since March 3rd 2020. Since March 1st 2022, the shares of PIERER Mobility AG have additionally been listed on the Vienna Stock Exchange (Official Market). In the 2021 financial year, the Executive Board of the company, in the context of utilizing the authorized capital, resolved with the consent of the Supervisory Board to increase the share capital in exchange for a contribution in kind of EUR 22,538,674 by EUR 11,257,861 to EUR 33,796,535 by issuing 11,257,861 new shares. In this context, the majority shareholder Pierer Bajaj AG contributed its block of shares amounting to approximately 46.5 percent of the share capital of KTM AG to PIERER Mobility AG. The corresponding amendment to the articles of association was entered in the commercial register on October 22nd 2021. No treasury shares were acquired in the 2021 financial year. On January 20th 2021, the share buyback program of PIERER Mobility AG was terminated prematurely. On January 21st 2021, the company decided to offer the treasury shares for sale to selected institutional investors and/or strategic business partners from February 8th 2021. This meant that all 193,340 existing treasury shares were sold in the 2021 financial year. The change in non-restricted capital reserves from EUR 194,593,484.41 by EUR 891,996,720.59 to EUR 1,086,590,205.00 resulted on the one hand from the sale of 193,340 treasury shares and on the other hand from a capital increase through a contribution in kind of 5,042,925 KTM AG shares by Pierer Bajaj AG (formerly: PTW Holding) AG.
2. On September 29th 2021, a syndicate agreement was concluded between Pierer Konzerngesellschaft mbH, Pierer Industrie AG and Pierer Bajaj AG on the one hand (the "Pierer Group") and Bajaj Auto Ltd. and Bajaj Auto International Holdings B.V. on the other hand (the "Bajaj Group") (the "2021 Syndicate Agreement"), which governs the rights and obligations of the two groups of companies with respect to the shareholding of Pierer Industrie AG and Bajaj Auto International Holdings B.V. in Pierer Bajaj AG as majority shareholder of PIERER Mobility AG. The 2021 Syndicate Agreement provides that the rules of procedure for the Executive Board and the Supervisory Board of Pierer Bajaj AG require the approval of the Supervisory Board members of Pierer Bajaj AG nominated by Bajaj in the event of a transfer of ownership of shares in PIERER Mobility AG. Pierer Bajaj AG, which is economically attributable to Stefan Pierer, is thus subject to restrictions on disposal in light of the syndicate agreement at the level of Pierer Bajaj AG. The Executive Board is not aware of any other restrictions affecting voting rights or the transfer of shares.

3. To the company's knowledge, as of December 31st 2021, the following direct or indirect equity holding in the capital of PIERER Mobility AG amounting to at least 10 percent existed:

- Pierer Bajaj AG (formerly: PTW Holding AG): 73.32% (direct equity holding);
- Pierer Industrie AG: 73.32% (indirect equity holding);
- Pierer Konzerngesellschaft mbH (direct and indirect equity holding): 2.58% (direct equity holding) and 73.32% (indirect equity holding).

4. There are no shares with special control rights.

5. There are currently no employee participation models.

6. There are no provisions going beyond the law with regard to the appointment and dismissal of members of the Executive Board and Supervisory Board and amendments to the articles of association.

7. Options to issue or buy back shares:

The following resolutions were adopted at the Annual General Meeting on April 27th 2017:

- a) To authorize the Executive Board, with the approval of the Supervisory Board, to issue financial instruments within the meaning of Section 174 of the Austrian Stock Corporation Act (AktG), in particular convertible bonds, income bonds and profit participation rights, with a total nominal value of EUR 150,000,000.00 until April 1st 2022, which may also grant subscription and/or conversion rights to acquire a total of up to 25,000,000 shares in the company and/or are structured in such a way that they can be reported as equity, also in several tranches and in different combinations.
- b) The Executive Board may use the conditional capital and/or treasury shares to service the conversion and/or subscription rights.
- c) The issue price and terms of issue of the financial instruments shall be determined by the Executive Board with the approval of the Supervisory Board, whereby the issue price shall be determined in accordance with recognized methods of financial mathematics and the price of the shares of the company in a recognized pricing procedure.
- d) The Executive Board is authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights to financial instruments within the meaning of Section 174 of the Austrian Stock Corporation Act (AktG).
- e) The conditional increase of the share capital of the company pursuant to Section 159 para. 2 no. 1 of the Austrian Stock Corporation Act (AktG) by up to EUR 25,000,000.00 by issuing up to 25,000,000 no-par-value ordinary bearer shares for issuance to creditors of financial instruments pursuant to Section 174 of the Austrian Stock Corporation Act (AktG), which are issued by the company using the authorization granted in this Annual General Meeting, to the extent that the creditors of the financial instruments exercise their conversion and/or subscription rights to shares in the company. The issue amount and the exchange ratio are to be determined in accordance with recognized methods of financial mathematics and the share price in a recognized pricing procedure. The newly issued shares of the conditional capital increase are entitled to dividends to the same extent as the existing shares in the company. The Executive Board is authorized, with the approval of the Supervisory Board, to determine the further details of the implementation of the conditional capital increase. The Supervisory Board is authorized to resolve amendments to the articles of association resulting from the issue of shares from the conditional capital.
- f) Pursuant to Section 65 para. 1 no. 8 and para. 1a and 1b of the Austrian Stock Corporation Act (AktG), the Executive Board is authorized to acquire no-par-value bearer shares of the company representing up to 10% of the share capital of the company for a period of 30 months from the date of the resolution, both on and off the stock exchange, whereby the lowest price may not be more than 20% below and the highest price may not be more than 10% above the average closing price on the last three trading days prior to the acquisition of the shares. Trading in treasury shares is excluded as a purpose of the acquisition. The authorization may be exercised in whole or in part or in several installments and in pursuit of one or more purposes by the company, by subsidiaries or by third parties for the account of the company.
- g) The Executive Board may decide to acquire shares on the stock exchange, but the Supervisory Board must be informed of this decision afterward. Off-market acquisitions are subject to the prior approval of the Supervisory Board.

- h) The Executive Board is authorized for a period of five years from the date of the resolution pursuant to Section 65 para. 1b of the Austrian Stock Corporation Act (AktG), with the approval of the Supervisory Board, to decide on a method of disposal or use of treasury shares other than via the stock exchange or by means of a public offer, applying mutatis mutandis the provisions on the exclusion of shareholders' subscription rights, and to determine the terms and conditions of disposal. The authorization may be exercised in whole or in part or in several installments and in pursuit of one or more purposes by the company, by a subsidiary or by third parties for the account of the company, in particular in return for the acquisition of companies, businesses, parts of businesses or shares in one or more companies in Austria or abroad.
- i) The Executive Board is also authorized, with the approval of the Supervisory Board, to reduce the share capital, if necessary, by redeeming these treasury shares without a further resolution adopted at the General Meeting pursuant to Section 65 para. 1 no. 8, last sentence in conjunction with Section 122 of the Austrian Stock Corporation Act (AktG). The Supervisory Board is authorized to adopt amendments to the articles of association resulting from the redemption of shares.

The following resolutions were adopted at the Annual General Meeting on April 26th 2018:

- a) Pursuant to Section 169 of the Austrian Stock Corporation Act (AktG), the Executive Board is authorized until April 26th 2023, with the approval of the Supervisory Board, to increase the share capital of the company from EUR 22,538,674.00, in several tranches if necessary, in exchange for cash contributions and/or contributions in kind, by up to EUR 11,269,337.00 by issuing up to 11,269,337 no-par-value bearer shares to up to EUR 33,808,011.00, and to determine the issue price, the terms and conditions of the issue and the further details of the implementation of the capital increase in agreement with the Supervisory Board and, if necessary, to offer the new shares to the shareholders for subscription by way of indirect subscription rights pursuant to Section 153 (6) of the Austrian Stock Corporation Act (AktG).
- b) The Executive Board is authorized, with the approval of the Supervisory Board, to exclude the shareholders' subscription rights in whole or in part:
 - (i) if the capital increase was made in return for cash contributions and the total arithmetical proportion of the company's share capital represented by the shares issued in return for cash contributions with exclusion of subscription rights does not exceed the limit of 10% (ten percent) of the company's share capital at the time of granting,
 - (ii) if the capital increase is made against a contribution in kind,
 - (iii) to service an over-allotment option (Greenshoe), and/or
 - (iv) for the settlement of fractional amounts.

This authorization was utilized by the Executive Board of PIERER Mobility AG to carry out the capital increase in return for contributions in kind in October 2021 in the amount of EUR 11,257,861.00 by issuing 11,257,861 no-par-value bearer shares.

The following resolutions were adopted at the Extraordinary Annual General Meeting on October 4th 2019:

- a) Pursuant to Section 65 para. 1 no. 8 of the Austrian Stock Corporation Act (AktG), the Executive Board is authorized for a period of 30 months to acquire treasury shares of the company both on and off the stock exchange, also excluding the shareholders' right to offer shares on a quota basis, and, without having to refer the matter to the Annual General Meeting again in advance, to retire these shares if necessary with the approval of the Supervisory Board. Trading in treasury shares is excluded as a purpose of the acquisition. The proportion of shares to be acquired may not exceed 10% of the share capital. The value received per no-par-value share to be acquired may not be more than 20% below or above the average unweighted closing price on the SIX Swiss Exchange over the past 10 trading days. The authorization may be exercised in whole or in part or in several installments and in pursuit of one or more purposes by the company, by affiliated companies or by third parties for the account of the company. The Supervisory Board is authorized to adopt amendments to the articles of association resulting from the redemption of shares.
- b) The Executive Board is authorized for a period of five years, with the approval of the Supervisory Board, to sell or use treasury shares in a way other than via the stock exchange or by means of a public offer for any legally permissible purpose and in so doing also to exclude the shareholders' quota-based purchase right (exclusion of subscription rights) and to determine the terms and conditions of disposal. The authorization may be exercised in whole or in part or in several installments and in pursuit of one or more purposes.

8. Agreements of the company which take effect, change or end in the event of a change of control as a result of a takeover bid, as well as their effects, will not be disclosed by the company as this would significantly harm the company.

9. There are no compensation agreements between the company and its Executive Board and Supervisory Board members or employees in the event of a public takeover bid.

8. MAIN FEATURES OF THE INTERNAL CONTROL SYSTEM SECTION 243A (2) OF THE AUSTRIAN COMMERCIAL CODE (UGB)

The internal control system of the PIERER Mobility Group has the task of ensuring the correctness and reliability of financial reporting, compliance with the legal and internal regulations applicable to the company, as well as the effectiveness and efficiency of operating activity, including the protection of assets from losses caused by damages and malversations. Internationally recognized frameworks for internal control systems (e.g. COSO framework) were taken into account in designing the elements of the internal control system. The system includes:

- Group-wide specifications for financial reporting
- Segregation of duties as an organizational measure
- System-based and process-dependent controls
- Process-independent controls

The PIERER Mobility Group is committed to the continuous development and improvement of the internal control system. To this end, its functionality is regularly monitored through process and data analyses as well as independent, external audit activities. The main features of the internal control system with regard to the financial reporting process are presented below.

CONTROL ENVIRONMENT

The organizational structure of the PIERER Mobility Group forms the basis for the control environment and the internal control system within the company. In terms of the organizational structure in (group) financial reporting, there are clear areas of competence and responsibility at the various management and hierarchical levels of the group. On the one hand, this relates to the group headquarters in Wels as well as the Austrian and all international subsidiaries. Treasury and Business Process Finance are located in the operating areas of the group, with duties and responsibilities also being clearly divided here.

The strong international orientation of the PIERER Mobility Group and the associated decentralized structures of the company and different sites are taken into account by centralizing key corporate functions in the area of financial reporting at the Austrian sites (especially in Mattighofen). The performance and management of national business activities is the responsibility of the respective local management and is monitored by the Executive Board of KTM AG and the Group Executive Board.

In terms of process organization, the PIERER Mobility Group relies on a distinctive and comprehensive set of accounting, valuation and account assignment rules. This provides an appropriate basis for a strong control environment and control system. New accounting standards are assessed with regard to their impact on the financial reporting of the PIERER Mobility Group. The specifications for financial reporting and financial reporting processes are reviewed on an ongoing basis and adjusted at least annually, or more frequently if necessary. Monitoring compliance with the controls and regulations relating to financial reporting is the responsibility of the relevant management.

RISK ASSESSMENT

Risks relating to the financial reporting process are identified and monitored by management. The focus is placed on those risks that are typically to be regarded as material.

Material risks in the area of financial reporting include incomplete recording of facts relevant to accounting, errors in document recording, and incorrect calculations. Complex accounting principles could lead to an increased risk of error, incorrect reporting, and late preparation of financial statements. There is also a risk of data being accessed by unauthorized persons or of data being manipulated, IT systems failing, and data being lost.

For the preparation of the financial statements, estimates have to be made on a regular basis and there is an inherent risk that future developments may deviate from these estimates. This applies in particular to the following matters/items in the consolidated financial statements: Social capital,

outcome of legal disputes, recoverability of receivables, investments and stocks. In some cases, external experts are consulted or publicly available sources are used to minimize the risk of incorrect estimates.

CONTROL MEASURES

The PIERER Mobility Group has integrated its controls directly into the (group) financial reporting processes. An essential element of this, in addition to process-independent external control mechanisms, is the principle of segregation of duties. To ensure complete, timely and correct preparation of the financial statements, quality assurance and control measures have been implemented in all areas involved in the accounting process. All control measures are applied in the ongoing business process to ensure that potential errors in financial reporting are prevented or are detected and corrected. Furthermore, the application of internal company guidelines results in consistent handling of business transactions as well as consistent accounting and reporting.

Controls are integrated in the key IT systems with a relevance for financial reporting which prevent, among other things, the incorrect recording of business transactions, ensure the complete recording of business transactions or the measurement of business transactions in accordance with the financial reporting requirements, or support the verification of consolidation. In view of the increasing demands on IT systems in financial reporting as well as the constantly growing technical possibilities, the PIERER Mobility Group regularly conducts IT-supported analyses of the effectiveness of the measures taken in order to identify and subsequently eliminate any control weaknesses that may have occurred.

Control measures relating to IT security are a cornerstone of the internal control system. For example, the separation of sensitive activities is supported by restricting the allocation of IT authorizations. Automated checks take place through the ERP software used, such as the automated checks for invoice approval and invoice verification.

COMMUNICATION AND MONITORING

Responsibility for the effectiveness of the internal control system in the (group) financial reporting process is clearly defined and lies with the responsible managers and process owners. In addition to the results of the internal assessment, the assessment of effectiveness also includes the results of external audits, e.g., as part of the audit of the annual financial statements or external IT security audits, as well as those of the Supervisory Board and the Audit Committee. Weaknesses in the control system are remedied taking into account their potential impact on the financial reporting processes.

In addition to the financial statements required by law, which are made available to management levels, the group has also implemented a comprehensive internal reporting system that is prepared and distributed at different levels of aggregation depending on the recipient of the report.

Other central instruments of risk monitoring and control are the company-wide guidelines on dealing with significant risks, the planning and controlling processes, and ongoing reporting. The guidelines include the setting and control of limits and actions to limit financial risks, as well as the strict specification of the dual control principle for invoice and payment approvals.

In addition, the internal control system is based on precise information about the accounting and financial reporting processes and also includes their upstream business processes, e.g. purchase requisitions or logistics processes. The effectiveness of the internal control system is reviewed by management in that the results, which are submitted to management in condensed reporting form, are analyzed, evaluated and commented on by management.

The Executive Board and the Audit Committee are informed annually about the assessment of the effectiveness of the internal control system in financial reporting. In the event of significant changes in the effectiveness of the internal control system, a report is immediately submitted to the Executive Board and, if necessary, to the Supervisory Board, and suitable measures are taken to increase its effectiveness.

9. OUTLOOK

For the 2022 financial year, the Executive Board anticipates renewed growth both for motorcycles and bicycles with earnings within the long-term range. However, challenges in the international supply chains must continue to be expected in 2022, as capacity and supply bottlenecks at individual suppliers and in international transport logistics may lead to delays with deliveries. Wide-ranging measures in the area of supply chain management and a high degree of flexibility in production planning are aimed at identifying and minimizing negative effects in good time. The expected challenges and their consequences are to be mitigated by the supplier risk assessment, which was revised last year, as well as the program implemented to provide advance warning of global events that directly or indirectly affect the supply chain. On the sales side, PIERER Mobility continues to view the market as consistently positive. Growth is expected to be driven primarily by the continued high global demand and the megatrend toward two-wheelers as well as increasing numbers of electric vehicles, especially in urban areas.

In line with the strategic objective of contributing to emissions reduction and emissions neutrality for motorcycles, the focus of development work in the years to come will increasingly be on alternative drive systems in the range up to 15 kW. In the range above this, efforts will focus on the technological advancement of conventional forms of propulsion with synthetic fuels for avoiding CO₂. The main goal is to fully exploit the innovation and development potential in the area of electric mobility and to help shape the growing market and secure market share with e-fuel-powered combustion engines as a global player with strong brands. At least three electric platforms with multiple products will be launched by 2024.

While the focus in 2021 in the Bicycle Division was primarily on broadening the establishment of the Husqvarna E-Bicycles and R RAYMON brands in European markets and expanding the network of dealers in the core markets of Germany, Austria and Switzerland (DACH), the acquisition of the FELT brand opens up a new range of product, sales and development opportunities. With FELT, the existing range of bicycles has been expanded, in particular by adding the racing division, and this will provide a stronger opening as well as positioning on the North American market for all bicycle products. In addition to the DACH region, the North American market offers enormous growth and sales potential for the sale of e-bicycles. In addition, further expansion stages are to focus on the overseas market of Australia as well as Southern Europe. The dynamic growth trajectory will also be further advanced by adding the GASGAS brand to the e-bicycle product range and expanding e-bicycle sales in the existing motorcycle trade.

In the 2022 financial year, the PIERER Mobility Group will continue to focus on growth in all core areas, both motorcycles and (e-)bicycles, despite the challenges that exist in the supply chain. The Executive Board anticipates revenue growth of between 6% and 10% (2021 financial year: EUR 2,041.7 million) with an EBIT margin of 8 to 10% and an EBITDA margin of between 15 and 17%.

In addition, PIERER Mobility AG listed its shares in the official trading (prime market segment) of the Vienna Stock Exchange. The admission to trading on the prime market, the top segment of the Vienna Stock Exchange, took place on March 1st 2022.

In addition, it is also important to keep a closer eye on geopolitical risks. In particular, the military conflicts in Ukraine will have a negative impact on the global economy. The exchange rate environment is expected to remain volatile in the regions important to PIERER Mobility.

Wels, March 11th 2022

The Executive Board of PIERER Mobility AG



Stefan Pierer



Friedrich Roithner



Hubert Trunkenpolz



Viktor Sigl, MBA

**Consolidated financial statements
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

EURk	Notes No.	12/31/2021	12/31/2020
Assets:			
Non-current assets:			
Goodwill	21	130,711	131,034
Intangible assets	22	473,561	426,835
Property, plant, and equipment	23	361,330	356,219
Investments accounted for using the equity method	24	13,562	13,252
Deferred tax assets	25	9,617	11,518
Other non-current assets	26	4,033	3,137
		992,814	941,995
Current assets:			
Inventories	27	405,174	298,744
Trade receivables	28	150,861	144,887
Receivables and other assets	29	110,801	81,621
Tax refund claims		560	517
Cash and cash equivalents	30	373,509	218,270
		1,040,905	744,039
		2,033,719	1,686,034

EURk	Notes No.	12/31/2021	12/31/2020
Equity and liabilities:			
Equity:			
Share capital	31	33,797	22,539
Capital reserves	31	9,949	9,949
Other reserves including retained earnings	31	716,396	327,767
Equity of the owners of the parent company		760,142	360,255
Non-controlling interests	31	5,409	293,864
		765,551	654,119
Non-current liabilities:			
Financial liabilities	32	506,539	456,089
Liabilities for employee benefits	33	28,763	28,665
Deferred tax liabilities	25	99,977	86,940
Other non-current liabilities	34	14,187	9,735
		649,466	581,429
Current liabilities:			
Financial liabilities	32	56,847	74,594
Trade payables	34	395,581	262,099
Provisions	35	23,105	17,979
Tax liabilities		9,852	9,198
Other current liabilities	34	133,317	86,616
		618,702	450,486
		2,033,719	1,686,034

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR FROM 1/1/2021 THROUGH 12/31/2021

EURk	Notes No.	2021	2020
Revenue	8	2,041,730	1,530,382
Production costs of the services provided to generate the revenue	9	-1,448,631	-1,103,550
Gross profit from sales		593,099	426,832
Selling and racing expenses	10	-237,847	-192,216
Research and development expenses	11	-33,330	-23,391
Administration expenses	12	-128,857	-102,645
Other operating expenses	13	-1,990	-164
Other operating income	14	744	5
Earnings from at-equity holdings	15	1,666	-1,180
Result from operating activities		193,485	107,241
Interest income	16	1,864	1,629
Interest expenses	16	-12,858	-15,213
Other financial and investment income (expenses)	16	9,097	-2,833
Result before taxes		191,588	90,824
Income taxes	17	-48,716	-21,369
Profit or loss for the financial year		142,872	69,455
thereof owners of the parent company		82,540	34,911
thereof non-controlling shareholders		60,332	34,544
Undiluted (=diluted) earnings per share (EUR)	18	3.34	1.56

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR FROM 1/1/2021 THROUGH 12/31/2021

EURk	Notes No.	2021	2020
Profit or loss for the financial year		142,872	69,455
Items reclassified to profit or loss or which can be subsequently reclassified			
Foreign currency translation re foreign subsidiaries	31	4,492	-4,176
Foreign currency translation re investments accounted for using the equity method	24, 31	425	-100
Valuation of cash flow hedges of subsidiaries	31	3,008	-1,435
Deferred tax on valuation of cash flow hedges	31	-752	359
		7,173	-5,352
Items not reclassified to profit or loss			
Revaluation of net debt from defined benefit plans	31, 33	759	908
Tax effect	31	-190	-227
		569	681
Other net result after tax		7,742	-4,671
Total comprehensive income		150,614	64,784
thereof owners of the parent company		88,054	31,829
thereof non-controlling shareholders		62,560	32,955

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR 1/1/2021 THROUGH 12/31/2021

EURk	Notes No.	2021	2020
Operations			
Profit or loss for the financial year		142,872	69,455
+ (-) Interest expenses / interest income	16	10,994	13,584
+ Tax expenses	17	48,716	21,369
+ Depreciation/amortization of property, plant and equipment and intangible assets	22, 23	138,717	126,289
+ (-) Addition (reversal) of non-current liabilities for employee benefits		554	-100
(-) + Profit (loss) from equity consolidation	15	-1,666	1,180
(-) + Profit (loss) from the disposal of fixed assets	22, 23	12,286	2,471
+ (-) Other non-cash expenses (income)	VI	-13,284	5,060
+ Interest received		1,855	1,621
- Interest payments		-11,954	-14,807
- Tax payments		-31,048	-4,087
+ Dividends received		1,022	606
Gross cash flow		299,064	222,641
- (+) Increase (decrease) in inventories		-104,641	17,128
- (+) Increase (decrease) in trade receivables, advance payments, other current and non-current assets		298	25,618
+ (-) Increase (decrease) in trade payables, advance payments and other current and non-current liabilities		172,642	47,432
Increase (decrease) in the net current assets		68,299	90,178
Cash flow from operations		367,363	312,819

EURk	Notes No.	2021	2020
Investing activity			
- Payments for the acquisition of intangible assets and property, plant and equipment	22, 23	-181,922	-147,856
- Payments for the acquisition of investments accounted for using the equity method and other financial assets	7, 24	-773	-150
+ Receipts from the sale of intangible assets and property, plant and equipment		599	631
+ Receipts from the disposal of investments accounted for using the equity method and other financial assets	24	0	0
+ (-) Changes to the scope of consolidation	7	934	290
+ (-) Payments/receipts from other assets		-13,961	76
Cash flow from investing activity		-195,123	-147,009
Free cash flow		172,240	165,810
Financing activity			
- Dividend payments to third parties		-24,448	-26,744
- Acquisition of own shares		0	-4,569
+ Sale of own shares	31	13,595	0
+ (-) Disposal/acquisition of non-controlling interests	31	-27,906	-1,005
+ Taking out a research loan	VI	50,000	0
+ Taking out non-current interest-bearing liabilities	32, VI	29,528	0
- Repayment of promissory note loan	32, VI	-3,500	-6,000
- Repayment of research loan	VI	-25,368	-13,174
- Repayment of non-current interest-bearing liabilities	VI	-11,101	-10,384
- Repayment of lease liability	VI, 47	-18,431	-18,821
+ (-) Change in other current financial liabilities	VI	-9,990	-23,992
Cash flow from financing activity		-27,621	-104,689
Total cash flow		144,619	61,121
+ Opening balance of liquid funds within the Group		218,270	160,864
+ Effect of foreign currency fluctuations		10,620	-3,715
Closing balance of liquid funds within the Group		373,509	218,270

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EURk	Notes No.
Balance as of January 1, 2021	
Profit or loss for the financial year	
Other comprehensive income	31
Total comprehensive income	
Transactions with shareholders	
Dividends to third parties	18, 31
Acquisition/disposal of shares to subsidiaries	31
Changes to the scope of consolidation	7
Gains and losses on hedging transactions and hedging costs reclassified to inventories	
Disposal of own shares	31
Capital measures	
Miscellaneous	
Balance as of December 31, 2021	

EURk	Notes No.
Balance as of January 1, 2020	
Profit or loss for the financial year	
Other comprehensive income	31
Total comprehensive income	
Transactions with shareholders	
Dividends to third parties	31
Acquisition/disposal of shares to subsidiaries	31
Changes to the scope of consolidation	
Gains and losses on hedging transactions and hedging costs reclassified to inventories	
Acquisition of own shares	31
Disposal of own shares	31
Miscellaneous	
Balance as of December 31, 2020	

Equity of the owners of the parent company							Total	Shares of non-controlling shareholders	Total consolidated equity
Share capital	Capital reserves	Reserves including total earnings	Reserve in accordance with IFRS 9	Adjustment items currency translation	Reserves for own shares				
22,539	9,949	339,548	-1,318	-2,016	-8,447	360,255	293,864	654,119	
0	0	82,540	0	0	0	82,540	60,332	142,872	
0	0	206	1,871	3,437	0	5,514	2,228	7,742	
0	0	82,746	1,871	3,437	0	88,054	62,560	150,614	
0	0	-11,173	0	0	0	-11,173	-13,275	-24,448	
0	0	309,876	660	-548	0	309,988	-340,458	-30,470	
0	0	0	0	0	0	0	2,784	2,784	
0	0	0	156	0	0	156	0	156	
0	0	5,148	0	0	8,447	13,595	0	13,595	
11,258	0	-11,258	0	0	0	0	0	0	
0	0	-733	0	0	0	-733	-66	-799	
33,797	9,949	714,154	1,369	873	0	760,142	5,409	765,551	

Equity of the owners of the parent company							Total	Shares of non-controlling shareholders	Total consolidated equity
Share capital	Capital reserves	Reserves including total earnings	Reserve in accordance with IFRS 9	Adjustment items currency translation	Reserves for own shares				
22,539	9,949	305,078	-140	203	-5,220	332,409	274,800	607,209	
0	0	34,911	0	0	0	34,911	34,544	69,455	
0	0	352	-1,215	-2,219	0	-3,082	-1,589	-4,671	
0	0	35,263	-1,215	-2,219	0	31,829	32,955	64,784	
0	0	0	0	0	0	0	-13,739	-13,739	
0	0	-660	0	0	0	-660	-345	-1,005	
0	0	0	0	0	0	0	158	158	
0	0	0	37	0	0	37	34	71	
0	0	0	0	0	-4,569	-4,569	0	-4,569	
0	0	0	0	0	1,342	1,342	0	1,342	
0	0	-133	0	0	0	-133	0	-133	
22,539	9,949	339,548	-1,318	-2,016	-8,447	360,255	293,864	654,119	



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 2021 FINANCIAL YEAR

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I. GENERAL INFORMATION

1. COMPANY INFORMATION

The PIERER Mobility Group is Europe's leading "Powered Two-Wheeler" (PTW) manufacturer with a focus on highly innovative sports motorcycles and electric mobility.

With its KTM, HUSQVARNA Motorcycles, and GASGAS motorcycle brands, it is one of the technology and market leaders in Europe, especially when it comes to premium motorcycles. In addition to vehicles with combustion engines, the product range also includes zero-emission two-wheelers with electric powertrains (e-motorcycles, e-bicycles). As a pioneer in electric mobility for two-wheelers, the group, with its strategic partner Bajaj, has created the basis for assuming a leading global role in the low-voltage range (48 volts). Establishing the (e-)bicycle division with PIERER E-Bikes GmbH was another important move in also stepping up its activities in the area of electric bicycle mobility. The bicycles will be marketed under the HUSQVARNA E-Bicycles, R Raymon, GASGAS E-Bicycles and FELT Bicycles brands in order to gain a share of the attractive market growth in this segment and to develop into a significant international player in this field.

PIERER Mobility AG has its headquarters at Edisonstraße 1, 4600 Wels, and is registered in the commercial register at the Provincial Court of Wels in its capacity as Commercial Court, under the registration number FN 78112 x. The company is part of the same group as Pierer Konzerngesellschaft mbH, Wels (ultimate parent company of the group) and its affiliated companies, and is included within the consolidated financial statements of that group. These consolidated financial statements are filed with the Provincial Court of Wels in its capacity as Commercial Court under file number FN 134766 k and are the consolidated financial statements for the largest scope of consolidation.

The shares of PIERER Mobility AG are listed in the "Swiss Performance Index (SPI)" of the SIX Swiss Exchange in Zurich and since March 3rd 2020 have also been listed in the regulated market of the Frankfurt Stock Exchange. As of March 1st 2022, trading has additionally commenced on the Prime Market of the Vienna Stock Exchange, which means that the shares of PIERER Mobility AG are listed in the top segment of the Vienna Stock Exchange.

2. PRINCIPLES OF FINANCIAL REPORTING

The consolidated financial statements for the period January 1st to December 31st 2021 were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and in accordance with the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) insofar as they are applied in the European Union. The additional requirements stipulated by Section 245a (1) of the Austrian Commercial Code (UGB) were also met in this context.

The companies included in the consolidated financial statements are established on the basis of uniform financial reporting provisions. These provisions were applied by all consolidated entities. The companies included in the annual financial statements have prepared their financial statements as of the consolidated balance sheet date of December 31st.

The financial statements of all major domestic and foreign companies included in the consolidated financial statements, which are subject to mandatory auditing in accordance with national regulations, were audited by independent auditors and received an unqualified audit opinion.

The figures in the consolidated financial statements are reported in the functional currency of the Group parent, the euro. Unless otherwise specifically indicated, all amounts are rounded to the nearest 1,000 euros (EUR k), which may give rise to rounding differences. The use of automated calculating tools may result in rounding differences with accumulation of rounded figures and with percentages.

3. NEWLY APPLIED STANDARDS AND INTERPRETATIONS

The following table shows the standards and interpretations whose application is mandatory for the first time and which have also already been adopted by the European Commission as of December 31st 2021:

First-time application	New or amended standards and interpretations	Published by the IASB
January 1 st 2021		
	Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest rate benchmark reform phase 2	August 27 th 2020
	Amendments to IFRS 4 – Extension of temporary exemption from IFRS 9	November 21 st 2012
April 1 st 2021		
	Amendments to IFRS 16: Rent Concessions related to the coronavirus pandemic after June 30, 2021	March 31 st 2021

All amended standards and interpretations are either irrelevant to the PIERER Mobility Group or have no material impact.

4. STANDARDS AND INTERPRETATIONS TO BE APPLIED IN THE FUTURE

The following table shows the amendments to standards and interpretations that have already been **adopted by the European Commission**, but whose application was not yet mandatory on the reporting date and which have also not been applied early:

First-time application	New or amended standards and interpretations	Published by the IASB
January 1 st 2022		
	Amendments to IFRS 3 – Reference to the framework concept	May 14 th 2020
	Amendments to IAS 16 Property, Plant and Equipment – Revenue before intended use	May 14 th 2020
	Amendments to IAS 37 Onerous contracts – Settlement costs of contracts	May 14 th 2020
	Improvements to IFRS 2018 – 2020 Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41	May 14 th 2020
January 1 st 2023		
	IFRS 17 Insurance contracts (including amendments to IFRS 17)	May 18 th 2017
	Amendments to IAS 1 and IFRS Practice Statement 2 – Indication of accounting and valuation methods	February 12 th 2021
	Amendments to IAS 8 – accounting and valuation methods, Amendments in estimates and errors – Definition of accounting estimates	February 12 th 2021

The IASB and the IFRIC have passed further standards and interpretations, the application of which was not mandatory during the 2021 financial year and/or which have **not yet been adopted by the European Commission**. These are the following standards and interpretations:

New or amended standards and interpretations	Date of application of IASB	Published by the IASB	EU-Endorsement?
IAS 1 – Classification of liabilities as current or non-current (including postponement of the date of entry into force)	January 1 st 2023	January 23 rd 2020	No
Amendments to IAS 12 Income taxes – Deferred taxes, relating to assets and liabilities arising from a single transaction	January 1 st 2023	May 7 th 2021	No
Amendments to IFRS 17 Insurance Contracts: First-time Adoption of IFRS 17 and IFRS 9 - Comparative Information	January 1 st 2023	December 9 th 2021	No

The PIERER Mobility Group assumes that there will be no material impact on the consolidated financial statements from the standards to be applied in the future.

5. ESTIMATES AND DISCRETIONARY DECISIONS

In the consolidated financial statements, certain **estimates** and assumptions must be made that affect the recognized assets and liabilities, the disclosure of contingent liabilities as at the reporting date, and the presentation of income and expenses for the financial year. In making estimates, the Executive Board takes account of empirical values and current forecasts. The amounts actually arising may differ from the estimates if assumed parameters develop contrary to expectations. If new conditions become known, they are duly taken into account and previous assumptions are revised.

- In particular, assumptions are made to assess the recoverability of goodwill and intangible assets of indeterminate useful life. Goodwill of EUR 130,711k (previous year: EUR 131,034k) was recognized at the reporting date, along with the “KTM” brand, which is valued at EUR 61,103k (previous year: EUR 61,103k), the “GASGAS” brand, which is valued at EUR 13,346k (previous year: EUR 13,346k), and the “FELT” brand, which is valued at EUR 3,707k (previous year: EUR 0k). For further information, see the explanatory notes in Note 21. “Goodwill” and Note 22. “Intangible assets”.
- Deferred tax assets on tax loss carryforwards not subject to expiration are recognized based on the assumption that sufficient taxable income will be generated in the future to allow them to be utilized. Suitable allowances are made in the event of uncertainties in the assumptions. As of December 31st 2021, deferred tax assets for loss carryforwards of EUR 3,077k (previous year: EUR 7,721k) were capitalized. Based on current tax planning, management expects that the loss carryforwards recognized as of December 31st 2021 will be utilized over the next five years. For further details on deferred taxes, see the explanatory notes in Note 25. “Deferred tax assets”.
- In cash flow hedge accounting, assessments are made regarding the occurrence of future cash flows. These cash flows could occur differently in terms of their amount and timing and therefore have an impact on cash flow hedge accounting.
- Furthermore, there is some uncertainty as to the estimation for the recognition and measurement of liabilities for employee benefits. Assumptions are made concerning the following factors: Empirical values, demographic assumptions such as the retirement age of women/men and staff turnover, as well as financial assumptions such as the discount rate and future wage and salary trends. Liabilities for employee benefits of EUR 28,763k (previous year: EUR 28,665k) were recognized at the reporting date. For further information, see the explanatory notes in Note 33. “Liabilities for employee benefits”.
- Estimates for provisions mainly relate to provisions relating to guarantees and warranties. To determine the amount of the provisions, a direct correlation was established for each product group between revenues and the guarantee and warranty expenses incurred. The percentage value of guarantee and warranty expenses in terms of revenue is checked several times a year and adjusted if necessary. As at December 31st 2021 provisions relating to guarantees and warranties of EUR 20,000k (previous year: EUR 14,612k) were recognized.
- The determination of the fair values of assets and liabilities acquired as part of a business combination and the useful lives of these assets is based on assessments by the management.
- Leases
Assessments of the term and interest rates are made. Further details are provided under Note 23. “Property, Plant and Equipment” and Note 47. “Leases as lessee”.
- Estimates are made for inventories in connection with inventory valuation and analysis of coverage. In addition, allowance requirements are recorded on a case-by-case basis due to long storage periods and limited sales possibilities.

The following **judgments** were made in respect of the application of accounting policies in the PIERER Mobility Group:

- Development costs
Development costs are capitalized in accordance with the accounting policy presented. The initial capitalization of costs is based on management assumptions for assessing the future economic benefit of the expenses incurred and the technical feasibility of the developed product or process, as well as its marketability.
- Derecognition of receivables in connection with ABS and factoring agreements
Evaluations were made with respect to the conditions for derecognition under IFRS 9. For further details, please refer to Section VIII. “Financial instruments and capital management”.

- **Supplier finance**
Assessments were made regarding the disclosure of liabilities in relation to the supplier finance program. For further details, please refer to Note 34. "Other current and non-current liabilities and trade payables".
- **Consolidation**
In determining whether control exists in accordance with IFRS 10, management exercises judgments in determining the relevant activities of the subsidiaries.

Climate-related assumptions:

When preparing the consolidated financial statements, management took account of the effects of climate change, in particular in connection with the disclosures in risk reporting, in non-financial reporting, and the declared sustainability targets of the PIERER Mobility Group. These considerations did not have any material effect on the judgments or estimates of financial reporting. This is also in line with management's assessment that climate change will not have any material impact on the assessment of the going concern as part of the preparation of the financial statements. The following specific points were taken into account:

- The group continues to invest in new technologies, including the development of electric platforms, new climate-neutral drive types and the further development of battery technologies for two-wheelers.
- The group continues to invest in solutions for the local production of renewable energy for our facilities.
- Management has taken account of the effects of climate change on a number of important estimates in the annual financial statements, including:
 - The estimates of future cash flows used for recoverability assessments or assessing whether there are any indications of impairment
 - The carrying amount of non-current assets (e.g. intangible assets and goodwill)
 - The estimates of future prospects used in our assessment of the recoverability of deferred tax assets
 - The long-term assumptions for the identification and determination of decommissioning or replacement obligations.

II. SCOPE OF CONSOLIDATION

6. CONSOLIDATION PRINCIPLES AND METHODS

All subsidiaries are **fully consolidated** in the consolidated financial statements of PIERER Mobility AG. Subsidiaries are companies controlled by the group. The financial statements of subsidiaries are included in the consolidated financial statements from the moment control begins and until the moment control ends. Unless otherwise stated, the amount for non-controlling interests is recorded with the pro rata net assets of the acquired company without goodwill.

Investments in associates are included in the balance sheet item "Investments accounted for using the **equity method**".

The **reporting currency** of the PIERER Mobility Group is the euro. The subsidiaries and the holdings accounted for using the equity method prepare their annual financial statements in their functional currency. In this context, assets and liabilities included in the financial statements to be consolidated are translated using the average exchange rate on the reporting date and the income statement items are translated using the mean rate of exchange for the financial year. The following significant exchange rates for the PIERER Mobility Group were used for currency translation into the reporting currency:

	Closing rate		Average rate	
	12/31/2021	12/31/2020	2021	2020
US-dollar	1.1326	1.2271	1.1816	1.1470
Swiss franc	1.0331	1.0802	1.0799	1.0709
Japanese yen	130.3800	126.4900	130.3200	121.8842
South African rand	18.0625	18.0219	17.5922	18.9139
Mexican peso	23.1438	24.4160	24.0516	24.7300
Australian dollar	1.5615	1.5896	1.5783	1.6567

7. CHANGES IN THE SCOPE OF CONSOLIDATION

All subsidiaries under the legal or de facto control of PIERER Mobility AG are included in the consolidated financial statements as of December 31st 2021. The number of companies included in the scope of consolidation changed as follows in the 2021 financial year:

	Fully consolidated companies	At-equity companies
Balance as of 12/31/2020	66	4
Additions to the scope of consolidation	5	0
Eliminations from the scope of consolidation	-4	-1
Balance as of 12/31/2021	67	3
thereof foreign companies	47	2

PIERER Mobility AG, as the parent company of the PIERER Mobility Group, has not been included in this list. The entities included in the consolidated financial statements and their dates of initial consolidation are listed in Section XII. "Group companies (schedule of equity holdings)".

CHANGES IN THE FULLY CONSOLIDATED ENTITIES

▪ Additions to the scope of consolidation:

In March 2021, KTM Forschungs & Entwicklungs GmbH, with its registered office in Munderfing, was newly established and initially consolidated.

In July 2021, PIERER Mobility AG acquired an additional 30.46% of the shares in DealerCenter Digital GmbH, Landshut, Germany. At the time of the sale, PIERER Mobility AG held 45% of the company and now holds a total stake of 75.46% as of December 31st 2021. The shares previously held were included using the equity method. Immediately before control was obtained, the previous shares were remeasured at their fair value. The initial consolidation resulted in an expense of EUR 1,258k, which is reported under other operating expenses.

The initial consolidation of the newly established PIERER E-Bikes Benelux, Gembloux, Belgium, took place in November 2021.

With effect from November 17th 2021, PIERER E-Bikes GmbH acquired 100% of the shares in FELT GmbH, Munich, Germany.

PIERER E-Bikes GmbH, Munderfing, Austria, together with MAXCOM LTD, Plovdiv, Bulgaria, established PIERER & MAXCOM MOBILITY OOD, Plovdiv, Bulgaria, a joint venture that will manufacture bicycles for PIERER E-Bikes GmbH, in December 2021. PIERER E-Bikes GmbH holds 50% of the shares in this company and has a controlling interest within the meaning of IFRS 10. The initial consolidation of PIERER & MAXCOM MOBILITY OOD took place on December 2nd 2021.

Net assets of EUR 901k were acquired from all additions to the consolidated group. The net outflow from the acquisitions amounted to EUR -13k.

▪ **Disposals from the scope of consolidation:**

With effect from January 16th 2021, PEXCO FRANCE SAS, Saint-Priest, France, was liquidated and deconsolidated, which had no impact on the consolidated financial statements.

With effect from June 7th 2021, the shares held by PIERER E-Bikes GmbH in bikes&wheels 2 Radhandels GmbH, Wels, were sold to Pierer Industrie AG, Wels. The company was deconsolidated as of May 31st 2021.

With effect from September 16th 2021, the shares held by Husqvarna Motorcycles GmbH in Husqvarna Motorcycles Deutschland GmbH, Ursensollen, Germany, were sold to PIERER IMMOREAL GmbH, Wels.

KTM Sportmotorcycle MEA DMCC, Dubai, was liquidated with effect from September 30th 2021. The company was deconsolidated as of August 25th 2021.

All disposals from the scope of consolidation resulted in a net inflow of EUR 947k. The net assets disposed of amounted to EUR 1,401k. In total, there were disposal losses of EUR 304k.

CHANGES IN ENTITIES ACCOUNTED FOR AT EQUITY

In July 2021, KTM AG, Mattighofen increased its stake in KTM Asia Motorcycle Manufacturing Inc., Philippines, from 34 % to 40% in July 2021 as a result of a capital increase designated as disproportionate of EUR 428k. This situation means that KTM AG continues to exercise significant influence over KTM Asia Motorcycle Manufacturing Inc., and so the equity measurement will be continued.

Another change relates to DealerCenter Digital GmbH, which is now fully consolidated in the consolidated financial statements (see comments above under “Additions to the scope of consolidation”).

III. SEGMENT REPORTING

In PIERER Mobility AG, business activities are managed on the basis of the two business segments “Motorcycles” and “E-Bicycles”. The individual business groups are managed separately and reported to PIERER Mobility AG in accordance with IFRS accounting standards. The chief operating decision maker relevant for the segment report is the full Executive Board of PIERER Mobility AG. Segment reporting is based on the internal reports with the segments Motorcycles, E-Bicycles (formerly: E-Bikes) and Others.

MOTORCYCLES:

The KTM subgroup forms the “Motorcycles” segment. KTM AG is the parent company of the KTM Group, which develops, produces and sells motorized leisure equipment (power sports), in particular under the “KTM”, “Husqvarna Motorcycles”, “GASGAS” brands, and “WP” brand components. As of December 31st 2021, the KTM group included 49 subsidiaries, located in Austria, the United States, Japan, South Africa, Mexico, India, Brazil, Australia and New Zealand and in various other European and Asian countries, which are included within the consolidated financial statements. In addition, the KTM group has equity holdings in assembly companies in the Philippines and China.

E-BICYCLES:

The PIERER E-Bikes subgroup forms the “E-Bicycles” segment. PIERER E-Bikes GmbH, which was newly founded in 2020, is the parent company of the PIERER E-Bikes Group. With the “Husqvarna E-Bicycles”, “R RAYMON”, “GASGAS E-Bicycles” and “FELT Bicycles” brands, the focus is on the development, manufacturing and trading of e-bikes and bicycles. In total, the segment comprises 12 fully consolidated companies.

OTHERS:

The “Others” segment encompasses PIERER Mobility AG, HDC GmbH, KTM Technologies GmbH (formerly: KTM E-Technologies GmbH), PIERER Innovation GmbH (formerly: KTM Innovation GmbH), Avocado GmbH, DealerCenter Digital GmbH and Platin 1483. GmbH.

None of the segments has a dependency on external customers within the meaning of IFRS 8.34. Goods and services between the segments are provided on an arm's length basis. The segment performance indicator EBIT describes the operating result for the period before the financial result and income taxes. The investments relate to additions to property, plant and equipment and intangible assets (excluding lease additions in accordance with IFRS 16). Income accounted for using the equity method is included in EBIT in accordance with the classification of the consolidated income statement. Working capital employed corresponds to the total of stock and trade receivables less trade payables at the reporting date. Net financial debt corresponds to the total of current and non-current financial liabilities (including lease liabilities) less cash at the reporting date.

The segment information for the 2021 and 2020 financial year breaks down among the segments described as follows:

2021	Motorcycles	E-Bicycles	Other	Consolidation	TOTAL
EURk					
Revenues (including revenues within the segments)	1,876,418	162,719	54,433	-51,840	2,041,730
External revenues	1,876,222	162,717	2,791	0	2,041,730
Result from operating activities	192,763	7,032	-7,713	1,403	193,485
Investments ¹⁾	166,652	9,859	1,974	0	178,485
Depreciation and amortization	-132,482	-4,348	-1,888	0	-138,718
Share in the result of companies accounted for using the equity method	256	0	0	1,410	1,666
Balance sheet total	1,891,760	110,409	362,274	-330,724	2,033,719
Equity	730,894	40,623	306,513	-312,479	765,551
Working Capital Employed	156,136	-4,904	7,743	1,479	160,454
Net debt	-174,517	6,589	-22,806	857	-189,877
2020	Motorcycles	E-Bicycles	Other	Consolidation	TOTAL
EURk					
Revenues (including revenues within the segments)	1,413,978	112,497	36,141	-32,234	1,530,382
External revenues	1,413,959	112,424	3,999	0	1,530,382
Result from operating activities	105,304	2,216	-179	-100	107,241
Investments ¹⁾	147,949	1,513	718	0	150,180
Depreciation and amortization	-120,357	-4,333	-1,599	0	-126,289
Share in the result of companies accounted for using the equity method	-1,359	0	0	179	-1,180
Balance sheet total	1,561,592	102,505	296,378	-274,441	1,686,034
Equity	634,969	32,810	246,213	-259,873	654,119
Working Capital Employed	173,982	4,299	-460	3,711	181,532
Net debt	-281,786	-3,347	-34,738	7,458	-312,413

¹⁾ Excluding IFRS 16 (Leases); lease additions amounted to EUR 24,626k in 2021 (previous year: EUR 19,484k)

IV. NOTES TO THE CONSOLIDATED INCOME STATEMENT

The consolidated income statement is prepared according to the cost of sales method. The grants received in the previous year for short-time working were offset against the related expenses of the respective functional areas of cost of sales, selling and racing expenses, research and development expenses, and administrative expenses in personnel benefit expenses.

8. REVENUES

Revenues, minus cash discounts, customer bonuses, and rebates, are generally recorded upon the passing of the risk as per the terms of the transaction (Incoterms) or at the time when performance was rendered.

The breakdown by geographical area of external revenues is based on the location of the customers. The revenues by geographical regions of the group are made up as follows:

EURk	2021	2020
Europe	1,142,492	875,257
North America and Mexico	468,188	373,618
Other	431,050	281,507
	2,041,730	1,530,382

Variable forms of consideration such as discounts, sales bonuses, and cash discounts are reported as revenue reductions. Variable consideration commitments are reported as contractual obligations within the meaning of IFRS 15. Contractual obligations for variable consideration relating to price discounts, sales bonuses and cash discounts amounted to € 50.4 million as of December 31st 2021 (December 31st 2020: € 35.6 million).

As warranties are not sold separately, they only provide assurance that the products being sold meet the agreed specifications. As these warranties do not depart from the statutory warranty obligations or those that are typical of the industry in terms of their duration or their content, they are deemed to be assurance-type warranties, which do not constitute a separate performance obligation. Accordingly, the warranties continue to be recognized in accordance with IAS 37.

9. COST OF SALES

The group's cost of sales is made up as follows:

EURk	2021	2020
Cost of materials and purchased services	1,219,340	935,018
Personnel expenses	112,491	84,103
Amortization charged to capitalized development costs	59,839	50,705
Depreciation/amortization of property, plant and equipment and other intangible assets	28,031	28,362
Other operating expenses	28,930	5,362
	1,448,631	1,103,550

Cost of sales includes expenses from foreign currency translation differences of EUR 5,518k (previous year: income of EUR 14,959k), measured at fair value through profit and loss. These exclude differences arising from the measurement of financial instruments.

10. SELLING AND RACING EXPENSES

The group's selling and racing expenses are made up as follows:

EURk	2021	2020
Cost of materials and purchased services	39,737	33,291
Personnel expenses	95,017	73,282
Depreciation/amortization of property, plant and equipment and other intangible assets	13,537	10,188
Other operating expenses	130,136	106,633
Sponsorship money and other operating income	-40,580	-31,178
	237,847	192,216

11. RESEARCH AND DEVELOPMENT EXPENSES

The group's research and development expenses are made up as follows:

EURk	2021	2020
Cost of materials and purchased services	8,534	4,432
Personnel expenses	29,210	24,238
Depreciation/amortization of property, plant and equipment and other intangible assets	8,420	8,008
Other operating expenses	3,384	966
Subsidies and other operating income	-16,218	-14,253
	33,330	23,391

Expenses disclosed under research and development expenses comprise research costs and non-capitalizable development costs. Personnel expenses before the effects of capitalizing development costs were EUR 77,374k (previous year: EUR 61,614k). In total, research and development expenses (before capitalized development costs) amounted to EUR 162,361k (previous year: EUR 137,713k) and thus 8.0% (previous year: 9.0%) of revenue.

12. ADMINISTRATIVE EXPENSES

The group's administrative expenses are made up as follows:

EURk	2021	2020
Cost of materials and purchased services	3,300	1,571
Personnel expenses	52,082	45,911
Depreciation/amortization of property, plant and equipment and other intangible assets	28,891	29,026
Other operating expenses	46,572	28,199
Other operating income	-1,988	-2,062
	128,857	102,645

13. OTHER OPERATING EXPENSES

Other operating expenses totaled EUR 1,990k (previous year: EUR 164k).

Other operating expenses mainly relate to effects of changes in the scope of consolidation amounting to EUR 1,562k. The other miscellaneous expenses include bank charges.

14. OTHER OPERATING INCOME

Other operating income is realized when the economic benefit arising from the underlying contract becomes probable and a reliable determination of the income can be made.

The group's other operating income is made up as follows:

EURk	2021	2020
Income from the disposal of assets	254	5
Consolidation changes	142	0
Other remaining income	348	0
	744	5

15. EARNINGS FROM AT-EQUITY HOLDINGS

The share of the profit/loss of associates accounted for using the equity method is shown in the income statement as a separate item in the result from operating activities. These are mainly equity holdings that are involved in the operating activities of the PIERER Mobility Group as major suppliers or customers.

The earnings from the companies accounted for using the equity method are made up as follows:

EURk	2021	2020
Kiska GmbH	1,485	207
KTM Asia Motorcycle Manufacturing Inc.	280	33
China Zhejiang CFMOTO-KTMR2R Motorcycles Co., Ltd.	-24	-1,392
DealerCenter Digital GmbH	-75	-28
	1,666	-1,180

16. FINANCIAL AND INVESTMENT EARNINGS

The group's financial and investment earnings are made up as follows:

EURk	2021	2020
Interest income	1,864	1,629
Interest expenses	-12,858	-15,213
Other financial and investment income (expenses)	9,097	-2,833
	-1,897	-16,417

The group's other financial and investment income is made up as follows:

EURk	2021	2020
Foreign exchange valuation of bank deposits	8,652	-2,158
Cost of hedging	71	83
Valuation interest swap	365	-262
Impairment of non-current financial assets	0	-494
Gain / Loss from the disposal of non-consolidated subsidiaries	9	-2
	9,097	-2,833

17. INCOME TAXES

The group's income tax expense and income are attributable to current taxes and deferred taxes as follows:

EURk	2021	2020
Current tax	-34,933	-11,824
Deferred tax	-13,783	-9,545
	-48,716	-21,369

Income taxes comprise taxes on income and earnings payable in each country as well as deferred taxes. The Austrian companies of the PIERER Mobility Group are subject to a corporate income tax rate of 25.0%. The calculation of foreign income taxes is based on the laws and regulations that are in force or have been adopted in the individual countries. The income tax rates applicable to foreign entities vary from 9.0% to 37.8%.

A reconciliation between the expected tax expense for the financial year (application of the group tax rate of 25.0% to earnings before taxes) and the actual tax expense recognized can be presented as follows:

EURk	2021	2020
Profit before income taxes	191,588	90,824
Expected tax expenses / income	-47,897	-22,706
Non-temporary differences and other tax additions	-3,935	-93
Recognition / allowances / utilization of loss carryforwards	211	-4
Non-taxable results in consequence of consolidation changes	-776	-163
Taxes in relation to prior periods	-1,081	-1,058
Effects of foreign tax rates	-408	-827
Earnings from equity holdings	488	-219
Investment benefits	3,850	3,932
Miscellaneous	832	-231
	-48,716	-21,369

18. EARNINGS PER SHARE AND APPROPRIATION OF NET PROFIT

Earnings per share in the current 2021 financial year amounted to EUR 3.34 (previous year: EUR 1.56) and are calculated as follows:

	2021	2020
Earnings - owner of parent company (EURk)	82,540	34,911
Total number of shares (units)	33,796,535	22,538,674
Effect of own and new shares (units)	-9,048,544	-194,376
Weighted average of shares	24,747,991	22,344,298
Undiluted (=diluted) earnings per share (EUR)	3.34	1.56

In accordance with the provisions of the Austrian Stock Corporation Act, the separate financial statement of PIERER Mobility AG as of December 31st 2021, prepared in accordance with Austrian accounting standards, forms the basis for the dividend distribution.

For the 2021 financial year, it is proposed to distribute a dividend of EUR 1 per share (corresponding to a total of EUR 33,797k) from the retained earnings of PIERER Mobility AG amounting to EUR 142,257k and to carry forward the remaining amount. A dividend of EUR 11,173k was distributed from the retained earnings for 2020.

19. EXPENSES FOR THE AUDITOR OF THE FINANCIAL STATEMENTS

The expenses for the auditor KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft attributable to the reporting period break down as follows:

EURk	2021	2020
Annual audit for each individual company and the consolidated financial statements	550	511
Other assurance services	51	22
Other services	127	112
	728	645

20. EMPLOYEES

Employee numbers as stated include agency and external staff:

Balance as of 1/1/2020	4,586
Changes during the financial year	663
Balance as of 12/31/2020	5,249

As of December 31st 2021, there were 2,862 white-collar employees (previous year: 2,158) and 2,387 manual workers (previous year: 2,428). As of December 31st 2021, 4,340 employees (previous year: 3,822) were employed in Austria and 909 employees (previous year: 764) were employed abroad. On average, the group employed 4,948 people (previous year: 4,406), of which 2,660 were white-collar employees (previous year: 2,417) and 2,289 manual workers (previous year: 1,989).

Total personnel expenses for 2021 financial year before the effects of capitalizing development costs were EUR 336,964k (previous year: EUR 264,910k).

V. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

21. GOODWILL

In accordance with IAS 36.99, the detailed calculation of the recoverable amount as of December 31st 2020 was used for the impairment test of the cash-generating units (CGUs) "KTM" and "PIERER E-Bikes". Since the last calculation of the recoverable amount, the assets and liabilities of the CGUs have not changed materially; the last calculation showed a material excess of the carrying amount of the CGUs. Based on an analysis of the events that have occurred and changed circumstances since December 31st 2020, management believes that there is an extremely remote likelihood that the recoverable amount would be less than the carrying amount in a current calculation.

The calculation as of December 31st 2020 was performed using the following method: The forecast of cash flows is based on financial budgets approved by management and/or forecasting, taking into account the medium-term strategy targets. The estimated cash flows are based on the medium-term strategy targets approved by management. Estimated cash flows beyond this period are calculated by extrapolation of budget/forecast values, whereby constant further development based on a growth rate of 1% is assumed from the third year onwards.

The breakdown of goodwill and its development as well as its allocation to the respective CGUs is as follows:

EURk	2021	2020
Acquisition and production costs:		
Balance as of 01/01	150,995	150,289
Changes in the scope of consolidation	-569	679
Currency translation	255	27
Balance as of 12/31	150,681	150,995
Accumulated depreciation and amortization:		
Balance as of 01/01	19,961	19,978
Changes in the scope of consolidation	0	0
Currency translation	9	-17
Balance as of 12/31	19,970	19,961
Balance as of 12/31	130,711	131,034
KTM	110,309	110,063
PIERER E-Bikes	19,457	20,026
Avocado	945	945

22. INTANGIBLE ASSETS

Intangible assets are capitalized in the same way as property, plant and equipment, at acquisition or production cost and valued less amortization. Depreciation is calculated in accordance with the straight line method and is based on the following expected useful lives:

Useful life	in years
Software	3 - 5
Intangible assets generated internally	5

For intangible assets generated internally, the production period is subdivided into research, development and model update phases. Costs incurred during the research and model update phases are immediately recognized in profit and loss. Capitalized development costs that can be clearly attributed to projects are amortized from the commencement of series production.

In the 2021 financial year, development costs of EUR 112,959k (previous year: EUR 93,752k) were capitalized and a total of EUR 59,839k (previous year: EUR 50,705k) were amortized. As at December 31st 2021, development costs with a carrying amount of EUR 353,856k (previous year: EUR 308,617k) were included in intangible assets.

Intangible assets with an indeterminate useful life, such as the brands “KTM” in the amount of EUR 61,103k and “GASGAS” in the amount of EUR 13,346k, which were recognized in the original purchase price allocation, and the brand “FELT” in the amount of EUR 3,707k, which was acquired in the current 2021 financial year, are not amortized but subjected to an impairment test in accordance with IAS 36. The Executive Board assumes an indeterminate useful life for the brands because the rights are not subject to any restrictions as to time, in law or by contract in the relevant markets and because the sustained public awareness of the brand indicates that there has been no loss of economic value. The two brands “KTM” and “GASGAS” are allocated to the cash-generating unit “KTM” and the brand “FELT” to the cash-generating unit “PIERER E-Bikes”. As the brands do not generate cash inflows that are largely independent of the cash inflows from other assets, the impairment test is performed as part of the impairment tests of the respective “KTM” and “PIERER E-Bikes” goodwill (see Note 21. “Goodwill”).

The tables below provide a breakdown of intangible assets along with movements during the 2021 and 2020 financial years:

EURk	Concessions, industrial property rights and similar rights and benefits as well as resulting licenses	Customers, Brand values, Development cost	Advance payments	Total
Acquisition and production costs:				
Balance as of 01/01/2021	79,908	544,663	3,711	628,282
Additions	9,698	117,381	3,374	130,453
Disposals	-10,929	-47,226	0	-58,155
Changes in the scope of consolidation	215	949	0	1,164
Currency translation	63	1	0	64
Transfers	3,612	0	-3,612	0
Balance as of 12/31/2021	82,567	615,768	3,473	701,808
Accumulated depreciation and amortization:				
Balance as of 01/01/2021	50,718	150,729	0	201,447
Additions	13,539	61,416	0	74,955
Disposals	-9,770	-38,396	0	-48,166
Changes in the scope of consolidation	-8	0	0	-8
Currency translation	19	0	0	19
Transfers	0	0	0	0
Balance as of 12/31/2021	54,498	173,749	0	228,247
Carrying amount:				
Balance as of 12/31/2021	28,069	442,019	3,473	473,561
Balance as of 12/31/2020	29,190	393,934	3,711	426,835

EURk	Concessions, industrial property rights and similar rights and benefits as well as resulting licenses	Customers, Brand values, Development cost	Advance payments	Total
Acquisition and production costs:				
Balance as of 01/01/2020	67,293	466,336	5,474	539,103
Additions	7,094	106,618	3,517	117,229
Disposals	0	-28,772	0	-28,772
Changes in the scope of consolidation	632	0	0	632
Currency translation	-57	1	0	-56
Transfers	4,946	480	-5,280	146
Balance as of 12/31/2020	79,908	544,663	3,711	628,282
Accumulated depreciation and amortization:				
Balance as of 01/01/2020	37,631	124,750	0	162,381
Additions	13,016	52,258	0	65,274
Disposals	0	-26,279	0	-26,279
Changes in the scope of consolidation	90	0	0	90
Currency translation	-19	0	0	-19
Transfers	0	0	0	0
Balance as of 12/31/2020	50,718	150,729	0	201,447
Carrying amount:				
Balance as of 12/31/2020	29,190	393,934	3,711	426,835
Balance as of 12/31/2019	29,662	356,818	5,474	391,954

In the current financial year, development costs of an asset not available for use amounting to EUR 8,829k (previous year: EUR 2,493k) were derecognized due to the termination of the project.

In the consolidated statement of cash flows, an adjustment of EUR 4,432k (previous year: EUR 687k) was made to additions to property, plant, and equipment to reflect transactions that had no cash flow effect.

Government grants related to capitalized development costs are recognized over the expected useful life of the development costs in accordance with IAS 20. The net presentation in accordance with IAS 20 is applied, i.e. grants for non-current assets are deducted from the carrying amount of the asset in the consolidated statement of financial position.

23. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are valued at their acquisition or production cost less depreciation. Depreciation is calculated in accordance with the straight line method and is based on the following expected useful lives:

Useful life	in years
Buildings	10 - 50
Technical plant and machinery	2 - 10
Fixtures and fittings, tools and equipment	2 - 10

For the rights of use reported under property, plant and equipment from January 1st 2019 (IFRS 16), the useful life is between 3 and 10 years.

The tables below provide a breakdown of property, plant and equipment along with movements during the 2021 and 2020 financial years:

EURk	Real Estate	Buildings	Technical plant and machinery	Operational and business equipment	Advance payments and investments in construction	Total
Acquisition and production costs:						
Balance as of 01/01/2021	26,720	255,709	286,091	138,937	5,698	713,155
Additions	6,009	13,737	22,544	21,786	8,582	72,658
Disposals	0	-4,262	-11,004	-16,043	-529	-31,838
Changes in the scope of consolidation	0	-213	-26	-660	0	-899
Currency translation	9	1,531	1	1,195	0	2,736
Transfers	0	118	4,216	408	-4,742	0
Balance as of 12/31/2021	32,738	266,620	301,822	145,623	9,009	755,812
Accumulated depreciation and amortization:						
Balance as of 01/01/2021	338	63,532	204,426	88,640	0	356,936
Additions	210	15,321	27,693	20,538	0	63,762
Disposals	0	-1,741	-10,639	-15,364	0	-27,744
Changes in the scope of consolidation	0	-87	-7	-113	0	-207
Currency translation	2	750	1	982	0	1,735
Transfers	0	0	-18	18	0	0
Balance as of 12/31/2021	550	77,775	221,456	94,701	0	394,482
Carrying amount:						
Balance as of 12/31/2021	32,188	188,845	80,366	50,922	9,009	361,330
Balance as of 12/31/2020	26,382	192,177	81,665	50,297	5,698	356,219

EURk	Real Estate	Buildings	Technical plant and machinery	Operational and business equipment	Advance payments and investments in construction	Total
Acquisition and production costs:						
Balance as of 01/01/2020	23,096	213,792	256,109	123,507	10,310	626,814
Additions	2,208	10,067	22,357	13,063	4,740	52,435
Disposals	0	-473	-1,020	-3,518	-3	-5,014
Changes in the scope of consolidation	1,426	33,856	130	6,577	0	41,989
Currency translation	-10	-1,665	-11	-1,238	0	-2,924
Transfers	0	132	8,526	546	-9,349	-145
Balance as of 12/31/2020	26,720	255,709	286,091	138,937	5,698	713,155

EURk	Real Estate	Buildings	Technical plant and machinery	Operational and business equipment	Advance payments and investments in construction	Total
Accumulated depreciation and amortization:						
Balance as of 01/01/2020	176	49,897	178,158	72,086	0	300,317
Additions	164	13,895	27,063	19,893	0	61,015
Disposals	0	-108	-798	-2,801	0	-3,707
Changes in the scope of consolidation	0	511	10	454	0	975
Currency translation	-2	-663	-7	-992	0	-1,664
Transfers	0	0	0	0	0	0
Balance as of 12/31/2020	338	63,532	204,426	88,640	0	356,936
Carrying amount:						
Balance as of 12/31/2020	26,382	192,177	81,665	50,297	5,698	356,219
Balance as of 12/31/2019	22,920	163,895	77,951	51,421	10,310	326,497

Additions to property, plant and equipment include investments amounting to EUR 24,626k (previous year: EUR 19,484k) as additions from leases, which had no cash flow effect on the reporting date. For more details, please refer to Note 47. "Leases as lessee". In the consolidated statement of cash flows, an adjustment of EUR -995k (previous year: EUR -3,011k) was made to additions to other property, plant and equipment to reflect transactions that had no cash flow effect.

Property, plant and equipment amounting to EUR 76,200k (previous year: EUR 76,200k) was secured by registered and deposited pledge agreements, primarily for liabilities owed to credit institutions, as of the reporting date.

In accordance with IAS 20, investment grants for property, plant and equipment are recognized over the expected useful lives of the assets. The net presentation in accordance with IAS 20 is applied, i.e. grants for non-current assets are deducted from the carrying amount of the asset in the consolidated statement of financial position.

24. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The investments in associates accounted for under the equity method are regarded individually as immaterial. As of December 31st 2021, the financial assets accounted for using the equity method are Kiska GmbH, KTM Asia Motorcycle Manufacturing Inc. and CFMOTO-KTMR2R Motorcycles Co., Ltd. The changes in companies accounted for using the equity method can be found in Note 7. "Changes in the scope of consolidation".

Kiska GmbH is a design business that provides development and design services. The reporting date of Kiska GmbH is March 31, which was determined prior to the acquisition of the investment. A change in the accounting date is not sought on account of materiality considerations. For the purposes of accounting under the equity method, unaudited interim financial statements as at December 31 were used. PIERER Mobility AG holds 50% of the company.

KTM Asia Motorcycle Manufacturing Inc. was jointly founded in June 2016 in partnership with Ayala Corp. The company began the CKD (completely knocked down) assembly of KTM motorcycles in the Philippines in mid-2017. The KTM group's equity holding was increased from 34% to 40% in the 2021 financial year.

The KTM joint venture in China conducted in partnership with CFMOTO was established in the 2018 financial year under the name "Zhejiang CFMOTO-KTMR2R Motorcycles Co., Ltd.". The company began operation in the 2021 financial year. Mid-class motorcycles are produced in Hangzhou, China. The KTM group has an equity holding of 49% of the company.

The carrying amounts of the financial assets accounted for using the equity method developed as follows during the financial year:

EURk	2021	2020
Book value of investments on 1/1	13,252	13,628
Acquisition of holdings	773	1,514
Consolidation changes (successive acquisition)	-1,758	0
Proportionate net income	1,666	-1,180
Other comprehensive income	425	-100
Dividend	-803	-606
Other	7	-4
Book value of investments on 12/31	13,562	13,252

25. DEFERRED TAX ASSETS

Deferred tax assets relating to tax loss carryforwards are recognized insofar as they can be realized within a reasonable period. Deferred tax assets and deferred tax liabilities are reported on a net basis if they are subject to the same tax jurisdiction and are of a similar duration. Deferred tax items for differences between the tax base of fully consolidated interests or interests measured at equity and the corresponding consolidated equity are recognized only if realization is probable within the foreseeable future.

Total deferred tax assets and liabilities were calculated from the following statement of financial position items:

EURk	12/31/2021	12/31/2020
Deferred tax assets:		
Current assets:		
Inventories	6,465	5,365
Non-current assets:		
Fixed assets	2,653	1,656
Employee benefits	4,135	4,114
Provisions	1,974	3,406
Liabilities	4,002	3,896
	19,229	18,437
Offsetting	-12,689	-14,640
Loss carryforwards	3,077	7,721
	9,617	11,518
Deferred tax liabilities:		
Currents assets	-3,269	-981
Non-current assets	-109,288	-100,540
Other	-109	-59
	-112,666	-101,580
Offsetting	12,689	14,640
	-99,977	-86,940

Deferred tax assets include amounts for remaining sevenths of write-downs of participations to going concern value pursuant to sec. 12 para. 3 no. 2 of the Austrian Corporate Tax Act (KStG) in non-current assets, in the amount of EUR 1,102k (previous year: EUR 1,609k).

The temporary differences in deferred tax liabilities in the “Non-current assets” item result mainly from development costs that cannot be capitalized for tax purposes and from quasi-permanent differences due to the recognition of the “KTM” brand as an asset.

As at December 31st 2021 (as at the previous year end), it was to be assumed either that under current tax regulations the differences between the value for tax purposes of equity interests in consolidated subsidiaries and the proportion of equity recognized in the consolidated IFRS financial statements (outside-basis differences), which arise largely from retained profits/uncovered losses, will remain untaxed in the foreseeable future, or that their reversal can be controlled by the group. It was also to be assumed either that the differences between the value for tax purposes of equity interests in holdings accounted for using the equity method and the carrying value of those holdings (outside-basis differences) will remain untaxed in the foreseeable future, or that their reversal can be controlled by the group.

In accordance with IAS 12.39, no deferred tax was recognized in connection with the temporary differences of EUR 242,829k (previous year: EUR 476,815k) arising in connection with holdings in subsidiaries and financial investments accounted for using the equity method.

Movements in deferred taxes in the financial year were as follows:

EURk	2021	2020
Deferred tax (net) at 1/1	-75,422	-69,464
Change in scope of consolidation	-296	0
Deferred taxes recognized in the income statement	-13,783	-9,545
Deferred taxes recognized in other comprehensive income	-942	132
Deferred taxes recognized in equity	-52	3,784
Foreign currency	135	-329
Deferred tax (net) at 12/31	-90,360	-75,422

The tax loss carryforwards existing and capitalized in the PIERER Mobility Group can be summarized as follows:

EURk	Loss carryforward 12/31/2021	thereof not recognized 12/31/2021	Remaining loss carryforward 12/31/2021	Deferred tax asset 12/31/2021
PIERER Mobility AG	62,754	-62,754	0	0
HDC GmbH	11,497	-11,497	0	0
Other	12,308	0	12,308	3,077
	86,559	-74,251	12,308	3,077

EURk	Loss carryforward 12/31/2020	thereof not recognized 12/31/2020	Remaining loss carryforward 12/31/2020	Deferred tax asset 12/31/2020
PIERER Mobility AG	56,335	-56,335	0	0
HDC GmbH	11,500	-11,500	0	0
Other	33,013	-42	32,971	7,721
	100,848	-67,877	32,971	7,721

Others amounting to EUR 1,138k (previous year: EUR 1,707k) relate to a future tax benefit from the liquidation loss of WP Suspension B.V. This can be claimed over a period of seven years from the date of liquidation. Deferred tax assets of EUR 688k were recorded for loss carryforwards of the KTM group (previous year: EUR 4,405k) and of the PIERER E-Bikes Group they amounted to EUR 5,004k (previous year: EUR 8,397k).

Deductible temporary differences and unused tax losses (including remaining seventh depreciation) on which no deferred tax assets have been capitalized amount to EUR 74,509k (previous year: EUR 68,529k). The valuation allowance for loss carryforwards and temporary differences was recognized in the amount in which a medium-term realization of the deferred tax assets cannot be assumed with sufficient certainty from today's perspective.

26. OTHER NON-CURRENT ASSETS

EURk	12/31/2021	12/31/2020
Receivables from financing activities	1,197	1,885
Lease receivables from subleases	523	590
Other	2,313	662
	4,033	3,137

Other non-current assets include the investment in AC styria Mobilitätscluster GmbH, which is measured at fair value through other comprehensive income. Furthermore, other non-current assets include deposits and, in the previous year, the capitalization of a beneficial contract from the 2019 financial year in connection with the deconsolidation of KTM Components (Dalian) Co., Ltd., Dalian, China.

27. INVENTORIES

Inventories are measured at the lower of cost or net realizable value on the reporting date. Net realizable value is the estimated proceeds less estimated selling costs. Raw materials and supplies are measured using cost averaging based on an analysis of coverage, with write-downs in the event of limited usability. The economic value of existing inventories is also reviewed on a case-by-case basis and additional allowances are made as required for slow-moving items or items with limited possibilities of sale.

Costs of acquisition include all costs that were incurred in order to bring the object to its required condition and to the relevant location. Costs of conversion comprise direct material and production costs based on normal capacity usage, plus appropriate portions of materials and production overheads. Administrative overheads and selling costs on the other hand do not form part of the costs of conversion. Interest on borrowings is not capitalized as the inventories do not constitute qualifying assets as defined in IAS 23.

Inventories are made up as follows:

EURk	12/31/2021	12/31/2020
Raw materials, auxiliary materials and operating materials	127,698	67,813
Unfinished products	64,335	27,677
Finished products and goods	213,141	203,254
	405,174	298,744

EURk	12/31/2021	12/31/2020
Gross inventory level	432,956	327,347
- Allowances	-27,782	-28,603
Net inventory level	405,174	298,744

The carrying amount of inventories written down to the lower net realizable value is EUR 68,502k (previous year: EUR 61,076k).

28. TRADE RECEIVABLES

The gross value of third-party trade receivables is stated net of individual allowances of EUR 4,060k (previous year: EUR 4,176k).

Movements in allowances on receivables were as follows:

EURk	Trade receivables
Balance as of 01/01/2020	2,921
Change in scope of consolidation	0
Currency translation	-81
Additions to specific valuation allowance	1,633
Additions to expected loss allowance	55
Utilization	-32
Reversals to expected loss allowance	-18
Reversals	-302
Balance as of 12/31/2020 = 01/01/2021	4,176
Change in scope of consolidation	0
Currency translation	-47
Additions to specific valuation allowance	1,070
Additions to expected loss allowance	28
Utilization	-224
Reversals to expected loss allowance	-5
Reversals	-939
Balance as of 12/31/2021	4,060

Expenses for the complete derecognition of trade receivables amounted to EUR 225k (prior year: EUR 121k).

29. CURRENT RECEIVABLES AND OTHER ASSETS

Subsidies are taken into account as soon as there is assurance that they will be received by the PIERER Mobility Group and that the group can comply with the applicable requirements.

EURk	12/31/2021	12/31/2020
Receivables from derivative financial instruments	4,605	3,389
ABS (asset backed securities) financing	12,537	15,894
Receivables from related company shareholders	17,803	5,080
Other	16,862	13,823
Other current financial assets	51,807	38,186
Subsidies	14,979	12,759
Receivables due from tax offices	4,536	4,250
Receivables from value added taxes (from tax group settlement with Pierer Industrie AG)	8,928	5,779
Advance payments on inventory and other prepayments	30,508	20,644
Other	43	3
Other current non-financial assets	58,994	43,435
Other current assets	110,801	81,621

Receivables sold in connection with the current ABS program are derecognized in accordance with the rules of IFRS 9. Under the ABS program, trade receivables insured on a revolving monthly basis are sold up to a maximum volume of EUR 250,000k (previous year: EUR 250,000k). For further information on the ABS program, please refer to Note 43. "Classification and fair value".

30. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand and in banks, checks and time deposits with a fixed term of not more than three months (calculated from acquisition date) and are measured at their fair value as of the reporting date. For further details on changes in the cash status, please refer to the information on the statement of cash flows in Chapter VI of the notes to the consolidated financial statements.

31. CONSOLIDATED EQUITY

The development of the consolidated equity in the 2021 financial year and in the 2020 financial year is shown in the consolidated financial statements.

The **share capital** of the company amounting to EUR 22,538,674 divided into 22,538,674 no-par-value bearer shares, each representing an equal interest in the share capital, was increased by EUR 11,257,861 to EUR 33,796,535 by resolution of September 29th 2021 by way of a capital increase in return for a contribution in kind, making partial use of the authorized capital pursuant to Section 5 of the articles of association amounting to EUR 11,257,861, by issuing 11,257,861 new shares and excluding the statutory subscription right of the existing shareholders.

The new shares carry the same rights as the existing shares in PIERER Mobility AG. The issue price per new share is EUR 79.5. Only Pierer Bajaj AG (formerly: PTW Holding AG) was permitted to subscribe for the 11,257,861 new shares in return for a contribution of 5,042,925 registered shares (corresponding to 46.5% of the shares) of KTM AG to the company.

The shares grant the customary rights due to stockholders under the Austrian Stock Corporation Act [Aktiengesetz]. These include the right to payout of the dividends resolved upon at the Annual General Meeting as well as the right to vote at the Annual General Meeting. All shares have been paid up in full. The share capital shown in the consolidated financial statements is equal to the figure reported in the separate financial statement of PIERER Mobility AG.

In the current financial year, the remaining 193,340 treasury shares were sold at a price of EUR 13,595k and with a profit of EUR 5,148k. The **reserve for treasury shares** as of the reporting date amounts to EUR 0k (previous year: EUR -8,447k). PIERER Mobility AG now no longer holds any treasury shares.

The reserve in accordance with IFRS 9 includes the cash flow hedge reserve. The **cash flow hedge reserve** comprises the effective portion of the cumulative net changes in the fair value of hedging in-instruments used to hedge cash flows until subsequent recognition in profit or loss or direct recognition in the costs of acquisition or carrying amount of a non-financial asset or a non-financial liability.

The **reserve for hedging costs** shows profits and losses on the portion excluded from the designated hedging transaction that relates to the forward element of the forward currency transaction. These are initially recognized as other comprehensive income and accounted for in the same way as profit and losses in the hedging transaction.

The development of the cash flow hedge reserve and the reserve for hedging costs is explained in Note 45. "Hedges".

Non-controlling interests comprise the shares of third parties in the equity of the consolidated subsidiaries:

2021 EURk	KTM AG	Other	Total
Percentage of non-controlling interests on reporting date	0.25% ¹		
Revenue	1,876,418	165,312	2,041,730
Profit	146,067	-3,195	142,872
Other comprehensive income	6,364	1,378	7,742
Total comprehensive income	152,431	-1,817	150,614
Profit assigned to non-controlling interests	60,201	131	60,332
Other comprehensive income assigned to non-controlling interests	2,235	-7	2,228
Non-current assets	907,154	85,660	992,814
Current assets	951,711	89,194	1,040,905
Non-current liabilities	-610,265	-39,201	-649,466
Current liabilities	-544,853	-73,849	-618,702
Net assets	703,747	61,804	765,551
Carrying amount of non-controlling interests	2,633	2,776	5,409
Cash flow from operating activities	359,846	7,517	367,363
Cash flow from investing activity	-183,746	-11,377	-195,123
Cash flow from financing activity	-35,985	8,364	-27,621
Cash change	140,115	4,504	144,619
Dividends to non-controlling interests	13,275	0	13,275

¹ Until October 2021, the percentage of non-controlling shareholders was approximately 48

2020 EURk	KTM AG	Other	Total
Percentage of non-controlling interests on reporting date	48.29%		
Revenue	1,413,978	116,404	1,530,382
Profit	71,210	-1,755	69,455
Other comprehensive income	-3,292	-1,379	-4,671
Total comprehensive income	67,918	-3,134	64,784
Profit assigned to non-controlling interests	34,441	103	34,544
Other comprehensive income assigned to non-controlling interests	-1,589	0	-1,589
Non-current assets	861,467	80,528	941,995
Current assets	666,745	77,294	744,039
Non-current liabilities	-536,004	-45,425	-581,429
Current liabilities	-384,868	-65,618	-450,486
Net assets	607,340	46,779	654,119
Carrying amount of non-controlling interests	293,423	441	293,864
Cash flow from operating activities	286,452	26,367	312,819
Cash flow from investing activity	-144,968	-2,041	-147,009
Cash flow from financing activity	-92,305	-12,384	-104,689
Cash change	49,179	11,942	61,121
Dividends to non-controlling interests	13,595	144	13,739

The non-controlling interests of KTM AG also include non-controlling interests of subsidiaries of KTM AG amounting to EUR 876k and relate to the two companies CERO Design Studio S.L. and KTM MOTOHALL GmbH. The carrying amount of other non-controlling interests as of December 31st 2021 mainly relates to PIERER & MAXCOM MOBILITY OOD. For the amounts of the equity holdings, please refer to the schedule of equity holdings in Section XII.

The effects of the transactions with non-controlling interests and the change in the proportion of equity attributable to the shareholders during the financial year were as follows:

EURk	12/31/2021	12/31/2020
Carrying amount acquired (-) or disposed of (+) for non-controlling interests	340,458	345
Purchase price received from (+) or paid (-) to non-controlling shareholders	-30,470	-1,005
Difference recorded in equity	309,988	-660

The difference recognized in equity mainly results from the increase of the shares in KTM AG from 51.71% to 99.75% in the current financial year. On the one hand, this relates to the contribution of around 46.5% of the shares in KTM AG by Pierer Bajaj AG (parent company of PIERER Mobility AG) to PIERER Mobility AG, as has already been discussed under this item. On the other hand, a further approx. 1.5% of the shares in KTM AG were acquired in the 2021 financial year. The equity holding in KTM AG thus increased from 51.71% to 99.75%.

In the current financial year, PIERER Mobility AG also increased its shares in KTM Technologies GmbH from 70% to 100%. In the previous year, PIERER Mobility AG increased its shares in Avocado GmbH from 70% to 100%.

Other comprehensive income after tax developed as follows in the consolidated equity:

EURk	Provision as per IFRS 9	Reserves including total earnings	Foreign currency translation reserve	Total	Interests non-controlling shareholders	Total consolidated equity
2021						
Currency translation differences	0	0	3,437	3,437	1,480	4,917
Cash flow hedge	1,871	0	0	1,871	385	2,256
Revaluation of net debt from defined benefit plans	0	206	0	206	363	569
	1,871	206	3,437	5,514	2,228	7,742
2020						
Currency translation differences	0	0	-2,219	-2,219	-2,057	-4,276
Cash flow hedge	-1,215	0	0	-1,215	139	-1,076
Revaluation of net debt from defined benefit plans	0	352	0	352	329	681
	-1,215	352	-2,219	-3,082	-1,589	-4,671

32. FINANCIAL LIABILITIES

EURk	12/31/2021	12/31/2021	12/31/2021	12/31/2021
	Nominal	Carrying amount	Term < 1 year	Term > 1 year
Promissory note loans	225,000	224,661	5,998	218,663
Registered bond	60,000	59,551	0	59,551
Liabilities owed to credit institutions	206,596	206,596	23,805	182,791
Liabilities from factoring program between group companies	2,498	2,498	2,498	0
Liabilities from supplier finance program between group companies	1,836	1,836	1,836	0
Lease liabilities	65,442	65,442	19,908	45,534
Other interest-bearing liabilities	2,802	2,802	2,802	0
Total financial liabilities	564,174	563,386	56,847	506,539

EURk	12/31/2020	12/31/2020	12/31/2020	12/31/2020
	Nominal	Carrying amount	Term < 1 year	Term > 1 year
Promissory note loans	228,500	228,067	3,500	224,567
Registered bond	30,000	30,000	0	30,000
Liabilities owed to credit institutions	201,471	201,471	42,185	159,286
Liabilities from factoring program between group companies	3,669	3,669	3,669	0
Liabilities from supplier finance program between group companies	3,317	3,317	3,317	0
Lease liabilities	61,727	61,727	19,491	42,236
Other interest-bearing liabilities	2,432	2,432	2,432	0
Total financial liabilities	531,116	530,683	74,594	456,089

In July 2015, PIERER Mobility AG issued a promissory note loan in the amount of EUR 56,500k with a term of five and seven years. In January 2017, a partial amount of the promissory note loan in the amount of EUR 32,000k, EUR 25,500k of it with a term of 5 years and EUR 6,500k of it with a term of 7 years, was repaid early. A partial amount of the promissory note loan totaling EUR 12,500k with a term of 5 years was repaid early by way of a termination letter dated July 13th 2018, effective July 17th 2018, and a termination letter dated October 4th 2018, effective October 8th 2018. In July 2020, EUR 6,000k of the promissory note loan with a term of 5 years was repaid as scheduled.

In June 2016, a promissory note loan with an issuing volume of EUR 120,000k and a term of five, seven or ten years was placed by KTM AG in order to refinance the bond repaid in April 2017. In June 2018, a further promissory note loan with a volume of EUR 135,000k and terms of seven and ten years was successfully placed. In addition, EUR 32,500k of the promissory note loan issued in 2016 was repaid early.

In May 2021, KTM AG issued registered bonds with a term of 12 years in the amount of EUR 30,000k. Furthermore, PIERER Mobility AG previously issued a registered bond in the amount of EUR 30,000k with a term of 10 years in July 2015.

33. OBLIGATIONS FOR EMPLOYEE BENEFITS

Employee benefit obligations consist of obligations relating to severance pay and anniversary bonuses:

EURk	12/31/2021	12/31/2020
Severance payments	21,202	21,946
Anniversary bonuses	7,561	6,719
	28,763	28,665

The PIERER Mobility Group is obligated by law to make a severance payment to all employees in Austria whose employment relationship commenced before January 1st 2003 upon termination by the employer or upon retirement. The amount of this defined benefit obligation (DBO) is dependent on the number of years of service and on the relevant salary at the time of termination. For all employees in Austria who joined after December 31st 2002, the company pays 1.53% of their gross monthly salary each month into a staff severance pay fund that invests the contributions in an account maintained for the employee; at the end of the employment relationship, the amount thus accumulated is paid out or the claim thereto is passed on. The company's obligation extends only to the payment of the contributions, which are recognized as expenses in the financial year for which they were paid (defined-contribution obligation). For employees of Austrian group companies whose employment commenced on or after January 1st 2003, contributions amounting to 1.53% of their wages or salaries, as the case may be, were paid into a statutory staff severance pay fund. Total contributions of EUR 2,488k were paid during the past financial year (previous year: EUR 2,218k).

Movements in the net liability under the defined benefit plans in respect of **severance pay** were as follows during the financial year:

EURk	12/31/2021	12/31/2020
Conditional benefit:		
Balance as of 01/01	21,946	22,501
Service cost	752	838
Interest expenses	231	245
Payments made	-622	-588
Actuarial gain / loss (other net result)	-759	-908
Changes in the scope of consolidation	0	1
Miscellaneous	-346	-143
Balance as of 12/31	21,202	21,946

The weighted maturity terms (duration) of the severance payment obligations as of December 31st 2021 amount to 12 years (previous year: 13 years).

The actuarial profit/loss is made up of the following factors:

EURk	12/31/2021	12/31/2020
Change in expected values	-260	-807
Change in demographic assumptions	-196	5
Change in financial assumptions	-303	-106
Actuarial gain / loss	-759	-908

The measurement of the obligation is based on the following assumptions:

	12/31/2021	12/31/2020
Discount rate	1.23%	0.90%
Wage / salary trend	2.75%	2.50%
Retirement age (years) women/men	62 - 65 years	62 - 65 years

The discount rate was determined taking into account the average duration and average remaining life expectancy. The discount rate is the market yield on high quality, fixed-interest corporate bonds at the end of the reporting period. Staff turnover is determined on a company-specific basis and takes account of age and length of service. The actuarial measurements are based on country-specific mortality tables. The chosen retirement age is the statutory retirement age in each country.

A change (+/- 0.5 percentage points) in the “discount rate” and “salary / wage trend” parameters would have had the following effects on the present value of future payments as of December 31st 2021:

Parameter	Change -0.50%	Change +0.50%
Discount rate	6.2%	-5.7%
Wage / salary trend	-5.6%	6.0%

A change (+/- 0.5 percentage points) in the “discount rate” and “salary / wage trend” parameters would have had the following effects on the present value of future payments as of December 31st 2020:

Parameter	Change -0.50%	Change +0.50%
Discount rate	6.5%	-6.3%
Wage / salary trend	-6.2%	6.3%

The companies in the PIERER Mobility Group are obligated under collective-bargaining agreements to pay their employees in Austria **anniversary bonuses** upon attaining a certain number of years of service (from 25 years of service upward) (defined benefit obligation). The interest result is recognized under “Other financial result”. Movements in obligations relating to claims to anniversary bonuses were as follows:

EURk	12/31/2021	12/31/2020
Balance as of 01/01	6,719	6,846
Service cost	667	702
Interest expenses	77	78
Payments made	-80	-95
Actuarial gain / loss (profit or loss)	177	-825
Miscellaneous	1	13
Balance as of 12/31	7,561	6,719

34. OTHER CURRENT AND NON-CURRENT LIABILITIES AND TRADE PAYABLES

Other **non-current** liabilities essentially comprise the following:

EURk	12/31/2021	12/31/2020
Deposits	11,364	7,600
Other financial liabilities	1,470	854
Other non-current financial liabilities	12,834	8,454
Other non-current non-financial liabilities	1,353	1,281
Other non-current liabilities	14,187	9,735

Other **current** liabilities essentially comprise the following:

EURk	12/31/2021	12/31/2020
Sales bonuses	46,678	28,365
Price rebates	3,709	7,236
Liabilities from derivative financial instruments	1,988	3,078
Other financial liabilities	15,954	10,920
Other current financial liabilities	68,329	49,599
Employee benefits	49,486	30,289
Prepayments	5,998	2,808
Tax liabilities	9,460	3,715
Other non-financial liabilities	44	205
Other current non-financial liabilities	64,988	37,017
Other current liabilities	133,317	86,616

Current employee benefits mainly include liabilities for unconsumed vacations, liabilities for employee bonuses, liabilities to district health insurance funds, and wage and salary liabilities.

Supplier finance:

Companies in the PIERER Mobility Group have entered into a supplier finance program (a revolving facility for the financing of trade payables) with an Austrian credit institution. Suppliers can sell their receivables from the PIERER Mobility Group to the credit institution before the due date. The PIERER Mobility Group is not released from its original obligation and, due to a quantitative and qualitative audit, there is no significant change in the contractual terms and conditions. The liabilities continue to be shown under trade payables and are reported in cash flow from operating activities. As of December 31st 2021, this supplier finance program affected trade payables of EUR 167,344k (previous year: EUR 119,558k). This is 42.3% (previous year: 45.6%) of total trade liabilities as at the reporting date in the amount of EUR 395,581k (previous year: EUR 262,099k).

In addition to suppliers outside the group, such a program was also concluded between Austrian companies of the PIERER Mobility Group. From the point of view of the PIERER Mobility group, no exchange of services took place; it merely made use of external financing, which is reported under current financial liabilities. Cash flows are reported under cash flow from financing activities. As of December 31st 2021, liabilities from this program totaled EUR 169,180k (previous year: EUR 122,875k), of which, as of December 31st 2021, the relationships between group companies amounting to EUR 1,836k (previous year: EUR 3,317k) are presented as current financial liabilities in the consolidated financial statements of PIERER Mobility AG.

Contingent liabilities:

PIERER Mobility AG has issued a guarantee for DealerCenter Digital GmbH, Landshut, Germany to RLB OÖ, arising from obligations to suppliers, up to a maximum amount of TEUR 500 (previous year: TEUR 0).

For a reverse factoring program at Erste Group Bank AG, PIERER Mobility AG has issued a letter of comfort for PIERER E-Bikes GmbH, Vienna, in the amount of TEUR 15,000 (previous year: TEUR 15,000). As of the reporting date, the reverse factoring program resulted in a liability amount of TEUR 15,000 (previous year: TEUR 0).

In the previous year, PIERER Mobility AG issued a guarantee for PEXCO GmbH, Schweinfurt, Germany to KGI Bank Co., Ltd., Taiwan, for obligations to suppliers up to a maximum amount of TEUR 16,299. The amount outstanding to suppliers in the previous year was EUR 7,685 thousand.

35. PROVISIONS

The group makes provisions relating to guarantees and warranties in relation to known, expected individual cases. The amounts of expected expenses are primarily based on previous experience and are recorded at the time the products are sold as an expense affecting profit and loss.

The estimation of future expenses is subject to uncertainties, which may lead to an adjustment of the provisions recognized in the future. It cannot be ruled out that the actual expenses for these measures may be higher or lower than the provision made for these purposes in an unforeseeable way.

Movements in provisions in the financial year were as follows:

EURk	Balance as of 1/1/2021	Additions	Disolutions	Utilization	Balance as of 12/31/2021
Current provisions					
Provisions for guarantee and warranty	14,612	19,560	-97	-14,075	20,000
Provisions for legal actions	596	185	0	-146	635
Other provisions	2,771	407	-250	-458	2,470
	17,979	20,152	-347	-14,679	23,105

VI. NOTES TO THE STATEMENT OF CASH FLOWS

The changes in the balance sheet items presented in the statement of cash flows cannot be derived directly from the balance sheet, as non-cash effects are neutralized. Other non-cash expenses (income) mainly include valuations of foreign currency receivables and liabilities, write-downs of receivables and inventories, and non-cash income from grants. The effects associated with changes in the scope of consolidation have been eliminated and are accounted for in cash flow from investing activity.

The changes in the recognized financial liabilities and the amounts disclosed in the statement of cash flows can be reconciled as follows:

EURk	Balance as of 1/1/2021	Changes affecting cash flow	Changes not affecting cash flow					Carrying amount 12/31/2021
			Acquisition	Reclassifi- cation	Scope of consolidation changes	Transaction costs	Accrued interest, foreign exchange effect	
Current financial liabilities	55,103	-49,976	0	32,513	-1,144	0	443	36,939
Non-current financial liabilities	413,853	79,528	0	-32,513	0	131	6	461,005
Current lease liabilities	19,491	-18,431	0	18,928	-80	0	0	19,908
Non-current lease liabilities	42,236	0	23,342	-18,928	-48	0	-1,068	45,534
Total	530,683	11,121	23,342	0	-1,272	131	-619	563,386

EURk	Balance as of 1/1/2020	Changes affecting cash flow	Changes not affecting cash flow					Carrying amount 12/31/2020
			Acquisition	Reclassification	Scope of consolidation changes	Transaction costs	Accrued interest, foreign exchange effect	
Current financial liabilities	69,772	-53,545	0	28,518	10,409	0	-51	55,103
Non-current financial liabilities	424,763	0	0	-28,518	17,498	103	7	413,853
Current lease liabilities	16,586	-18,821	-47	21,773	0	0	0	19,491
Non-current lease liabilities	45,546	0	18,463	-21,773	0	0	0	42,236
Total	556,667	-72,366	18,416	0	27,907	103	-44	530,683

VII. RISK REPORT

36. RISK MANAGEMENT

As a group of companies conducting business on a global scale, the PIERER Mobility Group faces a multitude of possible risks that are monitored by means of a comprehensive risk management system. The Executive Board and Supervisory Board are periodically informed about risks that may have a major impact on the group's business operations. Management takes timely action to avoid, minimize and hedge risks.

An internal control system adapted to the company's needs and incorporating basic principles such as segregation of duties and dual control has been integrated into the financial reporting process. Internal and external audits ensure that the processes are continually improved and optimized. Furthermore, a uniform reporting system is in place throughout the group, for the ongoing management and control of the risk management process.

Continuous growth depends on a variety of factors, such as demand behavior, product development, changes in foreign exchange rates, the general economic setting in the individual sales markets, prices of goods purchased from others, and talent management. Increased market research activities and a model policy reflecting the resulting findings are the means of responding to a market environment characterized by rapidly changing situations.

In order to prevent risks associated with fraud, corruption, and bribery, employees are obliged to behave in accordance with the principles defined in the Code of Conduct. The code is binding for all employees, managers, and board members as well as for consultants, business partners, and customers of the PIERER Mobility Group. The 2021 financial year also marks the conclusion of accepting the Code of Conduct as a further Annex and thus as an integral part of the existing dealer contracts for the KTM group. Since the beginning of 2020, this has already been the case with new dealer contracts and also with new contractual relationships in the supply sector.

In order to counteract negative macroeconomic and geopolitical effects, PIERER Mobility promotes global diversification of the sales markets. The greatest relative growth in the coming years is expected in Asia. In order to promote this growth, intensive cooperation with our strategic partner Bajaj is being continuously expanded. In addition, investments have been made in production sites with local partners in China and the Philippines.

The earnings position of PIERER Mobility AG (as an individual company) is shaped by expenses in connection with financing raised, acquisitions of investments and project expenses and depends to a large extent on the dividend policy of its investees. The investment in the KTM group is currently the largest and most significant investment of PIERER Mobility AG. The PIERER E-Bikes Group represents another core operating investment of the group.

In accordance with the requirements of Section 243(c) of the Austrian Commercial Code (UGB), a corporate governance report has been drawn up. In this regard, we refer to the publication in the annual report of PIERER Mobility AG or to the website of PIERER Mobility AG.

37. MARKET RISKS

▪ CYCLICAL RISK

The KTM group operates primarily in the motorcycle sector and the PIERER E-Bikes Group in the bicycle sector. Sales opportunities are determined by the general economic situation in the countries and regions in which the PIERER Mobility Group is represented with its products.

As recent years have shown, the motorcycle sector in particular is cyclical and subject to large fluctuations regarding demand. This risk is counteracted by relevant market research and market forecasts, which are then taken into account in the planning process. Due to the change in mobility behavior, the global motorcycle market continues to grow, in particular in the most important sales regions year-on-year.

▪ COMPETITION AND PRICING PRESSURE

Competition on the motorcycle market in industrialized countries is particularly intense; the strongest competitors are four Japanese and three European manufacturers and, to a lesser extent, a U.S. manufacturer, some of which have greater financial resources, higher sales figures and market shares. The street motorcycle market is moreover characterized by high pricing pressure, and new competitors are trying to enter the market by relying on a low-price strategy. Thanks to its successful market strategy, the PIERER Mobility Group is Europe's leading manufacturer of powered two-wheelers. The full integration of GASGAS as the third brand and the further development of the dealer network has also contributed to this.

▪ SALES RISK

The largest individual sales markets of the Motorcycles segment (KTM group) and consequently also of the PIERER Mobility Group are the European and the US markets. A slump in these markets could have a negative impact on business activities. Entering new markets involves a major cost risk as, in some of these markets, the sales trends as well as the geopolitical conditions are difficult to assess. By collaborating with its strategic partner Bajaj Auto Ltd., Pune, India, the company is working steadily toward implementing a global product strategy in the motorcycle sector.

The largest individual sales markets of the E-Bicycles segment are currently the DACH region. A slump in these markets could have a negative impact on the business activities of the PIERER E-Bikes Group. In order to diversify this risk, the PIERER E-Bikes Group is pursuing the goal of expanding successfully in other markets. The PIERER E-Bikes Group entering new markets involves a major cost risk as, in some of these markets, the sales trends as well as the geopolitical conditions are difficult to assess. The sales and market risks of the PIERER E-Bikes Group also include seasonal fluctuations in bicycle sales, which may be exacerbated by weather conditions.

For the PIERER Mobility Group, providing support to end customers through the network of dealers represents a key success factor. In order to be able to continuously guarantee a high standard in this area, mandatory dealer training sessions are held on an ongoing basis. In these sessions new technical standards are taught and dealers are trained in dealing with the customer. In addition, the KTM group in particular provides a modern communication platform which the dealers can use to undertake the procurement process and document the sales process.

38. INDUSTRY-SPECIFIC RISKS

▪ RESTRICTIONS RELATING TO MOTORCYCLING

The revenue of the group depends, inter alia, on the possible offroad uses of motorcycles and is therefore considerably influenced by the national legal framework regulating offroad motorsport, motorcycle registration and rider's licenses in the countries where the vehicles are sold.

▪ PROCUREMENT RISK

In the current situation, the procurement risk faced by the KTM group is principally failing to receive ordered components or receiving them on dates other than those originally agreed. In order to ensure the best possible availability of components, there is a major focus on long-term cooperations with our supply partners as well as the careful selection of excellent new suppliers in accordance with established criteria. The group works continuously on developing its relationships with its suppliers. A deep mutual understanding of the processes is essential here. As the quality of the products is strongly determined by the quality and properties of the sourced subcomponents, particular attention is paid to suitable operating facilities and production processes of suppliers, as well as their financial strength and compliance with ecological, social and ethical standards.

The procurement of components and bicycles is planned for the medium term. Short-term fluctuations can also be offset by appropriate storage capacities. The products are priced on the basis of fixed negotiated purchase prices. Prices and capacities are agreed with suppliers in advance and secured. The PIERER E-Bikes Group has several suppliers from different countries in its portfolio to reduce the risk of dependency, as far as possible, and increase the stability of the supply chains. As a risk, the timely availability of frames and drive components places increased demands on suppliers. Bicycles and bicycle parts purchased from outside Europe incur import duties of around 6%. Rising or falling import duties lead to higher or lower purchase prices and may have a positive or negative impact on margins if these effects are not passed on to customers in full.

In the second year following the outbreak of the COVID-19 pandemic, the PIERER Mobility Group faced increasing difficulties with regard to the supply of semiconductors and the associated shortages of electronic components. In order to support its suppliers in this situation, the group actively intervened in the procurement of electronic components and was thus able to prevent major shortages both at suppliers and at its own production sites. In addition to the shortage of electrical components, there were also bottlenecks in the supply of raw materials such as aluminum and plastic granulate, but these only had immaterial effects due to intensive cooperation in the supply chain.

For 2022, it is expected that the situation will worsen – at least in the first two quarters. The difficult supply situation for suppliers, capacity bottlenecks at suppliers themselves and interruptions to logistical processes will continue to require close coordination with our partners. To reduce risk, among other things, stock at suppliers was built up in 2022, a market intelligence system for electronic components was introduced, and the logic of our scheduling agreement releases adapted to the changed situation.

▪ RESEARCH AND DEVELOPMENT, RACING

Technical innovations and the introduction of new products are largely responsible for the PIERER Mobility Group's competitive position. To this end, new trends must be identified promptly. To counteract the risk, our own products' innovative capacity must be ensured.

The PIERER Mobility Group therefore attaches great importance to identifying trends at an early stage, conducting research and development in technical and functional areas, and researching what customers want in order to develop innovative products that reflect what the market wants. Racing achievements are not only an important marketing instrument for the company but also form the basis for product development and set standards for series development. Valuable experience is gathered whenever products can be tested in racing conditions at racing events. Before being introduced into series production, all technical innovations are moreover subjected to comprehensive testing by the quality management system so as to eliminate, to the greatest extent possible, any technical defects that could have a negative effect on earnings development.

▪ PRODUCT LIABILITY RISK

The PIERER Mobility Group is also exposed in its business activity to claims for damages owing to accidents and injuries. This applies especially to the U.S., where claims asserted in product liability cases involve higher amounts of liability. In addition to existing safeguards, this risk is minimized by comprehensive quality control in all production areas.

39. IT RISKS

We apply the same high quality standards in the area of data security and data protection as we do for our products.

The PIERER Mobility Group has implemented an IT security and risk management system for the purpose of identifying and managing company-relevant risks in the area of information security. In addition, evidence of compliance and the exercising of due diligence when handling and using information and equipment for the processing of information is provided and documented in respect of customers, the Executive Board and the general managers of each participating company.

The constantly growing IT and cyber risks are countered by ongoing evolution of IT security measures and using the latest IT security technologies. Cyber attacks are averted with a multi-stage technical concept using the latest security features such as intrusion prevention systems and additional security systems which are operated upstream or internally. Behavior-based security solutions are also used with a view to identifying security-related abuse. Incidents are identified and handled by a malware incident response process. In parallel, regular internal and external vulnerability analyses are performed and any vulnerabilities identified are countered by means of an established patch and update management process. Regular internal and external security audits are documented in risk management, any findings are evaluated and prioritized, and a solution is then applied.

Care is taken to ensure that all users of IT systems possess the requisite knowledge and awareness for the use of IT within the scope of their role via the provision of regular general IT security awareness training. This training is provided in a preventative and traceable manner.

The ongoing COVID-19 pandemic made it necessary for a large number of employees to perform their work from home during the 2021 financial year and this continues to be the case. The measures taken to develop the IT infrastructure on an ongoing basis over the past few years have been retained, enabling the PIERER Mobility Group to overcome these exceptional challenges and to still provide its employees with remote workplaces in an uncomplicated and secure manner.

40. FINANCIAL RISKS

The PIERER Mobility Group is subject to credit, market, currency and liquidity risks regarding its assets, liabilities and planned transactions. Financial risk management is aimed at controlling and limiting those risks. The Executive Board and the Supervisory Board are informed on a regular basis about risks that can have a major impact on the group's business operations.

The principles of financial risk management are laid down and monitored by the Supervisory Board and the Executive Board. Group Treasury is responsible for their implementation. To protect itself against the financial risks described below, the PIERER Mobility Group uses derivative financial instruments in order to safely hedge cash flows from operating activities against fluctuations in exchange rates and/or interest rates. The hedging horizon generally covers currently open items and any transactions planned for the next twelve to eighteen months. In exceptional cases, strategic hedge positions involving longer time periods may be entered into in consultation with the Supervisory Board.

▪ CURRENCY RISKS

As an enterprise doing business on a global scale, the PIERER Mobility Group is influenced by general global economic data such as changes in currency parities or developments in the financial markets. As the US dollar represents the highest individual foreign currency risk faced by KTM, movements in the US dollar exchange rate are of particular importance to the development of revenue and income. Due to the increasing importance of USD in purchasing, the foreign currency risk associated with the USD is significantly reduced ("natural hedge"). Approximately 25% of revenues were earned in US dollars in financial year 2021 (previous year: 25%). Currency hedging measures, in particular hedging strategies, can largely offset these currency shifts over at least one model year.

The group is exposed to further currency risks where financial assets and liabilities are settled in a currency other than the local currency of the relevant company. The companies of the group predominantly do their invoicing in local currency and largely take out financing in their local currency. Financial investments are primarily made in the local currency of the investing group company. For these reasons, most resulting currency positions will be closed out naturally.

The main causes of ineffectiveness in currency hedges are:

- the impact of the credit risk of the counterparties and the group on the fair value of the forward currency transactions that is not reflected in the change in the fair value of the hedged cash flows attributable to changes in foreign exchange rates;
- changes in the transaction date of the hedged items.

Sensitivity analyses have been performed on currency risks in relation to financial instruments in order to show the effects that hypothetical changes in the exchange rates have on profit or loss (after taxes) and equity. The relevant balances as of the reporting date and foreign currency purchases and sales budgeted for the 2022 financial year were used as a basis. It was assumed that the risk faced on the reporting date essentially represents the risk present during the financial year. The group tax rate of 25% was used as the tax rate. Furthermore, it was assumed in the analysis that all other variables, in particular the interest rates, remained constant. Currency risks relating to financial instruments of a monetary nature that are denominated in a currency other than the functional currency were included in the analysis.

In the scope of the sensitivity analysis, effects of changes in the exchange rate of $\pm 10\%$ are shown as profit or loss, other comprehensive income, and equity.

The PIERER Mobility Group bases the analysis on the following assumptions:

- For the sensitivity of profit and loss, the group's bank balances, receivables and payables are considered, as are future receipts and payments in foreign currency that are not accounted for in the functional currency of the group company. Account is also taken of open derivatives on cash flow hedges where the hedged item has already been realized on the reporting date (recognized as income).
- For the sensitivity of other comprehensive income, account is taken of open derivatives from cash flow hedges where the hedged item has not yet been realized on the reporting date (movements are not recognized in profit and loss). The exposure corresponds to the notional amount of the open derivatives.

Increase (+) / Decrease (-) EURk	10% increase		10% devaluation	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Change in net result	-23,490	-22,223	28,709	27,161
Change in currency-related cash flow hedge provisions	10,995	2,199	-13,439	-2,688
Change in equity	-12,495	-20,024	15,270	24,473

▪ INTEREST RATE RISKS

Financial instruments on both the assets side and the liabilities side mainly carry interest at variable rates. The risk therefore comprises rising interest expenses or falling interest income resulting from an adverse change in market interest rates.

The PIERER Mobility Group has refinanced part of its debt at variable rates and is thus exposed to the risk of interest rate fluctuations on the market. Regular monitoring of the money and capital markets and, in some cases, the use of interest rate swaps (fixed interest rate payer swaps) serve to respond to this risk. Under the interest rate swaps entered into, the concern receives variable interest payments and, in return, pays fixed interest on the notional amounts of the contracts entered into.

Interest rate risks thus result mainly from primary financial instruments carrying interest at variable rates (cash flow risk). Sensitivity analyses were performed on the interest rate risks of these financial instruments in order to show the effects that hypothetical changes in the market interest rate level have on profit or loss (after tax) and equity. The relevant balances as of the reporting date were used as a basis. It was assumed that the risk faced on the reporting date essentially represents the risk present during the financial year. The group tax rate of 25% was used as the tax rate. Furthermore, it was assumed in the analysis that all other variables, in particular the exchange rates, remained constant.

The main causes of ineffectiveness in interest rate hedges are:

- the impact of counterparty and group credit risk on the fair value of the interest rate derivatives that are not reflected in the change in fair value of hedged cash flows attributable to changes in the interest rates
- differences in the parameters (e.g., interest rate adjustment dates) between the derivatives and the hedged items

A sensitivity analysis was performed on interest rate risk. A change of 50 basis points would have the following effects on profit or loss, other comprehensive income and equity:

Increase (+) / Decrease (-) EURk	Increase by 50 BP		Decrease by 50 BP	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Change in net result	324	-960	-1,311	263
Change in currency-related cash flow hedge provisions	-2,316	-1,804	2,316	1,711
Change in equity	-1,992	-2,764	1,005	1,974

In connection with the IBOR reform, Group Treasury conducted a review of how the affected reference interest rates are used in the financial instruments utilized. With regard to existing financial instruments, Treasury works closely with our business partners and actively monitors the development of reference interest rates and standards customary in the industry to be able to make adjustments. For example, transitional arrangements have been renegotiated in all current contracts and financial instruments that have adjustment clauses relating to new reference interest rates. These regulate how the reference interest rate can be replaced if it is temporarily or permanently unavailable. The use of the new reference interest rates has been agreed, without exception, for contracts and financial instruments that were newly concluded in the financial year.

▪ DEFAULT RISKS (CREDIT OR CREDITWORTHINESS RISKS)

The default risk is the risk of financial losses if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The default risk generally arises from trade receivables.

On the assets side, the carrying amounts reported also represent the maximum default risk. In addition, there are no general set-off agreements, with the exception of the set-off agreement described under note 44 in the notes to the Consolidated Financial Statements.

Trade receivables

The default risk on receivables from customers may be rated as low, as ongoing checks of the creditworthiness of new and existing customers are performed and collateral is requested.

Risk management carries out an analysis and assessment of new customers. Initially, these are analyzed individually with regard to their creditworthiness, and standardized group-wide contracts are concluded with customers. The analysis includes external credit ratings, where available, as well as annual financial statements and information from credit agencies and banks. Sales limits are set for each customer and reviewed on an ongoing basis. All sales exceeding these limits require the approval of risk management.

Default risks are largely hedged by means of credit insurance and bankable security (guarantees, letters of credit). The default risks and related controls are defined in internal guidelines. Most of the business relationships with dealers and importers have been in place for many years. By continuously monitoring the default risk and the creditworthiness of customers, each receivable is individually reviewed to ascertain the need for a value adjustment.

A summary of the default risk on trade receivables as of December 31st 2021 is presented in the following table.

Trade receivables EURk	Not impaired in creditworthiness	Creditworthiness impaired	Total
Not overdue	129,036	0	129,036
Overdue 1-30 days	15,182	0	15,182
Overdue 31-60 days	1,884	0	1,884
Overdue 61-90 days	1,212	0	1,212
Overdue > 90 days	2,775	4,833	7,608
Total gross carrying amount	150,089	4,833	154,921
Impairment loss	-103	-3,957	-4,060
Total	149,985	876	150,861

A summary of the default risk on trade receivables as of December 31st 2020 is presented in the following table.

Trade receivables EURk	Not impaired in creditworthiness	Creditworthiness impaired	Total
Not overdue	125,475	0	125,475
Overdue 1-30 days	11,136	0	11,136
Overdue 31-60 days	353	0	353
Overdue 61-90 days	1,010	0	1,010
Overdue > 90 days	4,731	6,358	11,089
Total gross carrying amount	142,705	6,358	149,063
Impairment loss	-135	-4,041	-4,176
Total	142,570	2,317	144,887

In order to determine the need for impairment of trade receivables for which no individual value adjustments have been made, the PIERER Mobility Group evaluated the defaults of recent years. The analysis showed that there is only an insignificant risk for receivables with a certain overdue status. The estimate of loss rates is based on historical default rates in relation to overdue receivables and considering forward-looking information.

As regards the current portfolio of trade and other receivables that are neither impaired nor past due, there are no indications as of the closing date that the debtors will not meet their payment obligations. There are no concentration risks.

Estimation of expected credit losses

Based on actual defaults observed in the past, an average default rate in the KTM group of 0.06% (previous year: 0.06%) of trade receivables was determined. A reversal of EUR 5k (previous year: EUR 18k) was recorded. In the E-Bikes segment, an average default rate of 0.13% (previous year: 0.39%) of trade receivables was determined. An addition of EUR 28k (previous year: EUR 55k) was recorded.

The impairment for expected losses as of December 31st 2021 in the PIERER Mobility Group amounts to a total of EUR 158k (previous year: EUR 135k).

Changes in value adjustments

Changes in value adjustments related to trade receivables are described in the notes under Note 28. "Trade receivables".

Cash and cash equivalents, other assets and derivatives

Credit losses on cash and cash equivalents are generally calculated using the same method as for debt instruments. Given the short-term nature of these items and the good rating of the banks, the group assumes that these portfolios are financial instruments with a low default risk and that the expected losses are negligible.

Likewise, the default risk for other financial assets is to be regarded as extremely low, as the counterparties are debtors of optimum creditworthiness. The other financial instruments presented on the assets side mainly relate to an earmarked loan granted to PIERER Immoreal North America, LLC, a company belonging to a superordinate group of companies. Against this background, the default risk is considered to be low.

The default risk on derivative financial instruments with positive market value is limited to their replacement cost; as all the counterparties are banks of good creditworthiness, the default risk can be classified as low. There are no indications of any additional impairment loss requirements for financial assets.

▪ LIQUIDITY RISKS

It is a material objective of financial risk management in the PIERER Mobility Group to ensure solvency and financial flexibility at all times. Factors contributing to liquidity risks include, in particular, proceeds from revenues being below the planning assumptions due to weaker demand. For this purpose, the group maintains a liquidity reserve in the form of unused credit lines (cash credits and guarantee credits) and, if needed, in the form of cash in banks of a high creditworthiness. Top priority is given to ensuring liquidity over the short and medium term. Another major control parameter is the maximization of free cash flow by cost-cutting measures, proactive working capital management and reduced investment expenditure. From today's perspective, sufficient commitments have been given concerning the creditworthiness of our strategic financing partners and thus the security of current liquidity reserves. Non-current liquidity requirements are met by the issuance of promissory note loans and by taking out bank loans.

The contractually agreed (undiscounted) cash flows (payments of interest and principal) and the remaining terms to maturity of the financial liabilities are composed of the following:

EURk	Carrying amount 12/31/2021	Cash flow 2022			Cash flow 2023 to 2026			Cash flow from 2027		
		Fixed interest	Variable interest	Repay-ment	Fixed interest	Variable interest	Repay-ment	Fixed interest	Variable interest	Repay-ment
Financial liabilities measured at fair value										
Fair value - hedging instruments										
Other financial liabilities - derivatives with negative market value that have already been assigned to receivables	479	0	0	479	0	0	0	0	0	0
Other financial liabilities - derivatives with negative market value (cash flow hedge)	1,509	0	0	1,509	0	0	0	0	0	0
Total	1,988	0	0	1,988	0	0	0	0	0	0
Financial liabilities not measured at fair value										
At amortized cost										
Interest-bearing liabilities	497,944	5,292	1,202	34,838	16,330	3,837	282,787	6,312	942	179,134
Lease liabilities	65,442	0	797	19,909	0	1,552	34,784	0	3,319	10,749
Trade payables	395,581	0	0	395,581	0	0	0	0	0	0
Other financial liabilities (current and non-current)	79,175	0	7	78,029	0	11	329	0	0	817
Total	1,038,142	5,292	2,006	528,357	16,330	5,400	317,900	6,312	4,261	190,700
Total	1,040,130	5,292	2,006	530,345	16,330	5,400	317,900	6,312	4,261	190,700

EURk	Carrying amount 12/31/2020	Cash flow 2021			Cash flow 2023 to 2025			Cash flow from 2026		
		Fixed interest	Variable interest	Repay- ment	Fixed interest	Variable interest	Repay- ment	Fixed interest	Variable interest	Repay- ment
Financial liabilities measured at fair value										
Fair value - hedging instruments										
Other financial liabilities - derivatives with negative market value (no hedging relationship)	245	91	0	0	302	0	0	0	0	0
Other financial liabilities - derivatives with negative market value that have already been assigned to receivables	748	0	0	748	0	0	0	0	0	0
Other financial liabilities - derivatives with negative market value (cash flow hedge)	2,085	346	0	1,186	1,027	0	0	0	0	0
Total	3,078	437	0	1,934	1,329	0	0	0	0	0
Financial liabilities not measured at fair value										
At amortized cost										
Interest-bearing liabilities	468,956	4,959	1,066	59,001	16,812	3,698	178,412	4,119	1,037	230,392
Lease liabilities	61,727	0	795	19,491	0	1,559	33,041	0	3,499	9,195
Trade payables	262,099	0	0	262,099	0	0	0	0	0	0
Other financial liabilities (current and non-current)	54,975	0	23	54,125	0	150	850	0	0	0
Total	847,757	4,959	1,884	394,716	16,812	5,407	212,303	4,119	4,536	239,587
Total	850,835	5,396	1,884	396,650	18,141	5,407	212,303	4,119	4,536	239,587

Liabilities that are affected by the supplier finance program are paid on their due date. The associated cash outflows are taken into account in liquidity planning. The supplier finance program results in a concentration of risk. The number of suppliers is replaced by a concentration on a creditor bank. If this creditor bank were to terminate the supplier finance agreement, an additional liquidity risk would generally be incurred, which is not of great significance due to supplier payment goals that are almost identical. As cited in Note 34, this relates to 42.3% of trade payables as of the reporting date. The concentration risk is regarded as low.

41. OTHER RISKS

▪ PROCESS RISKS

There is a risk that standardized processes will not be adhered to, particularly in production. To minimize this risk, these processes are documented in work instructions, process manuals, and handbooks. Employees are trained in the use of this documentation and the documents are freely accessible via various systems.

▪ RISKS DUE TO THE LEGAL FRAMEWORK

As the PIERER Mobility Group markets motorcycles and e-bikes and non-e-bikes in a large number of countries through its equity holdings in the KTM group and PIERER E-Bikes Group, it is exposed to the risk of changes in national regulations, terms of licenses, taxes, trade restrictions, prices, income, and exchange restrictions as well as to the risk of political, social, and economic instability, inflation, and interest rate fluctuations.

Motorcycles registered for road use must comply with corresponding provisions concerning noise and exhaust gas emissions in order to be approved for marketing in the respective country. For all new models that are homologated for road use, the KTM group complies with the Euro V European emission standard that is relevant for motorcycles. The possible offroad uses of motorcycles are considerably influenced by the national and legal conditions in the countries where the vehicles are sold. To counteract this risk, the respective regulations specific to the given country are analyzed in detail prior to market launch and continue to be monitored on an ongoing basis in order to be able to react in good time to any changes.

The strong focus on research and development ensures that all products of the PIERER Mobility Group will continue to meet regulatory requirements in the future. Fully electric motorcycles already complement the KTM group product range today. At the same time, research and development is also focusing on other alternative drive technologies.

▪ BUSINESS AND ENVIRONMENTAL RISK

Environmental risks may relate to products, production, procurement and non-operating factors. More detailed examinations of environmental risks can also be found in the sustainability report published annually by PIERER Mobility AG and/or the reporting it contains in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) on climate-related opportunities and risks.

With regard to the products, risks arise in relation to emissions such as noise and pollutants or the leakage of harmful substances such as fuel or oil. In order to minimize these risks that may be caused by potential malfunctions, the homologation requirements are strictly observed in addition to other measures, each vehicle tested for its functionality and compliance with all limit values on our own test benches, and a laboratory is in operation to test the interaction of materials used with people and the environment. In addition, the development of emission-free alternative drive systems and products is becoming an increasingly important focus.

With respect to production, environmental risks arise due to the potential leakage of substances, waste and material residues on the premises. Numerous measures are undertaken to prevent these. These include waste management concepts, an engine oil treatment plant, emergency plans for each site and professional extraction systems for metal chips that deposit them in the container provided for this purpose. Emissions from operating the test benches are also caught by extraction systems.

Environmental risks in procurement may result from the environment-related shortage and rising prices of resources, cooperation with suppliers that do not operate with sufficient environmental measures, and emissions from delivery routes. In order to minimize these risks, measures are taken that include auditing suppliers, optimizing procurement channels, prioritizing regional procurement, and the use of resource-saving, modern production technology.

In addition, environmental risks arise from weather-related and climate-related phenomena, such as floods and other natural disasters. Although it is not possible to completely rule out the risk of natural disasters, the PIERER Mobility Group makes efforts to minimize the risk of production processes being impaired by having suitable emergency plans and insurance policies. For the main factories in Mattighofen and Munderfing, the risk of natural disasters occurring is considered to be low due to their geographical location.

■ PERSONNEL-RELATED RISKS

Especially with regard to the growth course, risks may arise if key staff leave the company. Efficient personnel management as well as the constant pursuit of personnel development programs are designed to counteract the risk of managerial staff leaving the company. The turnover rate is just 2.06% for managers of KTM AG incl. subsidiaries in Austria. The risk of a shortage of skilled staff is minimized by a comprehensive apprentice training program in our own apprentice workshop. As of December 31st 2021, a total of 184 apprentices (including six foundation apprentices) were in training at KTM AG. Since 1995, around 600 apprentices have started an apprenticeship; 73% of them still work in the company. The aim is to recruit employees from the region and to retain them in the long term.

The company has taken numerous measures to protect its employees since the outbreak of the coronavirus pandemic in Austria. These measures comprise maintaining a dedicated COVID team, a COVID hotline and contact tracing within the company. The hygiene and safety guidelines issued at the beginning of the pandemic will continue to be enforced at the workplace and adapted to the current circumstances. The opportunities for working from home and the team splitting measures that have been rolled out since 2020 will continue. Following the end of the seasonal interruptions to operations in January and August 2021, mass tests and 3G checks were carried out before production restarted.

Antigen rapid throat swab tests were carried out all year round on the KTM Covid test line in order to respond to suspected cases in a quick and uncomplicated manner or to ensure that those returning from quarantine had recovered and before resuming work. In total, over 7,900 rapid tests were conducted by specially trained personnel. At the end of the year, planning for the expansion of the test line to provide in-house PCR tests began in order to ensure a high level of safety even in case of further virus mutations. In addition, from spring onwards the measures were expanded to include company vaccinations: In total, two major operational vaccination campaigns were organized in May/June (first and second vaccinations) and December (mostly third vaccinations). In addition, vaccinations were on offer on a weekly basis from June to November, and there were also two vaccination bus campaigns in order to offer employees and also in some cases their family members easy access to immunization options.

Government measures and regulations were implemented comprehensively and quickly and, due to the forward-looking approach and constant exchange with the authorities, various measures were integrated into the day-to-day business even before they were legally required. It was therefore possible to prevent large-scale spread within the company. The risk of being infected with COVID-19 in the company if the guidelines are adhered to is considered to be low.

VIII. FINANCIAL INSTRUMENTS AND CAPITAL MANAGEMENT

42. BASIC PRINCIPLES

The PIERER Mobility Group holds primary and derivative financial instruments. **Primary financial instruments** mainly include trade receivables, credit balances with credit institutions, liabilities owed to credit institutions, trade payables, and financial liabilities. The portfolio of primary financial instruments is shown in the consolidated statement of financial position and described in the notes to the consolidated financial statements. **Derivative financial instruments** are generally used to hedge existing risks relating to interest rate changes and foreign currency. The use of derivative financial instruments is subject to appropriate authorization and control procedures in the group. The link to a hedged item is mandatory; trading transactions are not permitted.

Purchases and sales of all financial instruments are recognized as at the settlement date. As a matter of principle, financial instruments are measured at cost of acquisition upon initial recognition. The financial instruments are derecognized if the rights to payments from the investment have expired or have been transferred and the group has essentially transferred all the risks and opportunities associated with their ownership.

ACCOUNTING POLICIES:

Categorization will take place in accordance with the contractual cash flows and the business models on which they are based. In this regard, the following measurement categories are provided by IFRS 9:

- AC category: At amortized cost using the effective interest method
- FVOCI category: At fair value, changes to the fair value are recorded under other comprehensive income
- FVPL category: At fair value, changes to the fair value are recorded in the income statement

In the case of equity instruments (such as shares in companies not listed on the stock exchange), the FVOCI option can be exercised. This will lead to changes in the fair value being recorded under other comprehensive income, meaning that it will no longer be possible to regroup the changes to fair value accumulated under other comprehensive income in the income statement. Insofar as this option is not exercised, these will be assigned to the FVPL category, under which all changes to the fair value will be recorded in the income statement.

Receivables and other assets upon initial recognition are measured at fair value and in subsequent periods are measured at amortized cost of acquisition. Foreign currency receivables are translated at the exchange rate on the reporting date, less any impairment charges required on account of identifiable risks. Financial receivables are classified as “at amortized cost” and are measured at amortized cost.

That portion of trade receivables that is part of the ABS or factoring program is allocated to the category “Fair Value through Profit and Loss” (FVPL).

Financial liabilities are measured at amortized cost of acquisition. Financial liabilities are assigned to the “at amortized cost” category. Any difference between the amount received and the amount repayable is apportioned over the term to maturity using the effective interest method and recognized in financial income and expenses. Issuing costs incurred in connection with bonds are recognized as an expense over the term to maturity. Liabilities are measured at amortized cost. Liabilities denominated in foreign currencies are translated at the closing rate.

All financial instruments in the FVPL category are measured at fair value through profit or loss on the basis of the criteria in IFRS 9 (business model or SPPI test). The fair value option was not exercised.

Impairment losses

Trade receivables do not exhibit any significant financing components. For that reason, the simplified process for establishing the expected credit loss is used; this involves accounting for all instruments with a risk provision, which is independent of their credit quality, in the amount of the expected losses over the term to maturity. This amounts to less than twelve months for trade receivables and therefore corresponds to the 12-month loss. For details of the amounts involved, please refer to Note 40. “Financial risks”.

In order to determine the expected credit loss, historical default data were collected for receivables over the last eight to ten years and split into geographic regions. Current economic factors and forecasts are also taken into account.

Individual valuation adjustments are made to financial assets if they are deemed to be uncollectible or partially uncollectible. Signs that an individual allowance is required are financial difficulties, insolvency, breach of contract or considerable delay in payment on the part of the customer. Individual value adjustments consist of numerous individual items, none of which is material when considered in isolation. Financial assets are only derecognized directly if the contractual rights to receive payment cease to exist (in particular in the case of insolvency). If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed by adjusting the allowance account.

Hedge accounting

The regulations on hedge accounting are applied in accordance with IFRS 9. According to IFRS 9, the fair value of an option, the forward element of a forward contract and any foreign currency basis spreads can be excluded from the designation of a financial instrument as a hedging instrument and accounted for as the cost of hedging. In this regard, fluctuations in the value of these components that have optionally not been designated are recorded as hedging costs under other comprehensive income and reclassified in the income statement in the event that the hedged item is recognized in profit or loss.

43. CLASSIFICATION AND FAIR VALUE

The **fair value of a financial instrument** is determined by means of quoted market prices for identical instruments in active markets (Level 1). If no quoted market prices in active markets are available for the instrument, the fair value is determined by means of valuation techniques for which the material inputs are based exclusively on observable market data (Level 2). In all other cases, the fair value is determined on the basis of valuation techniques for which at least one material input is not based on observable market data (Level 3).

Reclassifications from one level to another are taken into account at the end of the reporting period. There were no transfers between levels in the financial year.

The table below shows the valuation techniques used to determine fair value as well as the significant unobservable input factors used.

Financial instruments measured at fair value			
Type	Measurement technique	Significant unobservable input factors	Connection between significant unobservable input factors and measurement at fair value
Forward currency transactions and interest rate swaps	Fair values are based on the market values determined using recognized valuation models (discounted cash flows). They are regularly checked for plausibility.	Not applicable	Not applicable
Securities	Securities are measured at the current stock-exchange price on the reporting date.	Not applicable	Not applicable
Financial instruments not measured at fair value			
Type	Measurement technique	Significant unobservable input factors	
Promissory note loans, financial liabilities	Discounted cash flows	Risk premium for own credit risk	

The following table shows the carrying amounts and fair values of the financial assets (financial instruments shown on the assets side), broken down by class or measurement category according to IFRS 9. However, it does not provide information on the fair value or level of financial assets and financial liabilities not measured at fair value where the carrying amount is a reasonable approximation of fair value.

EURk	Carrying amount 12/31/2021	Classification under IFRS 9	Fair value 12/31/2021
Financial assets measured at fair value			
Other current assets - derivatives with positive market value (cash flow hedge)	3,411	FVOCI	3,411
Trade receivables	4,615	FVPL	4,615
Other financial assets	1,410	FVOCI / FVPL	1,410
Total	9,436		
Financial assets not measured at fair value			
Cash and cash equivalents	373,509	AC	-
Trade receivables	146,247	AC	-
Other financial assets	51,020	AC	-
Total	570,776		
Total	580,212		
EURk			
	Carrying amount 12/31/20	Classification under IFRS 9	Fair value 12/31/2020
Financial assets measured at fair value			
Other current assets - derivatives with positive market value that have already been assigned to receivables	1,663	FVPL	1,663
Other current assets - derivatives with positive market value (cash flow hedge)	532	FVOCI	532
Trade receivables	17,051	FVPL	17,051
Other financial assets	1,410	FVOCI / FVPL	1,410
Total	20,656		
Financial assets not measured at fair value			
Cash and cash equivalents	218,270	AC	-
Trade receivables	127,836	AC	-
Other financial assets	37,718	AC	-
Total	383,824		
Total	404,480		

Receivables sold in connection with the current ABS and factoring program are fully derecognized in accordance with the rules under IFRS 9. Under the ABS program, trade receivables insured on a revolving monthly basis are sold up to a maximum volume of EUR 250,000k (previous year: EUR 250,000k). As at the reporting date, trade receivables of EUR 166,358k (previous year: EUR 127,399k) had been sold to third parties. Up to a contractually defined amount, the PIERER Mobility Group continues to bear a risk from credit risk related defaults. As at December 31st 2021, the maximum ensuing risk of loss was EUR 1,158k (previous year: EUR 994k). The expected loss is recorded as a liability and expensed at the time of sale. As of December 31st 2021, the carrying amount of the ongoing commitment was EUR 1,158k (previous year: EUR 994k). It is listed under other current

Fair value				Carrying amount 12/31/2021				
Level 1	Level 2	Level 3	Total	AC Amortised Cost	FVOCI Fair Value through OCI	FVOCI Fair Value through OCI (without recycling)	FVPL Fair Value through P&L	Fair Value - hedging instruments
-	3,411	-	3,411	-	-	-	-	3,411
-	-	4,615	4,615	-	-	-	4,615	-
1,194	-	216	1,410	-	-	216	1,194	-
-	-	-	-	373,509	-	-	-	-
-	-	-	-	146,247	-	-	-	-
-	-	-	-	51,020	-	-	-	-
Fair value				Carrying amount 12/31/2020				
Level 1	Level 2	Level 3	Total	AC Amortised Cost	FVOCI Fair Value through OCI	FVOCI Fair Value through OCI (without recycling)	FVPL Fair Value through P&L	Fair Value - hedging instruments
-	1,663	-	1,663	-	-	-	-	1,663
-	532	-	532	-	-	-	-	532
-	-	17,051	17,051	-	-	-	17,051	-
1,194	-	216	1,410	-	-	216	1,194	-
-	-	-	-	218,270	-	-	-	-
-	-	-	-	127,836	-	-	-	-
-	-	-	-	37,718	-	-	-	-

liabilities. The carrying amount represents the fair value of the ongoing commitment. In the reporting period, income from the ongoing commitment of EUR 164k (previous year: EUR 42k) and accumulated expenses since the start of the transaction of EUR 1,158k (previous year: EUR 994k) was recorded. Under the factoring program, trade receivables insured on a revolving monthly basis are sold up to a maximum volume of EUR 65,000k (previous year: EUR 15,000k). As at the reporting date, trade receivables of EUR 32,923k (previous year: EUR 11,720k) had been sold to third parties. Up to a contractually defined amount, the group continues to bear a risk from credit risk related defaults. As at December 31st 2021, the maximum ensuing risk of loss was EUR 2,163k (previous year: EUR 0k).

The following table shows the carrying amounts and fair values of the financial liabilities (financial instruments shown on the liabilities side), broken down by class or measurement category according to IFRS 9. However, it does not provide information on the fair value or level of financial liabilities not measured at fair value where the carrying amount is a reasonable approximation of fair value.

EURk	Carrying amount 12/31/2021	Classification under IFRS 9	Fair value 12/31/2021
Financial liabilities measured at fair value			
Fair value - hedging instruments			
Other financial liabilities - derivatives with negative market value that have already been assigned to receivables	479	FVPL	479
Other financial liabilities - derivatives with negative market value (cash flow hedge)	1,509	FVOCI	1,509
Total	1,988		
Financial liabilities not measured at fair value			
At amortized cost			
Interest-bearing liabilities	497,944	AC	519,425
Lease liabilities	65,442	AC	-
Trade payables	395,581	AC	-
Other financial liabilities (current and non-current)	79,175	AC	-
Total	1,038,142		
Total	1,040,130		
EURk			
	Carrying amount 12/31/20	Classification under IFRS 9	Fair value 12/31/2020
Financial liabilities measured at fair value			
Fair value - hedging instruments			
Other financial liabilities - derivatives with negative market value (no hedging relationship)	245	FVPL	245
Other financial liabilities - derivatives with negative market value that have already been assigned to receivables	748	FVPL	748
Other financial liabilities - derivatives with negative market value (cash flow hedge)	2,085	FVOCI	2,085
Total	3,078		
Financial liabilities not measured at fair value			
At amortized cost			
Interest-bearing liabilities	468,956	AC	495,649
Lease liabilities	61,727	AC	-
Trade payables	262,099	AC	-
Other financial liabilities (current and non-current)	54,975	AC	-
Total	847,757		
Total	850,835		

Fair value				Carrying amount 12/31/2021				
Level 1	Level 2	Level 3	Total	AC Amortised Cost	FVOCI Fair Value through OCI	FVOCI Fair Value through OCI (without recycling)	FVPL Fair Value through P&L	Fair Value - hedging instruments
-	479	-	479	-	-	-	-	479
-	1,509	-	1,509	-	-	-	-	1,509
-	-	519,425	519,425	497,944	-	-	-	-
-	-	-	-	65,442	-	-	-	-
-	-	-	-	395,581	-	-	-	-
-	-	-	-	79,175	-	-	-	-

Fair value				Carrying amount 12/31/2020				
Level 1	Level 2	Level 3	Total	AC Amortised Cost	FVOCI Fair Value through OCI	FVOCI Fair Value through OCI (without recycling)	FVPL Fair Value through P&L	Fair Value - hedging instruments
-	245	-	245	-	-	-	245	-
-	748	-	748	-	-	-	-	748
-	2,085	-	2,085	-	-	-	-	2,085
-	-	495,649	495,649	468,956	-	-	-	-
-	-	-	-	61,727	-	-	-	-
-	-	-	-	262,099	-	-	-	-
-	-	-	-	54,975	-	-	-	-

The net profit or loss from the financial instruments by IFRS 9 measurement category includes net gains/losses, total interest income/expenses and impairment losses and is made up as follows:

2021 EURk	From Interest	From subsequent measurement to fair value	From allowance	From disposal income	From foreign exchange valuation	Net income (total)
Financial assets - amortized cost (AC)	1,865	0	-122	0	8,484	10,227
Fair Value through OCI (FVOCI) - equity instruments	0	0	0	0	0	0
Fair Value through PL (FVPL) - equity instruments	0	365	0	0	0	365
Other financial liabilities - amortized cost (AC)	-12,487	0	0	0	0	-12,487
Total	-10,622	365	-122	0	8,484	-1,895

2020 EURk	From Interest	From subsequent measurement to fair value	From allowance	From disposal income	From foreign exchange valuation	Net income (total)
Financial assets - amortized cost (AC)	1,629	0	-1,087	-494	-2,158	-2,110
Fair Value through OCI (FVOCI) - equity instruments	0	-2	0	0	0	-2
Fair Value through PL (FVPL) - equity instruments	0	-262	0	0	0	-262
Other financial liabilities - amortized cost (AC)	-14,555	0	0	0	0	-14,555
Total	-12,926	-264	-1,087	-494	-2,158	-16,929

Changes in allowances and the derecognition of financial assets (amortized cost) are disclosed in other operating expenses for the relevant overhead areas. The remaining components of the net result are included in financial income and financial expenses, respectively.

44. SET-OFF OF FINANCIAL ASSETS AND LIABILITIES

The group enters into set-off agreements with banks in connection with derivatives. Generally, the amounts owed under such agreements by each counterparty on a given day for all outstanding transactions in the same currency are aggregated into a single net amount payable by one party to the other. In certain cases – e.g. when a credit event such as a default occurs – all outstanding transactions under the agreement are terminated, their value as of termination is determined, and only a single net amount is payable for settling all transactions. These items are not set off in the balance sheet, as such, as the net set-off of multiple transactions under the same framework agreements does not generally occur.

The tables below show financial assets and liabilities that have actually been offset along with amounts that are subject to a set-off agreement but which have not been offset, as they do not fulfill the criteria for set-off prescribed under IFRS.

EURk	Financial assets (gross)	Offset balance items (gross)	Accounted financial assets (net)	Effect of general offsetting agreements	Net amounts
Financial assets 2021					
Other financial assets - Derivatives with positive market value that have already been assigned to receivables					
Forward currency transactions	385	0	385	-341	44
Interest rate swaps	3,026	0	3,026	0	3,026
Total	3,411	0	3,411	-341	3,070
Financial assets 2020					
Other financial assets - Derivatives with positive market value that have already been assigned to receivables					
Forward currency transactions	2,195	0	2,195	-85	2,110
Total	2,195	0	2,195	-85	2,110
Financial liabilities 2021					
Other financial liabilities - Derivatives with negative market value that have already been assigned to receivables					
Forward currency transactions	1,940	0	1,940	-341	1,599
Interest rate swaps	48	0	48	0	48
Total	1,988	0	1,988	-341	1,647
Financial liabilities 2020					
Other financial liabilities - Derivatives with negative market value that have already been assigned to receivables					
Forward currency transactions	1,933	0	1,933	-85	1,849
Interest rate swaps	1,145	0	1,145	0	1,145
Total	3,078	0	3,078	-85	2,994

45. HEDGES

The group enters into derivative financial instruments (foreign currency forwards and interest rate swaps) to hedge foreign currency and interest rate risk. The aim of using derivative financial instruments is to offset fluctuations in cash flows from future transactions. Expected revenues in foreign currencies serve as the basis for planning future cash flows.

The group only recognizes changes in the spot rate component of forward currency transactions as a hedging instrument in cash flow hedges. The change in the forward component is accounted for separately as a cost of hedging and transferred to a reserve for hedging costs in equity or reclassified in the income statement if the hedged item affects profit or loss (as part of the financial result).

Derivatives are generally measured at fair value in accordance with IFRS 9. The KTM group applies the rules for cash flow hedge accounting defined by IFRS 9 to these derivative financial instruments.

However, the main contractual criteria of the hedged item and the hedging instrument are identical but oppositely structured ("critical terms match"), ensuring an economic context for the hedging relationship. As of December 31st 2021 (as in the previous year as well), there were no derivative financial instruments for which no hedging relationships could be established.

A cash flow hedge is present if variable cash flows from recognized assets and/or liabilities or forecast business transactions that are subject to a market price risk are being hedged. If the requirements for a cash flow hedge are met, the effective portion of the change in the market value of hedging instruments must be recognized directly in consolidated equity. However, it is not recognized in profit or loss until the hedged transaction occurs. Where foreign currency hedges are used, subsequent changes in the market value of the derivatives are recognized in profit or loss. From that date, the change in the market value can be compared to the end-of-period closing rate of the foreign currency trade payables or foreign currency trade receivables. Any changes in earnings that are caused by the ineffectiveness of derivative financial instruments are recognized in profit or loss in the consolidated income statement.

To measure the effectiveness of a currency hedge, the hedged items and the hedging transactions are grouped together in so-called maturity bands according to the hedged risk. The maturity bands should not cover more than one quarter-year. The prospective effectiveness is assessed at the inception of the hedging relationship and reviewed at each measurement date as well as in the event of a significant change in the circumstances that affect the criteria for assessing effectiveness. In the case of interest rate hedges, prospective effectiveness is measured using a sensitivity analysis and retrospective effectiveness testing is performed using the dollar offset approach.

Derivatives are measured at fair value. The fair value is the market value and is determined using accepted methods of financial mathematics. The basis for measuring the derivatives is the market data (interest rate, exchange rates, etc.) prevailing on the reporting date. The forward rate applicable on the reporting date is used for measuring forward currency transactions. In the case of positive market values, the credit rating of the counterparty is included in the measurement by means of a credit value adjustment (CVA). In the case of negative market values, a debit value adjustment (DVA) is deducted in order to account for the group's own risk of default. Special models are used to estimate the measurement. They are checked for plausibility by means of bank valuations.

The following derivative financial instruments used as **hedging instruments** were employed as of December 31st 2021 and December 31st 2020, respectively:

12/31/2021	Currency	Notional amount in 1000 local currency	Market values in EURk	Exposures in EURk	Term up to 1 year	Average foreign exchange rate	Term 1 - 5 years	Average foreign exchange rate
Forward currency transactions	USD	60,000	-787	46,156	60,000	0.77	-	-
	JPY	600,000	30	-35,946	600,000	65.79	-	-
	CAD	49,000	116	68,080	49,000	-	-	-
	GBP	38,000	-411	88,909	38,000	0.85	-	-
	CHF	19,744	-133	36,270	19,744	1.04	-	-
	AUD	51,000	-418	83,157	51,000	1.58	-	-
	NZD	14,000	48	15,975	14,000	1.67	-	-
		Notional amount in 1000 local currency	Market values in EURk	Exposures in EURk	Term up to 1 year	Average interest rate	Term 1 - 5 years	Average interest rate
Interest rate swaps		166,144	2,979	0	893	2.11%	165,221	0.25%
12/31/2020	Currency	Notional amount in 1000 local currency	Market values in EURk	Exposures in EURk	Term up to 1 year	Average foreign exchange rate	Term 1 - 5 years	Average foreign exchange rate
Forward currency transactions	USD	20,000	1,999	117,755	20,000	1.09	-	-
	JPY	4,266,000	-840	-7,354	4,266,000	123.47	-	-
	CAD	0	0	40,884	0	-	-	-
	GBP	17,000	168	78,226	17,000	0.89	-	-
	CHF	8,200	25	22,224	8,200	1.08	-	-
	AUD	50,000	-745	95,173	50,000	1.63	-	-
	NZD	8,000	-60	12,248	8,000	1.73	-	-
	PLN	0	0	15,155	0	-	-	-
	ZAR	0	0	12,912	0	-	-	-
	CNY	0	0	-5,743	0	-	-	-
		Notional amount in 1000 local currency	Market values in EURk	Exposures in EURk	Term up to 1 year	Average interest rate	Term 1 - 5 years	Average interest rate
Interest rate swaps		108,167	-1,145	0	893	2.11%	107,275	0.39%

In cash flow hedge accounting, both variable future cash flows arising from non-current liabilities with maturity dates up to 2024 or up to 2026 and future operating cash flows (receipts as well as payments) planned for the next twelve months are hedged.

At the reporting date, the amounts relating to items designated as hedged **items** were as follows.

EURk	Cash flow hedge reserve	Costs of hedging hedge reserve	Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied
12/31/2021			
Foreign currency risk			
Sales and receivables	-1,242	486	0
Inventory purchases	144	0	0
Interest rate risk			
Variable-rate instruments	1,985	0	0
Total	887	486	0
12/31/2020			
Foreign currency risk			
Sales and receivables	22	-102	0
Inventory purchases	-154	0	0
Interest rate risk			
Variable-rate instruments	-806	0	0
Total	-938	-102	0

The **hedging transactions** designated as of the reporting date are composed of the following:

EURk	Nominal amount	Carrying amount		Line item in the statement of financial position where the hedging instrument is included
		Assets	Liabilities	
12/31/2021				
Foreign currency risk				
Foreign currency forwards - sales and receivables	183,302	349	-1,934	Other current assets, other current liabilities
Foreign currency forwards - inventory purchases	4,615	36	-6	Other current assets, other current liabilities
Interest rate risk				
Interest rate swaps	166,114	3,026	-48	Other current liabilities
Total	354,031	3,411	-1,988	

EURk	Nominal amount	Carrying amount		Line item in the statement of financial position where the hedging instrument is included
		Assets	Liabilities	
12/31/2020				
Foreign currency risk				
Foreign currency forwards - sales and receivables	78,620	2,193	-806	Other current assets, other current liabilities
Foreign currency forwards - inventory purchases	34,128	1,660	-2,500	Other current assets, other current liabilities
Interest rate risk				
Interest rate swaps	108,167	0	-1,145	Other current liabilities
Total	220,915	3,853	-4,451	

The **cash flow hedge reserve** and the **reserve for hedging costs** (after taxes) developed as follows:

EURk	Reserve for hedging costs	Cash flow hedge reserve	Total
As of 1/1/2020	-314	278	-36
Amount reclassified to the income statement			
Realization of hedged item (recognized in revenues - currency risk)	0	-220	-220
Realization of hedged item (recorded in net interest income - currency risk)	314	0	314
Realization of hedged item (recorded in net interest income - interest rate risk)	0	215	215
Inventories			
Realization of hedged item (recorded in inventories / production costs - currency risk)	0	-71	-71
Change in fair value			
Addition - interest rate risk	0	-887	-887
Addition - currency risk	-102	-253	-355
Cash flow hedge reserve from initial consolidation	0	0	0
Balance as of 12/31/2020 = balance as of 1/1/2021	-102	-938	-1,040

EURk	Reserve for hedging costs	Cash flow hedge reserve	Total
Amount reclassified to the income statement			
Realization of hedged item (recognized in revenues - currency risk)	0	-1,265	-1,265
Realization of hedged item (recorded in net interest income - currency risk)	102	0	102
Realization of hedged item (recorded in net interest income - interest rate risk)	0	373	373
Inventories			
Realization of hedged item (recorded in inventories / production costs - currency risk)	0	156	156
Change in fair value			
Addition - interest rate risk	0	2,417	2,417
Addition - currency risk	486	143	629
Cash flow hedge reserve from initial consolidation	0	0	0
As of 12/31/2021	486	886	1,372

As of December 31st 2020, ineffective components of the derivative financial instruments classified as cash flow hedges yielded a net result (after taxes) of EUR 0k (previous year: EUR 0k).

FORWARD CURRENCY TRANSACTIONS

The PIERER Mobility Group enters into forward currency transactions to hedge intended future revenue and cost of materials denominated in foreign currency against the risk of exchange rate fluctuations.

INTEREST RATE SWAPS

In order to control the interest rate risk in relation to variable euro interest rates, amortizing interest rate swaps with a nominal value of EUR 50,000k and a term of 10 years were entered into during the 2021 financial year. In 2020, USD interest rate swaps with a nominal value of USD 130,000k and a term of 5 years were concluded to hedge variable USD financing.

As of December 31st 2021, the outstanding notional amount was EUR 166,114k (previous year: EUR 108,167k).

In the 2021 financial year, EUR -365k (previous year: EUR 262k) from the measurement of interest rate swaps were recorded in the income statement.

46. CAPITAL MANAGEMENT

The aim of the group is to preserve a strong capital structure in order to maintain investor, creditor and market confidence and to ensure the company's sustainable development. The Executive Board regularly monitors the return on capital as well as the amounts of the dividends that will be paid to the holders of ordinary shares.

The strategy of the PIERER Mobility Group aims to ensure that PIERER Mobility AG and the other group companies have an equity base that meets the local requirements. The principal key figures used for capital management control are equity ratio, net financial debt, gearing and the dynamic debt level. Some loan agreements include financial covenants regarding the equity ratio and dynamic debt level, non-compliance with which would lead to a premature repayment of the financial liabilities. All financial covenants were met in the reporting year.

The **equity ratio** is as follows:

EURk	12/31/2021	12/31/2020
Equity	765,551	654,119
Balance sheet total	2,033,719	1,686,034
Equity ratio	37.6%	38.8%

The **net financial debt** is defined on the basis of the current and non-current financial liabilities (bonds, loans, lease liabilities and other interest-bearing liabilities) minus cash and cash equivalents. The objectives in this regard are to secure liquidity in the long term, the efficient use of external financing, and minimizing the financial risk while simultaneously optimizing returns.

EURk	12/31/2021	12/31/2020
Non-current financial liabilities	506,539	456,089
Current financial liabilities	56,847	74,594
Cash and cash equivalents	563,386	530,683
	-373,509	-218,270
Net financial debt	189,877	312,413

The key figures of “**gearing**” (ratio of net debt to equity) and “**dynamic debt level**” (ratio of net financial debt to EBITDA) for monitoring the capital are as follows:

EURk	12/31/2021	12/31/2020
Equity	765,551	654,119
Net financial debt	189,877	312,413
Gearing	24.8%	47.8%

EURk	12/31/2021	12/31/2020
Net financial debt	189,877	312,413
EBITDA	332,202	233,530
Dynamic debt level	0.6	1.3

IX. LEASES

47. LEASES AS LESSEE (IFRS 16)

The PIERER Mobility Group has concluded rental and lease agreements for the use of land, operating and administrative buildings, or office space and storage areas, machines (including CNC machines) and in respect of the vehicle fleet.

The PIERER Mobility Group also leases IT equipment with contractual terms of between one and five years. These rental and lease agreements are short-term and/or for items of low value. The group has exercised the option under IFRS 16.5-8 and has not recognized any rights of use or leasing liabilities for these rental and lease agreements.

Since the 2016 financial year, leasing contracts have been concluded for tools (special leasing) and machines with terms of 3-10 years.

Rights of use and leasing liabilities

The carrying value of the rights of use is as follows:

EURk	Land and buildings	Technical plant and machinery	Fixtures and fitting, tools and equipment (incl. Motor vehicles)	TOTAL
2021				
As of 1/1	29,991	16,180	13,891	60,062
- Depreciation and amortization	-8,399	-5,429	-6,480	-20,308
+ Additions right-of-use assets	8,975	6,792	8,859	24,626
- Disposals right-of-use assets	-1,419	0	-285	-1,704
+/- Currency effects, reclassifications	121	-16	105	210
Carrying amount as of 12/31/2021	29,269	17,527	16,090	62,886
2020				
As of 1/1	28,073	15,803	16,303	60,180
- Depreciation and amortization	-6,898	-5,668	-6,188	-18,754
+ Additions right-of-use assets	8,905	6,162	4,417	19,484
- Disposals right-of-use assets	-45	-115	-547	-707
+/- Currency effects, reclassifications	-44	-2	-94	-140
Carrying amount as of 12/31/2020	29,991	16,180	13,891	60,062

The cash value of the minimum lease payments is as follows:

EURk	Future minimum lease payments	Interest payments	Present value of future minimum lease payments
2021			
Up to 1 year	20,706	797	19,909
Longer than 1 year and up to 5 years	36,336	1,552	34,783
Over 5 years	14,069	3,319	10,750
TOTAL	71,111	5,668	65,442
2020			
Up to 1 year	20,285	794	19,491
Longer than 1 year and up to 5 years	34,601	1,558	33,042
Over 5 years	12,693	3,499	9,194
TOTAL	67,579	5,851	61,727

Payment obligations under leases are disclosed in the consolidated statement of financial position under financial liabilities, see Note 32.

Amounts recognized in the income statement and statement of cash flows

2021 - Leases according to IFRS 16		EURk
Interest expenses on lease liabilities		895
Income from sublease of right-of-use assets		208
Expenses relating to short-term leases		3,787
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets		9,482
2020 - Leases according to IFRS 16		EURk
Interest expenses on lease liabilities		968
Income from sublease of right-of-use assets		213
Expenses relating to short-term leases		3,802
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets		9,426

The expenses for leases for low-value assets relate to rental and lease agreements for IT equipment.

The statement of cash flows recorded cash outflows for leases in the amount of EUR 32,387k (previous year: EUR 32,804k), of which EUR 18,431k (previous year: EUR 18,821k) are for the repayment of lease liabilities and EUR 13,956k (previous year: EUR 13,983k) are for short-term and lower-value leases as well as interest expenses and income from subleases of rights of use.

Options for prolongation

Some rental and lease agreements contain options for prolongation, which can be exercised by the group up to one year before the end of the fixed term. Wherever possible, the group seeks to include options for prolongation when concluding new rental contracts and leases in order to ensure operational flexibility. On the date of provision, the group assesses whether the right to exercise options for prolongation is sufficiently certain. The group reassesses whether it is reasonably certain that an option for prolongation will be exercised if a material event or change in circumstances occurs that is within its control.

48. LEASES AS LESSOR (IFRS 16)

From the lessor's perspective, all leases are classified as operating leases, as they are structured in such a way that the PIERER Mobility Group essentially retains all the risks and opportunities associated with ownership.

This does not include three subleases, which the group has classified as finance leases. These relate to the sublease of buildings, which were reported as rights of use under property, plant and equipment. One of these three subleases was newly concluded and accounted for in the 2021 financial year.

In addition, the group recorded interest income on leasing receivables in 2021 in the amount of EUR 8k (previous year: EUR 10k). The leasing receivables from subleases amounted to EUR 850k as of December 31st 2021 (previous year: EUR 590k). Of these, EUR 327k (previous year: EUR 293k) is due in less than one year and EUR 523k (previous year: EUR 297k) in 1-5 years.

X. EXPLANATIONS REGARDING RELATED PARTIES AND THE CORPORATE BODIES

49. RELATED PARTY DISCLOSURES

According to the provisions of IAS 24, details of related party transactions are to be provided.

On the reporting date of December 31st 2021, 73.32% of the shares of PIERER Mobility AG were held by PIERER BAJAJ AG (formerly: PTW Holding AG), which is 50.10% owned by Pierer Industrie AG. Furthermore, Pierer Konzerngesellschaft mbH holds 2.58% of the shares in PIERER Mobility AG. Pierer Industrie AG is 100.00% owned by Pierer Konzerngesellschaft mbH. The sole shareholder of Pierer Konzerngesellschaft mbH is Stefan Pierer.

Stefan Pierer held the following key positions in the Pierer Konzerngesellschaft mbH Group as at December 31st 2021:

- Chairman of the Executive Board of Pierer Industrie AG, Wels
- Chairman of the Executive Board of Pierer Bajaj AG, Wels
- Chairman of the Executive Board of PIERER Mobility AG, Wels
- Chairman of the Executive Board of KTM AG, Mattighofen
- Chairman of the Supervisory Board of Pankl AG, Kapfenberg
- Chairman of the Supervisory Board of Pankl Racing Systems AG, Kapfenberg
- Member of the Supervisory Board of SHW AG, Aalen, Germany
- Chairman of the Supervisory Board of WESTPARK WELS AG, Wels

In the PIERER Mobility Group, transactions with related parties are grouped according to “shareholder-related companies”, “associates” and “other companies”.

PIERER Mobility AG is part of the same group as Pierer Konzerngesellschaft mbH, the ultimate parent company of the group, and its subsidiaries and is included within the consolidated financial statements of that group. All the companies included within the consolidated financial statements of Pierer Konzerngesellschaft mbH and controlled by Pierer Konzerngesellschaft mbH are shown as related companies in the “shareholder-related companies” category.

Associates can be seen from the schedule of equity holdings (see Chapter XII) and concern all investments accounted for using the equity method.

Other companies are defined as all companies controlled by key management. PIERER Mobility AG principally defines key management as members of the Executive Board and Supervisory Board and, where appropriate, further managers in key positions who may exert a significant influence on the finance and business policy decisions of the group. In addition, family members of key management and their companies are also taken into account.

In the 2021 financial year and in the previous year, there were no material transactions with related parties (apart from Executive Board and Supervisory Board earnings, see Note 51.). The business transactions with related companies are represented as follows according to the grouping described:

All transactions with related companies were carried out at arm’s length. Material business relationships are disclosed below:

EURk	Shareholder related companies		Associated companies		Other companies	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Receivables	32,013	11,544	11,494	5,118	2,474	2,056
Liabilities	-12,890	-10,390	-2,752	-1,630	-9,849	-609
Revenues	2,551	822	35,291	17,508	17,835	14,858
Expenses	-118,548	-48,915	-32,365	-22,371	-223,712	-143,427
Dividend	-7,372	0	0	0	0	0

SHAREHOLDER-RELATED COMPANIES:

Since the investment in 2014, PIERER Mobility AG has been a group member of Pierer Konzerngesellschaft mbH, Wels, in accordance with Section 9 of the Austrian Corporate Tax Act (KStG). KTM AG has been a member of this tax group within the meaning of the Austrian Corporate Tax Act since 2017. The taxable incomes of the group members are allocated to the group parent. The tax compensation between the group parent and each individual group member was regulated by a group taxation and tax transfer agreement. Tax losses are reserved at the level of the respective subsidiaries and can be offset at this level against future tax profits.

In the 2021 financial year, expenses totaling EUR 33,078k were incurred with Pierer Konzerngesellschaft mbH (previous year: EUR 6,925k) and earnings amounting to EUR 2k were incurred (previous year: EUR 822k). Furthermore, as at the reporting date, there were outstanding liabilities amounting to EUR 8,233k (previous year: EUR 2,920k) and receivables of EUR 257k (previous year: EUR 1k).

Since October 1st 2018, Pierer Industrie AG has formed a tax group for VAT purposes with the PIERER Mobility Group. As of the reporting date, the PIERER Mobility Group had receivables totaling EUR 8,933k (previous year: EUR 5,783k), in particular from the tax group settlement with Pierer Industrie AG.

In the 2021 financial year, Pierer Bajaj AG received dividends in the amount of EUR 6,762k, Pierer Konzerngesellschaft mbH received dividends in the amount of EUR 483k and Pierer Industrie AG received dividends in the amount of EUR 128k from PIERER Mobility AG from the previous financial year. In the previous year, no dividend was distributed to shareholders by PIERER Mobility AG.

As of December 31st 2021, KTM North America, Inc., USA had outstanding receivables from PIERER ImmoReal North America, LLC., USA, from various recharges of EUR 3,076k (previous year: EUR 679k). In addition, the company was granted a credit facility by KTM AG of USD 40,000k for the construction of office and operating buildings in North America. As of December 31st 2021, EUR 14,449k of this had been utilized.

Other transactions with shareholder-related companies on the expenses side mainly concern the Pankl Racing Group, which acts as a supplier of purchased parts for the KTM group. The Pankl Racing Group is part of the Pierer Industrie Group and is controlled via Pankl AG.

ASSOCIATES:

Expenses of EUR 14,210k were incurred for services provided by Kiska GmbH during the financial year (previous year: EUR 12,760k). As of December 31st 2021, accounts payable to Kiska GmbH were EUR 2,572k (previous year: EUR 1,015k). Other expenses relate to transactions with KTM Asia Motorcycle Manufacturing Inc. of the Philippines.

Receivables and income from associates largely relate to transactions with KTM Asia Motorcycle Manufacturing Inc. and Zhejiang CFMOTO-KTMR2R Motorcycles Co.

OTHER COMPANIES:

Cooperation with the Indian Bajaj group has been in place since 2007. The Bajaj group is India's second largest motorcycle manufacturer in of motorcycles and three wheelers, selling approximately 3.9 million units in the last financial year (reporting date: March 31st 2021). The cooperation focuses on the joint development of entry level street motorcycles, which are produced in India and distributed under the "KTM" brand by both companies in their respective core markets.

The Deputy Chairman of the Supervisory Board of KTM AG, Rajiv Bajaj, is Managing Director and CEO of Bajaj Auto Ltd., Pune, India. Srinivasan Ravikumar, a member of the Supervisory Board of KTM AG, is a director of Bajaj Auto International Holdings B.V., Amsterdam, Netherlands, and President of Business Development and Assurance, Bajaj Auto Ltd., Pune, India. Following the simplification of the ownership structure in the 2021 financial year, Bajaj Auto International Holdings B.V., a subsidiary of Bajaj Auto Ltd., now owns 49.9% of Pierer Bajaj AG, which in turn is the majority shareholder (73.32%) of PIERER Mobility AG. Bajaj Auto International Holdings B.V. had a direct interest of 47.99% in KTM AG in the previous year. In the course of this restructuring, 161,939 treasury shares in KTM AG were purchased at a purchase price of EUR 179.00 per share from Bajaj Auto International Holdings B.V. and repurchased with effect from December 18th 2021. As of December 31st 2021, there was a liability to Bajaj Auto Ltd. of EUR 9,681k (previous year: EUR 211k). The expenses in the category "Other companies" also largely relate to Bajaj Auto Ltd.

Third-party deliveries of motorcycles and spare parts were made to dealers (KTM Braumandl GmbH, MX - KTM Kini GmbH, SO Regensburg GmbH, KTM Wien GmbH). Revenues and receivables from other companies mainly relate to transactions with these dealers. The minority interests in the dealers are held via Pierer Industrie AG.

50. CORPORATE BODIES OF PIERER MOBILITY AG

The following individuals were appointed as **members of the Executive Board** with collective power of representation:

Stefan **Pierer**, CEO
 Friedrich **Roithner**, CFO
 Hubert **Trunkenpolz**, CSO
 Viktor **Sigl**, MBA

The following individuals were appointed as members of the **Supervisory Board**:

Josef **Blazicek**, Chairman
 Dr. Ernst **Chalupsky**, Deputy Chairman
 Klaus **Rinnerberger**
 Alfred **Hörtenhuber**

51. EXECUTIVE BOARD AND SUPERVISORY BOARD REMUNERATION

The **remuneration for the Executive Board** 2021 of PIERER Mobility AG includes salaries, benefits in kind, bonuses, severance payments as well as payments into the company's staff severance pay fund and amounted to EUR 8,256k (previous year: EUR 4,535k). Furthermore, earnings from previous periods for members of the Executive Board did not result in any subsequent payment. In addition, there are no agreements regarding a company retirement scheme for the Executive Board and no pension fund payments were made to the Executive Board in the 2021 financial year.

It is proposed that the **remuneration to be paid to the Supervisory Board** of PIERER Mobility AG for the 2021 financial year (payout in the 2022 financial year) shall amount to a total of EUR 73k (previous year: EUR 57k).

No loans or advances have been granted to the members of the Supervisory Board of PIERER Mobility AG as of the reporting date.

XI. EVENTS AFTER THE REPORTING DATE

On January 20th 2022, the 3rd reading in the National Council resolved to reduce the corporate income tax rate to 24% from 2023 and to 23% from 2024 onward. In the coming years, this will have an estimated effect of around EUR 8 million on the assessment of deferred taxes in the form of a reduction in deferred tax liabilities.

PIERER Mobility AG announced on January 27th 2022 via a press release that it was applying for the admission of its shares to the official trading (prime market segment) of the Vienna Stock Exchange. The admission to trading in the prime market of the Vienna Stock Exchange took place on March 1st 2022, which means that PIERER Mobility AG is now also listed in the top segment of the Vienna Stock Exchange. As Europe's leading "Powered Two-Wheeler" (PTW) manufacturer with a market capitalization of over EUR 3 billion, the PIERER Mobility Group thus joins the league of the 39 largest and most traded companies on the Vienna Stock Exchange. This step is intended to satisfy the great level of interest among investors in Austria and abroad. The primary listing of the shares of PIERER Mobility AG (ISIN: AT0000KTM102) will remain with the SIX Swiss Exchange.

There have been military conflicts between Russia and Ukraine since February 24, 2022. PIERER Mobility AG has no investments, other assets or other significant business relationships in either country. Therefore, there are no significant financial effects on the financial statements of PIERER Mobility AG as of December 31, 2021.

XII. GROUP COMPANIES (SCHEDULE OF EQUITY HOLDINGS)

The schedule of equity holdings comprises all companies that have been included in the consolidated financial statements in addition to the parent companies.

Company	Initial consolidation date	12/31/21		12/31/20	
		Interest %	Consolidation type	Interest %	Consolidation type
Fully consolidated companies					
KTM AG, Mattighofen	5/31/2005	99.75	FC	51.71	FC
KTM Immobilien GmbH, Mattighofen	5/31/2005	99.75	FC	51.71	FC
KTM North America, Inc., Amherst, Ohio, USA	5/31/2005	99.75	FCA	51.71	FCA
KTM-Motorsports Inc., Murrieta, CA, USA	5/31/2005	99.75	FCA	51.71	FCA
KTM Japan K.K., Tokyo, Japan	5/31/2005	99.75	FCA	51.71	FCA
KTM-Racing AG, Frauenfeld, Switzerland	5/31/2005	99.75	FCA	51.71	FCA
KTM Sportcar GmbH, Mattighofen	5/31/2005	99.75	FC	51.71	FC
KTM Motorcycles S.A. Pty. Ltd., Midrand, South Africa	3/1/2009	99.75	FCA	51.71	FCA
KTM Sportmotorcycle Mexico C.V. de S.A., Lerma, Mexico	6/1/2009	99.75	FCA	51.71	FCA
KTM Sportmotorcycle GmbH, Mattighofen	3/31/2011	99.75	FC	51.71	FC
KTM-Sportmotorcycle India Private Limited, Pune, India	6/1/2012	99.75	FCA	51.71	FCA
Husqvarna Motorcycles GmbH, Mattighofen	1/1/2013	99.75	FC	51.71	FC
KTM Sportmotorcycle Deutschland GmbH, Ursensollen, Germany	12/31/2013	99.75	FCA	51.71	FCA
KTM Switzerland Ltd., Frauenfeld, Switzerland	12/31/2013	99.75	FCA	51.71	FCA
KTM Sportmotorcycle UK Ltd., Northamptonshire, UK	12/31/2013	99.75	FCA	51.71	FCA
KTM-Sportmotorcycle Espana S.L., Terrassa, Spain	12/31/2013	99.75	FCA	51.71	FCA
KTM Sportmotorcycle France SAS, Saint-Priest, France	12/31/2013	99.75	FCA	51.71	FCA
KTM Sportmotorcycle Italia S.r.l., Meran, Italy	12/31/2013	99.75	FCA	51.71	FCA
KTM-Sportmotorcycle Nederland B.V., Malden, Netherlands	12/31/2013	99.75	FCA	51.71	FCA
KTM Sportmotorcycle Scandinavia AB, Örebro, Sweden	12/31/2013	99.75	FCA	51.71	FCA
KTM-Sportmotorcycle Belgium S.A., Gembloux, Belgium	12/31/2013	99.75	FCA	51.71	FCA
KTM Canada Inc., Chambly, Canada	12/31/2013	99.75	FCA	51.71	FCA
KTM Hungária Kft., Budapest, Hungary	12/31/2013	99.75	FCA	51.71	FCA
KTM Central East Europe s.r.o., Bratislava, Slovakia	12/31/2013	99.75	FCA	51.71	FCA
KTM Österreich GmbH, Mattighofen	12/31/2013	99.75	FC	51.71	FC
KTM Nordic Oy, Vantaa, Finland	12/31/2013	99.75	FCA	51.71	FCA
KTM Sportmotorcycle d.o.o., Marburg, Slovenia	12/31/2013	99.75	FCA	51.71	FCA
KTM Czech Republic s.r.o., Pilsen, Czech Republic	12/31/2013	99.75	FCA	51.71	FCA
KTM Sportmotorcycle SEA PTE. Ltd., Singapore, Singapore	1/1/2014	99.75	FCA	51.71	FCA
Husqvarna Motorcycles Deutschland GmbH, Ursensollen, Germany	12/31/2013	-	-	51.71	FCA
Husqvarna Motorcycles North America, Inc., Murrieta, CA, USA	12/1/2013	99.75	FCA	51.71	FCA
Husqvarna Motorsports, Inc., Murrieta, CA, USA	4/1/2015	99.75	FCA	51.71	FCA
Husqvarna Motorcycles S.A. Pty. Ltd., Northriding, South Africa	4/1/2015	99.75	FCA	51.71	FCA

Company	Initial consolidation date	12/31/21		12/31/20	
		Interest %	Consolidation type	Interest %	Consolidation type
KTM Logistikzentrum GmbH, Mattighofen	9/16/2016	99.75	FC	51.71	KVI
WP Suspension GmbH, Mattighofen	11/30/2016	99.75	FC	51.71	FC
KTM Sportmotorcycle MEA DMCC, Dubai	11/30/2016	-	-	51.71	FCA
WP Suspension North America, Inc., Murrieta, CA, USA	8/31/2017	99.75	FCA	51.71	FCA
KTM do Brasil Ltda., Sao Paulo, Brazil	12/31/2017	99.75	FCA	51.71	FCA
KTM Components GmbH, Munderfing	11/30/2007	99.75	FC	51.71	FC
WP Immobilien GmbH, Munderfing	4/30/2005	99.75	FC	51.71	FC
KTM Beteiligungs GmbH, Mattighofen	4/30/2018	99.75	FC	51.71	FC
KTM Australia Holding Pty Ltd., Prestons, Australia	7/1/2019	99.75	FCA	51.71	FCA
KTM Australia Pty Ltd., Prestons, Australia	7/1/2019	99.75	FCA	51.71	FCA
HQVA Pty Ltd., Prestons, Australia	7/1/2019	99.75	FCA	51.71	FCA
KTM Motorcycles Distributers NZ Limited Wellington Central, New Zealand	7/1/2019	99.75	FCA	51.71	FCA
Cero Design Studio S.L., Barcelona, Spain	10/1/2019	49.88	FCA	25.86	FCA
GASGAS Motorcycles GmbH, Mattighofen	10/31/2019	99.75	FC	51.71	FC
GASGAS Motorcycles Espana S.L.U. (formerly: Canepa Investments S.L.), Terrassa, Spain	1/1/2020	99.75	FCA	51.71	FCA
KTM MOTOHALL GmbH, Mattighofen	1/1/2020	89.78	FC	46.54	FC
KTM Racing GmbH, Mattighofen	2/29/2020	99.75	FC	51.71	FC
KTM Forschungs & Entwicklungs GmbH, Mattighofen, Austria	3/31/2021	99.75	FC	-	-
PIERER E-Bikes GmbH, Munderfing	2/25/2020	100.00	FC	100.00	FC
bikes&wheels 2 Radhandels GmbH (formerly: (4) SPORTS GmbH), Wels	4/30/2020	-	-	100.00	FC
PIERER E-Bikes Deutschland GmbH (formerly: PEXCO GmbH), Schweinfurt, Germany	12/31/2019	100.00	FCA	100.00	FCA
PIERER E-Bikes Suisse GmbH (formerly: bikes&wheels Suisse GmbH), Frauenfeld, Switzerland	12/31/2019	100.00	FCA	100.00	FCA
PEXCO France SAS, Saint-Priest, France	12/31/2019	-	-	100.00	FCA
PIERER E-Bikes Espana S.L. (formerly: bikes&wheels 2RUEDAS Espana S.L.), Terrassa, Spain	12/31/2013	100.00	FCA	100.00	FCA
PIERER E-Bikes France SAS (formerly: bikes&wheels France SAS), Saint-Priest, France	12/31/2013	100.00	FCA	100.00	FCA
PIERER E-Bikes Italia S.r.l. (formerly: bikes&wheels Italia S.r.l.), Meran, Italy	12/31/2013	100.00	FCA	100.00	FCA
PIERER E-Bikes Scandinavia AB (formerly: bikes&wheels Scandinavia AB), Örebro, Sweden	12/31/2013	100.00	FCA	100.00	FCA
PIERER E-Bikes North America Inc. (formerly: bikes&wheels North America Inc.), Murrieta, CA, USA	10/1/2020	100.00	FCA	100.00	FCA
PIERER E-Bikes UK Ltd. (formerly: Husqvarna Motorcycles UK Ltd.), Northamptonshire, UK ¹⁾	12/31/2013	100.00	FCA	51.71	FCA
PIERER E-Bikes Benelux, Gembloux, Belgium	11/29/2021	100.00	FCA	-	-
Felt GmbH, Munich, Germany	11/17/2021	100.00	FCA	-	-
PIERER & MAXCOM MOBILITY OOD, Plovdiv, Bulgaria	7/21/2021	50.00	FCA	-	-
HDC GmbH (formerly: PF Beteiligungsverwaltungs GmbH), Wels	12/31/2016	100.00	FC	100.00	FC
KTM E-Technologies GmbH (formerly: KTM Technologies GmbH), Anif	10/1/2019	100.00	FC	74.00	FC

Company	Initial consolidation date	12/31/21		12/31/20	
		Interest %	Consolidation type	Interest %	Consolidation type
KTM Innovation GmbH, Wels	3/31/2018	100.00	FC	100.00	FC
Avocado GmbH, Linz	4/30/2019	100.00	FC	100.00	FC
Platin 1483. GmbH, Schweinfurt, Germany	12/31/2019	100.00	FCA	100.00	FCA
DealerCenter Digital GmbH, Landshut, Germany	7/31/2021	75.46	FCA	45.00	IEA

Associated companies:

KTM Asia Motorcycle Manufacturing Inc., Binan, Laguna, Philippines	-	39.90	IEA	17.58	IEA
Zhejiang CFMOTO-KTMR2R Motorcycles Co., Ltd., Hangzhou City, Zhejiang, China	-	48.88	IEA	25.34	IEA
Kiska GmbH, Anif	-	50.00	IE	50.00	IE

Other non-current financial assets:

Wethje Immobilien GmbH, Vilshofen-Pleinting, Germany	-	-	-	6.00	-
AC styria Mobilitätscluster GmbH, Grambach	-	12.33	-	12.33	-

¹⁾ held via the KTM Group in the previous year

Legend:

FC Full consolidation, domestic

FCA Full consolidation, foreign

IE Inclusion at equity, domestic

IEA Inclusion at equity, foreign

XIII. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

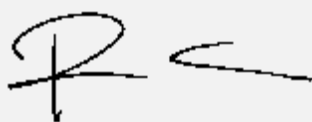
The consolidated financial statements were approved by the Executive Board on March 22nd 2022 (previous year: March 23rd 2021) for review by the Supervisory Board, for submission to the annual general meeting and for subsequent publication. Within the scope of the review it is required to perform, the Supervisory Board may require changes to be made to the consolidated financial statements.

Wels, March 11th 2022

The Executive Board of PIERER Mobility AG



Stefan Pierer



Friedrich Roithner



Hubert Trunkenpolz



Viktor Sigl

AUDITOR'S REPORT

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

AUDIT OPINION

We have audited the consolidated financial statements of

PIERER Mobility AG, Wels, Austria,

and its subsidiaries („the Group“), which comprise the consolidated statement of financial position as at 31 December 2021, and the consolidated income statement and consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements.

In our opinion, the consolidated financial statements comply with the legal requirements and present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2021, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, and the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code).

BASIS FOR OUR OPINION

We conducted our audit in accordance with the EU Regulation 537/2014 („AP Regulation“) and Austrian Standards on Auditing. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the „Auditor's Responsibilities“ section of our report. We are independent of the audited Group in accordance with Austrian company law and professional regulations, and we have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained up to the date of the auditor's report is sufficient and appropriate to provide a basis for our audit opinion on this date.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, however, we do not provide a separate opinion thereon.

RECOGNITION OF DEVELOPMENT COSTS

Refer to note 22

Risk for the Consolidated Financial Statements

In the consolidated financial statements of PIERER Mobility AG, development costs of EUR 353 million are reported under the balance sheet item „Intangible assets“ and therefore represent a significant portion of the group's assets. According to IAS 38, the Group recognizes research costs as expenses, while development costs for future serial products are capitalized if the capitalization requirements according to IAS 38.57ff. are fulfilled.

The main requirements for recognizing development costs as assets are the feasibility of the development projects (including the possibility of technical realization, the intention to complete and the ability to use) and the expected achievement of future economic benefits. The complexity of research and development projects is increasing due to the group's technology leadership as the leading powered two-wheeler manufacturer in Europe and the associated new development projects (including investments in electromobility and a range of zero-emission products). The assessment of project feasibility plays an important role in this context and is subject to discretionary decisions by management.

In addition to meeting the recognition requirements in accordance with IAS 38.57ff. the recording of time and cost for development projects also plays an important role in accurately calculating development costs.

Our Response

We assessed the recognition of development costs as follows:

- We obtained an understanding of management's process for the distinction between research and development costs and the evaluation of the recognition requirements of development costs according to IAS 38.57ff.
- We evaluated the design, establishment and effectiveness of management's process-related controls over the capitalization of development costs, including review of management's project feasibility documentation.
- We assessed, on the basis of random samples, whether a proper distinction has been made between research and development costs capitalized as intangible assets.
- We evaluated, on a sample basis, the adequacy of capitalized expenses by reconciling material costs, overheads and accumulated engineering hours to external invoices and internal timesheets and payslips.

OTHER INFORMATION

Management is responsible for other information. Other information is all information provided in the annual report, other than the consolidated financial statements, the group management report and the auditor's report. Until the date of this report we have received the following chapters of the annual report: corporate governance report and report of the supervisory board. The remaining parts of the annual report will probably be made available to us after this date.

Our opinion on the consolidated financial statements does not cover other information and we do not provide any kind of assurance thereon.

In conjunction with our audit, it is our responsibility to read this other information and to assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the consolidated financial statements or any apparent material misstatement of fact.

If, on the basis of our work on the other information obtained before the date of the auditor's report, we conclude that there is a material misstatement of fact in other information, we must report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code) and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Management is also responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our audit opinion. Reasonable assurance represents a high level of assurance, but provides no guarantee that an audit conducted in accordance with the AP Regulation and Austrian Standards on Auditing (and therefore ISAs), will always detect a material misstatement, if any. Misstatements may result from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the AP Regulation and Austrian Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

Moreover:

- We identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, we design and perform audit procedures responsive to those risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- We conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the respective note in the consolidated financial statements. If such disclosures are not appropriate, we will modify our audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the consolidated financial statements, including the notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of our audit as well as significant findings, including any significant deficiencies in internal control that we identify during our audit.
- We communicate to the audit committee that we have complied with the relevant professional requirements in respect of our independence, that we will report any relationships and other events that could reasonably affect our independence and, where appropriate, the related safeguards.
- From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit i.e. key audit matters. We describe these key audit matters in our auditor's report unless laws or other legal regulations preclude public disclosure about the matter or when in very rare cases, we determine that a matter should not be included in our audit report because the negative consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

REPORT ON OTHER LEGAL REQUIREMENTS

GROUP MANAGEMENT REPORT

In accordance with Austrian company law, the group management report is to be audited as to whether it is consistent with the consolidated financial statements and prepared in accordance with legal requirements.

Management is responsible for the preparation of the group management report in accordance with Austrian company law and other legal or regulatory requirements.

We have conducted our audit in accordance with generally accepted standards on the audit of group management reports.

Opinion

In our opinion, the group management report is consistent with the consolidated financial statements and has been prepared in accordance with legal requirements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Statement

Based on our knowledge gained in the course of the audit of the consolidated financial statements and our understanding of the Group and its environment, we did not note any material misstatements in the group management report.

ADDITIONAL INFORMATION IN ACCORDANCE WITH ARTICLE 10 AP REGULATION

We were elected as auditors at the Annual General Meeting on 29 April 2021 and were appointed by the supervisory board on 29 September 2021 to audit the financial statements of Company for the financial year ending on 31 December 2021.

We have been auditors of the Company, without interruption, since the consolidated financial statements as at 31 December, 2014.

We declare that our opinion expressed in the „Report on the Consolidated Financial Statements“ section of our report is consistent with our additional report to the Audit Committee, in accordance with Article 11 AP Regulation.

We declare that we have not provided any prohibited non-audit services (Article 5 Paragraph 1 AP Regulation) and that we have ensured our independence throughout the course of the audit, from the audited Group.

ENGAGEMENT PARTNER

The engagement partner is Mr Helge Löffler.

Linz, 11 March 2022

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

This report is a translation of the original report in German, which is solely valid.

The consolidated financial statements together with our auditor's opinion may only be published if the consolidated financial statements and the group management report are identical with the audited version attached to this report. Section 281 Paragraph 2 UGB (Austrian Commercial Code) applies.



**PIERER Mobility AG,
Wels**

Jahresabschluss
und Lagebericht
zum 31. Dezember 2021

Bilanz

PIERER Mobility AG

zum 31. Dezember 2021

Aktiva	31.12.2021 €	31.12.2020 €	31.12.2021 €	31.12.2020 €
A. Anlagevermögen				
I. Immaterielle Vermögensgegenstände				
1. Software	0,03		3.783,10	22.345.334,00
II. Sachanlagen				22.538.674,00
1. Betriebs- und Geschäftsausstattung	346.593,64	409.794,51		-193.340,00
2. Anlagen in Bau	14.960,00	0,00		22.345.334,00
	361.553,64	409.794,51		
III. Finanzanlagen				
1. Anteile an verbundenen Unternehmen	1.236.131.439,39	354.277.503,02		10.142.433,87
2. Ausleihungen an verbundene Unternehmen	250.000,00	6.000.000,00		194.761.621,70
3. Beteiligungen	9.701.000,00	11.216.570,30		204.904.055,57
4. Ausleihungen an Unternehmen, mit denen ein Beteiligungsverhältnis besteht	0,00	150.000,00		
5. Wertpapiere (Wertrechte) des Anlagevermögens	206.031,20	206.032,20		
	1.246.288.470,59	371.850.105,52		
	1.246.650.024,26	372.263.683,13		
B. Umlaufvermögen				
I. Forderungen und sonstige Vermögensgegenstände				
1. Forderungen aus Lieferungen und Leistungen	12.690,38	11.383,29		36.000.000,00
2. Forderungen gegenüber verbundenen Unternehmen	58.046.481,81	2.776.328,65		0,00
davon aus Lieferung	3.730.803,41	1.164.926,02		36.000.000,00
davon sonstige	54.315.678,40	1.611.402,63		1.225.198,36
davon mit einer Restlaufzeit von mehr als einem Jahr	602.610,42	600.000,00		1.225.198,36
3. Forderungen gegenüber Unternehmen, mit denen ein Beteiligungsverhältnis besteht	23.478,00	2.093,75		18.183.593,27
davon aus Lieferungen und Leistungen	23.478,00	0,00		18.180.093,27
davon sonstige	0,00	2.093,75		3.500,00
davon mit einer Restlaufzeit von mehr als einem Jahr	0,00	2.093,75		3.500,00
4. sonstige Forderungen und Vermögensgegenstände	510.338,20	517.102,33		18.183.593,27
davon mit einer Restlaufzeit von mehr als einem Jahr	0,00	17.826,51		18.183.593,27
II. Wertpapiere und Anteile	58.592.988,39	3.306.908,02		94.152,00
1. sonstige Wertpapiere und Anteile	1.194.288,76	1.194.288,76		94.152,00
				94.152,00
				991.918,24
				25.061,04
				29.571,68
				698.421,42
				293.496,62
				56.494.861,87
				42.753.399,76
				3.162.241,38
				49.600,00
				3.112.641,38
				3.162.241,38
				36.000.000,00
				6.000.000,00
				30.000.000,00
				1.225.198,36
				1.248.570,13
				1.248.570,13
				4.556.490,57
				4.554.193,70
				2.296,87
				4.556.490,57
				0,00
				0,00
				0,00
				948.339,06
				1.669,98
				948.339,06
				0,00
				42.753.399,76
				56.494.861,87

Bilanz
zum 31. Dezember 2021

PIERER Mobility AG

	31.12.2021	31.12.2020		31.12.2021	31.12.2020
	€	€	Passiva	€	€
Aktiva					
III. Guthaben bei Kreditinstituten	16.786.433,45	5.404.275,39	davon mit einer Restlaufzeit von bis zu einem Jahr	12.753.399,76	20.201.365,05
	76.573.710,60	9.905.472,17	davon mit einer Restlaufzeit von mehr als einem Jahr	30.000.000,00	36.293.496,82
C. Rechnungsabgrenzungsposten	3.357.333,28	5.127.951,65	Summe Passiva	1.326.581.068,14	387.297.106,95
Summe Aktiva	1.326.581.068,14	387.297.106,95			

Gewinn- und Verlustrechnung

1.1.2021 bis 31.12.2021

PIERER Mobility AG

	2021 €	2020 €
1. Umsatzerlöse	14.106.939,47	13.517.517,79
2. sonstige betriebliche Erträge		
a) Erträge aus der Auflösung von Rückstellungen	250.000,00	0,00
b) übrige	24.349,82	45.948,27
	274.349,82	45.948,27
3. Aufwendungen für Material und sonstige bezogene Herstellungsleistungen		
a) Aufwendungen für bezogene Leistungen	10.300.519,16	9.339.032,17
4. Personalaufwand		
a) Gehälter	44.354,86	1.214.632,09
b) soziale Aufwendungen	-21.844,83	318.983,60
aa) Aufwendungen für Abfertigungen und Leistungen an Mitarbeitervorsorgekassen	-48.254,67	15.894,60
bb) Aufwendungen für gesetzlich vorgeschriebene Sozialabgaben sowie vom Entgelt abhängige Abgaben und Pflichtbeiträge	22.015,06	282.864,44
	22.510,03	1.533.615,69
5. Abschreibungen		
a) auf immaterielle Gegenstände des Anlagevermögens und Sachanlagen	72.973,08	83.686,62
6. sonstige betriebliche Aufwendungen		
a) Steuern, soweit sie nicht unter Steuern vom Einkommen fallen	6.492,04	6.381,23
b) übrige	14.743.799,35	4.279.464,13
	14.750.291,39	4.285.845,36
7. Zwischensumme aus Z 1 bis 6 (Betriebsergebnis)	-10.765.004,37	-1.678.713,78
8. Erträge aus Beteiligungen	84.512.060,86	14.983.188,00
9. Erträge aus Ausleihungen des Finanzanlagevermögens	2.610,42	1.150,00
<i>davon aus verbundenen Unternehmen</i>	<i>2.610,42</i>	<i>0,00</i>
10. sonstige Zinsen und ähnliche Erträge	114.807,37	133.710,23
<i>davon aus verbundenen Unternehmen</i>	<i>114.177,95</i>	<i>133.070,85</i>
11. Aufwendungen aus Finanzanlagen	16.275.509,22	0,00
<i>davon Abschreibungen auf Finanzanlagen</i>	<i>16.275.509,22</i>	<i>0,00</i>
12. Zinsen und ähnliche Aufwendungen	1.359.895,08	1.456.168,28
13. Zwischensumme aus Z 8 bis 12 (Finanzergebnis)	66.994.074,35	13.661.879,95
14. Ergebnis vor Steuern (Summe aus Z 7 und Z 13)	56.229.069,98	11.983.166,17
15. Steuern vom Einkommen	3.500,00	3.500,00

Gewinn- und Verlustrechnung

1.1.2021 bis 31.12.2021

PIERER Mobility AG

	2021	2020
	€	€
<i>davon weiterverrechnet vom Gruppenträger</i>	<u>3.500,00</u>	<u>3.500,00</u>
16. Ergebnis nach Steuern	56.225.569,98	11.979.666,17
17. Jahresüberschuss	56.225.569,98	11.979.666,17
18. Auflösung von Kapitalrücklagen	193.340,00	30.703,00
19. Zuweisung zu Gewinnrücklagen	1.125.786,10	116.028,00
20. Gewinnvortrag aus dem Vorjahr	86.964.079,73	86.242.405,56
21. Bilanzgewinn	<u>142.257.203,61</u>	<u>98.136.746,73</u>

Anhang

Bilanzierungs- und Bewertungsmethoden

Allgemeine Grundsätze

Der Jahresabschluss wurde nach den Vorschriften der §§ 189 ff des Unternehmensgesetzbuchs (UGB) unter Beachtung der Grundsätze ordnungsmäßiger Buchführung, sowie unter Beachtung der Generalnorm, ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage des Unternehmens zu vermitteln, aufgestellt.

Bei der Gesellschaft handelt es sich um eine große Kapitalgesellschaft im Sinne des § 221 UGB.

Bei Vermögensgegenständen und Verbindlichkeiten, die unter mehrere Posten der Bilanz fallen, wurde die Zugehörigkeit zu anderen Posten im Anhang angegeben.

Bei der Erstellung des Jahresabschlusses wurde der Grundsatz der Vollständigkeit entsprechend den gesetzlichen Regelungen eingehalten.

Bei der Bewertung der einzelnen Vermögensgegenstände und Schulden wurde der Grundsatz der Einzelbewertung beachtet und eine Fortführung des Unternehmens unterstellt.

Dem Vorsichtsprinzip wurde dadurch Rechnung getragen, dass nur die am Abschlussstichtag verwirklichten Gewinne ausgewiesen wurden. Alle erkennbaren Risiken und drohenden Verluste wurden - soweit gesetzlich geboten - berücksichtigt.

Die Gesellschaft ist ein konsolidierungspflichtiges Mutterunternehmen im Sinne des §244 UGB und hat einen Konzernabschluss, der beim Landesgericht Wels unter der Nummer FN 78112x hinterlegt wird, aufzustellen.

Die Gesellschaft ist ein Konzernunternehmen iSd § 15 AktG (§ 115 GmbHG) und gehört als verbundenes Unternehmen gem. § 244 UGB zum Konsolidierungskreis der Pierer Konzerngesellschaft mbH.

Anlagevermögen

Immaterielles Anlagevermögen

Die erworbenen immateriellen Vermögensgegenstände wurden zu Anschaffungskosten bewertet, die um die planmäßigen Abschreibungen vermindert sind.

Die planmäßigen Abschreibungen wurden linear vorgenommen.

Gemäß den steuerrechtlichen Vorschriften wird für Zugänge im ersten Halbjahr eine volle Jahresabschreibung, für Zugänge im zweiten Halbjahr eine halbe Jahresabschreibung vorgenommen.

Folgende Nutzungsdauern wurden den planmäßigen Abschreibungen zugrunde gelegt:

	Nutzungsdauer in Jahren
Software	3

Sachanlagen

Das abnutzbare Sachanlagevermögen wurde zu Anschaffungs- oder Herstellungskosten bewertet, die um die planmäßigen Abschreibungen vermindert werden. Die geringwertigen Vermögensgegenstände bis zu einem Wert von EUR 800,00 wurden im Zugangsjahr voll abgeschrieben.

Die planmäßigen Abschreibungen wurden linear der voraussichtlichen Nutzungsdauer entsprechend vorgenommen.

Gemäß den steuerrechtlichen Vorschriften wird für Zugänge im ersten Halbjahr eine volle Jahresabschreibung, für Zugänge im zweiten Halbjahr eine halbe Jahresabschreibung vorgenommen.

Folgende Nutzungsdauern wurden den planmäßigen Abschreibungen zugrunde gelegt:

	Nutzungsdauer in Jahren
Betriebs- und Geschäftsausstattung	1 - 20

Finanzanlagen

Das Finanzanlagevermögen wurde zu Anschaffungskosten vermindert um außerplanmäßige Abschreibungen – soweit diese notwendig sind, um dauernden Wertminderungen Rechnung zu tragen – angesetzt. Die im Jahresabschluss ausgewiesenen Anteile an verbundenen Unternehmen, Beteiligungen und Wertpapiere (Wertrechte) des Anlagevermögens werden im Anlassfall auf ihre Werthaltigkeit untersucht. Zum 31. Dezember 2021 lag bei den wesentlichen Anteilen an verbundenen Unternehmen kein Anlassfall für eine Werthaltigkeitsprüfung vor. Anlassbezogene Bewertungen werden auf Basis von diskontierten Netto-Zahlungsmittelzuflüssen, die im Wesentlichen von zukünftigen Umsatz- und Margenerwartungen und von abgeleiteten Diskontierungszinssätzen abhängig sind, durchgeführt. Für Anteile die kurz vor dem Bilanzstichtag erworben wurden, bildet der Kaufpreis die Grundlage für die geführte Werthaltigkeitsprüfung. Bei der Werthaltigkeitsprüfung ergaben sich keine Abwertungserfordernisse.

Umlaufvermögen

Forderungen und sonstige Vermögensgegenstände

Die Forderungen und sonstigen Vermögensgegenstände wurden mit dem Nennwert angesetzt.

Im Falle erkennbarer Einzelrisiken wurde der niedrigere beizulegende Wert angesetzt.

Rückstellungen

Rückstellungen für Anwartschaften auf Abfertigungen und ähnliche Verpflichtungen

Im Vorjahr wurde die Abfertigungsrückstellung nach anerkannten finanzmathematischen Grundsätzen auf Basis eines Rechnungszinssatzes von 1,10 % ermittelt. Der Rechnungszinssatz wurde im Vorjahr unter Berücksichtigung des 13jährigen Konzerndurchschnittszinssatzes in Höhe von 1,04 % und einer durchschnittlichen Bezugserhöhung von 2,50 % ermittelt. Im Vorjahr wurde das gesetzliche Pensionsantrittsalter berücksichtigt.

Sonstige Rückstellungen

In den sonstigen Rückstellungen wurden unter Beachtung des Vorsichtsprinzips alle im Zeitpunkt der Bilanzerstellung erkennbaren Risiken und der Höhe oder dem Grunde nach ungewissen Verbindlichkeiten mit den Beträgen berücksichtigt, die nach bestmöglicher Schätzung zur Erfüllung der Verpflichtung aufgewendet werden müssen. Sämtliche Rückstellungen haben eine Laufzeit von weniger als einem Jahr.

Verbindlichkeiten

Verbindlichkeiten wurden mit ihrem Erfüllungsbetrag angesetzt.

Änderungen von Bilanzierungs- und Bewertungsmethoden

Die bisher angewandten Bilanzierungs- und Bewertungsmethoden wurden auch bei der Erstellung des vorliegenden Jahresabschlusses beibehalten.

Erläuterungen der Bilanz und der Gewinn- und Verlustrechnung

Erläuterungen zur Bilanz

Anlagevermögen

Die Entwicklung der einzelnen Posten des Anlagevermögens und die Aufgliederung der Jahresabschreibung nach einzelnen Posten sind in folgendem Anlagenspiegel dargestellt:

	Anschaffungs-/Herstellungskosten		Abschreibungen kumuliert			Buchwert
	1.1.2021 31.12.2021 EUR	Zugänge Abgänge Umbuchungen EUR	1.1.2021 31.12.2021 EUR	Abschreibungen Zuschreibungen EUR	Abgänge EUR	1.1.2021 31.12.2021 EUR
Anlagevermögen						
Immaterielle Vermögensgegenstände						
Software	109 034,82 109 034,82	0,00 0,00 0,00	105 251,72 109 034,79	3 783,07 0,00	0,00	3 783,10 0,03
Sachanlagen						
Betriebs- und Geschäftsausstattung	1 334 327,10 1 340 245,24	5 989,14 71,00 0,00	924 532,59 993 651,60	69 190,01 0,00	71,00	409 794,51 346 593,64
Anlagen in Bau	0,00 14 960,00	14 960,00 0,00 0,00	0,00 0,00	0,00 0,00	0,00	0,00 14 960,00
	1 334 327,10 1 355 205,24	20 949,14 71,00 0,00	924 532,59 993 651,60	69 190,01 0,00	71,00	409 794,51 361 553,64
Finanzanlagen						
Anteile an verbundenen Unternehmen	369 527 503,02 1 267 656 947,61	896 117 459,99 0,00 2 011 984,60	15 250 000,00 31 525 508,22	16 275 508,22 0,00	0,00	354 277 503,02 1 236 131 439,39
Ausleihungen an verbundene Unternehmen	6 000 000,00 250 000,00	100 000,00 6 000 000,00 150 000,00	0,00 0,00	0,00 0,00	0,00	6 000 000,00 250 000,00
Beteiligungen	11 216 570,30 9 701 000,00	496 414,30 0,00 -2 011 984,60	0,00 0,00	0,00 0,00	0,00	11 216 570,30 9 701 000,00
Ausleihungen an Unternehmen, mit denen ein Beteiligungsverhältnis besteht	150 000,00 0,00	0,00 0,00 -150 000,00	0,00 0,00	0,00 0,00	0,00	150 000,00 0,00
Wertpapiere (Wertrechte) des Anlagevermögens	266 031,20 266 031,20	0,00 0,00 0,00	59 999,00 60 000,00	1,00 0,00	0,00	206 032,20 206 031,20
	387 160 104,52 1 277 873 978,81	896 713 874,29 6 000 000,00 0,00	15 309 999,00 31 585 508,22	16 275 509,22 0,00	0,00	371 850 105,52 1 246 288 470,59
Summe Anlagenspiegel	388 603 466,44 1 279 338 218,87	896 734 823,43 6 000 071,00 0,00	16 339 783,31 32 688 194,61	16 348 482,30 0,00	71,00	372 263 683,13 1 246 650 024,26

Die Finanzanlagen haben sich insbesondere durch folgende Transaktionen verändert:

Mit Einbringungs- und Sacheinlagevertrag vom 19.10.2021 hat die Pierer Bajaj AG (vormals: PTW Holding AG) 5.042.925 Stk. (46,5%) Aktien der KTM AG in Form einer Kapitalerhöhung in die PIERER Mobility AG eingebracht. Weiters hat die PIERER Mobility AG im laufenden Geschäftsjahr 199 Stk. Aktien an der KTM AG, Mattighofen erworben. Die Gesellschaft hält zum Stichtag 99,75% Anteile an der KTM AG, Mattighofen.

Mit Kauf- und Abtretungsvertrag vom 14.6.2021 hat die PIERER Mobility AG 26% Anteile an der KTM E-Technologies GmbH (nunmehr: KTM Technologies GmbH), Anif erworben und hält somit 100% Anteile an der Gesellschaft.

Mit Geschäftsanteilskaufvertrag vom 30.06.2021 hat die Gesellschaft 30,46% Anteile an der DealerCenter Digital GmbH, Neuried, Deutschland, erworben. Die PIERER Mobility AG hält nun zum Stichtag 75,46 % Anteile an der DealerCenter Digital GmbH.

Zum Stichtag hält die Gesellschaft unverändert 100% Anteile an der PIERER E-Bikes GmbH, Munderfing.

Der gesamte Umgründungsmehrwert in Höhe von EUR 57 253 610,76 (Vorjahr: TEUR 57.254) wird dem Tochterunternehmen KTM AG, Mattighofen, zugeordnet.

Im laufenden Geschäftsjahr erfolgte eine Ausschüttung des Eigenkapitals (Rücklagen und Bilanzgewinn) der Platin 1483. GmbH. Gleichmaßen wurde der Buchwert der Anteile um EUR 16 275 508,22 abgestockt. Im laufenden Geschäftsjahr sowie im Vorjahr wurden keine Zuschreibungen auf Anteile an verbundenen Unternehmen sowie keine Abschreibungen an Wertpapiere (Wertrechte) des Anlagevermögens vorgenommen.

Forderungen und sonstige Vermögensgegenstände

Die Forderungen gegenüber verbundenen Unternehmen in Höhe von EUR 58 046 481,81 (Vorjahr: EUR 2 776 328,65) betreffen im Wesentlichen Forderungen aus Dividendenanspruch in Höhe von EUR 53 393 530,00 (Vorjahr: EUR 0,00), Forderungen aus Finanzierungsdarlehen und sonstige Verrechnungen in Höhe von EUR 922 148,40 (Vorjahr: EUR 1 611 402,63) sowie Forderungen aus laufenden Verrechnungen EUR 3 730 803,41 (Vorjahr: EUR 1 164 926,02).

Die Forderungen gegenüber Unternehmen, mit denen ein Beteiligungsverhältnis besteht, resultieren in Höhe von EUR 0,00 (Vorjahr: EUR 2 093,75) aus Finanzierungsdarlehen sowie Forderungen aus laufenden Verrechnungen in Höhe von EUR 23 478,00 (Vorjahr: EUR 0,00).

Die sonstigen Forderungen und Vermögensgegenstände in Höhe von EUR 510 338,20 (Vorjahr: EUR 517 102,33) betreffen im Wesentlichen Forderungen aus Versicherungsleistungen für ehemalige Mitarbeitern in Höhe von EUR 299 702,99 (Vorjahr: EUR 293 496,81) sowie Forderungen aus geleisteten Anzahlungen in Höhe von EUR 148 298,41 (Vorjahr: EUR 173 850,76).

Eingefordertes und einbezahltes Nennkapital (Grundkapital)

Das eingeforderte und einbezahlte Nennkapital (Grundkapital) der Gesellschaft beträgt EUR 33 796 535,00 (Vorjahr: EUR 22 538 674,00) und ist in 33.796.535 Stück (Vorjahr: 22 538 674 Stück) auf Inhaber lautende nennbetragslose Stückaktien, von denen jede eine gleiche Beteiligung am Grundkapital repräsentiert, aufgeteilt. Im Geschäftsjahr 2021 wurden die gesamten 193.340 Stück eigene Aktien verkauft. Zum Stichtag hält die Gesellschaft 0 Stk. (Vorjahr: 193 340 Stk.).

Die Aktien der Gesellschaft notieren an der Frankfurter und an der Schweizer Börse.

Der Vorstand wurde bis 26.04.2023 ermächtigt gemäß § 169 AktG das Grundkapital mit Zustimmung des Aufsichtsrats um bis zu weitere EUR 11 269 337,00 durch Ausgabe von bis zu 11 269 337 Stück neue, auf Inhaber oder Namen lautende Stammaktien (Stückaktien) gegen Bar- und/oder Sacheinlage – allenfalls in mehrere Tranchen – zu erhöhen und die weiteren Einzelheiten der Durchführung der Kapitalerhöhung im Einvernehmen mit dem Aufsichtsrat festzusetzen. Diese Ermächtigung wurde vom Vorstand der PIERER Mobility AG zur Durchführung der Sachkapitalerhöhung im Oktober 2021 im Ausmaß von EUR 11 257 861,00 durch Ausgabe von 11.257.861 Stück auf Inhaber lautende nennbetragslose Stückaktien ausgenützt.

Am 29.09.2021 beschloss der Vorstand der PIERER Mobility AG das Grundkapital gegen Sacheinlage von EUR 22.538.674,00 um EUR 11.257.861,00 auf EUR 33.796.535,00 durch Ausgabe von insgesamt 11.257.861 neuen auf Inhaber lautende Stückaktien unter Ausschluss des Bezugsrechts der Aktionäre zu erhöhen, wobei die Kapitalerhöhung gegen Sacheinlage von 46,5% der Aktien der KTM AG erfolgt. Am 19.10.2021 hat der Aufsichtsrat der PIERER Mobility AG der Sachkapitalerhöhung und dem Ausschluss der

Bezugsrechts der Aktionäre zugestimmt.

Die gesetzliche Rücklage wurde im Geschäftsjahr um EUR 1 125 786,10 (Vorjahr: EUR 0,00) erhöht.

Mit Beschlussfassung der Hauptversammlung der PIERER Mobility AG vom 4.10.2019 hat der Vorstand entschieden, ein Rückkaufprogramm zu lancieren und bis zu 7,404% (entsprechend 20% des Free Floats) des Grundkapitals zurückzukaufen. Basierend darauf umfasst der beschlossene Rückkauf eigener Inhaberaktien maximal 1 668 763 Inhaberaktien. Die PIERER Mobility AG hat ihre 193.340 Stk. eigene Aktien im Geschäftsjahr 2021 verkauft und hält nun keine eigenen Aktien mehr.

Die Veränderung der nicht gebundenen Kapitalrücklagen von EUR 194 761 621,70 um EUR 891 996 720,59 auf EUR 1 091 905 445,97 resultiert einerseits aus dem Verkauf von 193.340 Stk. eigenen Aktien sowie aus Sachkapitalerhöhung durch Sacheinlage von 5.042.925 Stück KTM AG Aktien durch die Pierer Bajaj AG (vormals: PTW Holding AG).

Rückstellungen

Zusammensetzung und Entwicklung der Rückstellungen:

	Stand 1.1.2021 EUR	Verwendung EUR	Auflösung EUR	Zuweisung EUR	Stand 31.12.2021 EUR
1. Rückstellungen für Abfertigungen					
Rückstellung für Abfertigungen	49 600,00	49 600,00	0,00	0,00	0,00
2. sonstige Rückstellungen					
Rückstellung für nicht konsumierte Urlaube	58 300,00	58 300,00	0,00	0,00	0,00
Rückstellung für Sonderzahlungen	122 560,00	122 560,00	0,00	0,00	0,00
Rückstellung für Zeitguthaben	4 000,00	4 000,00	0,00	0,00	0,00
Rückstellung für Rechtsberatungskosten	46 671,02	46 671,02	0,00	15 000,00	15 000,00
Rückstellung für Wirtschaftsprüfung	102 780,00	102 780,00	0,00	176 500,00	176 500,00
Rückstellung für Steuerberatung	51 440,36	51 440,36	0,00	29 600,00	29 600,00
Sonstige Rückstellungen	2 726 890,00	304 753,57	250 000,00	146 500,00	2 318 636,43
	<u>3 112 641,38</u>	<u>690 504,95</u>	<u>250 000,00</u>	<u>367 600,00</u>	<u>2 539 736,43</u>
Summe Rückstellungen	<u>3 162 241,38</u>	<u>740 104,95</u>	<u>250 000,00</u>	<u>367 600,00</u>	<u>2 539 736,43</u>

Die sonstigen Rückstellungen in Höhe von EUR 2 318 636,43 (Vorjahr: EUR 2 726 890,00) beinhalten im Wesentlichen Rückstellungen für Haftungen und Risiken im Zusammenhang mit dem Beteiligungsportfolio in Höhe von EUR 2 172 136,43 (Vorjahr: EUR 2 600 000,00) sowie Rückstellung für Aufsichtsratsvergütungen in Höhe von EUR 67 000,00 (Vorjahr: EUR 57 000,00).

Verbindlichkeiten

Die PIERER Mobility AG hat im Juli 2015 ein Schuldscheindarlehen in Höhe von EUR 56 500 000,00 begeben, welches in Höhe von EUR 44 000 000,00 mit einer Laufzeit von 5 Jahren und in Höhe von EUR 12 500 000,00 mit einer Laufzeit von 7 Jahre abgeschlossen wurde. Das Schuldscheindarlehen mit einer Laufzeit von 5 Jahren wurde zur gänze rückgeführt. Vom Schuldscheindarlehen mit einer Laufzeit von 7 Jahren wurde bereits am 16.1.2017 ein Betrag in Höhe von EUR 6 500 000,00 vorzeitig rückgeführt und es resultiert zum Stichtag ein Betrag in Höhe von EUR 6 000 000,00 mit einem fixen Zinssatz.

Am 17.7.2015 hat die PIERER Mobility AG eine Namensschuldverschreibung in Höhe von EUR 30 000 000,00 mit einer fixen Laufzeit von 10 Jahren begeben.

Die Verbindlichkeiten gegenüber verbundenen Unternehmen in Höhe von EUR 4 556 490,57 (Vorjahr: EUR 18 183 593,27) betreffen im Wesentlichen eine Verbindlichkeit aus Anteilsverkauf der Platin 1483. GmbH in Höhe von EUR 371 325,43 (Vorjahr: EUR 16 495 219,53), sowie Verbindlichkeiten aus Lieferungen und sonstige Leistungen in Höhe von EUR 4 182 868,27 (Vorjahr: EUR 1 684 873,74).

Die Verbindlichkeiten gegenüber Unternehmen, mit denen ein Beteiligungsverhältnis besteht in Höhe von EUR 0,00 (Vorjahr: EUR 94 152,00) betreffen Verbindlichkeiten aus Lieferungen und Leistungen.

Die sonstigen Verbindlichkeiten in Höhe von EUR 948 339,06 (Vorjahr EUR 991 918,24) betreffen im Wesentlichen Zinsen aus den begebenen Schuldscheindarlehen und Namensschuldverschreibungen in Höhe von EUR 623 855,35 (Vorjahr: EUR 623 855,35), Verbindlichkeiten aus Lieferungen und Leistungen in Höhe von EUR 21 253,46 (Vorjahr: EUR 16 434,96) sowie sonstige Verbindlichkeiten in Höhe von EUR 301 540,27 (Vorjahr: EUR 296 707,60).

Die Summe der Verbindlichkeiten mit einer Restlaufzeit von mehr als fünf Jahren beträgt EUR 0,00 (Vorjahr: EUR 0).

In den sonstigen Verbindlichkeiten sind Aufwendungen in Höhe von EUR 405 676,05 (Vorjahr: EUR 698 421,42) enthalten, die erst nach dem Abschlussstichtag zahlungswirksam werden.

Haftungsverhältnisse und sonstige wesentliche finanzielle Verpflichtungen

Die PIERER Mobility AG hat für die DealerCenter Digital GmbH, Landshut, Deutschland gegenüber der RLB OÖ, aus Verpflichtungen gegenüber Lieferanten eine Garantie bis zu einem Höchstbetrag von EUR 500 000,00 (Vorjahr: EUR 0,00) abgegeben.

Für ein Reverse Factoring Programm bei der Erste Group Bank AG hat die PIERER Mobility AG für die PIERER E-Bikes GmbH, Wien eine Patronatserklärung in Höhe von EUR 15 000 000,00 (Vorjahr: EUR 15 000 000,00) abgegeben. Zum Stichtag resultiert aus dem Reverse Factoring Programm ein Haftungsbetrag in Höhe von EUR 15 000 000,00 (Vorjahr: EUR 0,00).

Die PIERER Mobility AG hat im Vorjahr für die PEXCO GmH, Schweinfurt, Deutschland gegenüber der KGI Bank Co., Ltd., Taiwan, aus Verpflichtungen gegenüber Lieferanten eine Garantie bis zu einem Höchstbetrag von TEUR 16 299 abgegeben. Der aushaftende Betrag gegenüber Lieferanten resultierte im Vorjahr in Höhe von TEUR 7 685.

Verpflichtungen aus der Nutzung von in der Bilanz nicht ausgewiesenen Sachanlagen

Zusammensetzung:

	des folgenden Geschäftsjahres	des folgenden Geschäftsjahres	der folgenden fünf Geschäftsjahre	der folgenden fünf Geschäftsjahre
	2021	2020	2021	2020
	EUR	TEUR	EUR	TEUR
Verpflichtungen aus Leasingverträgen	0,00	25	0,00	26
Verpflichtungen aus Mietverträgen	1 558 298,30	1 779	9 484 154,66	8 893
	<u>1 558 298,30</u>	<u>1 804</u>	<u>9 484 154,66</u>	<u>8 920</u>

Erläuterungen zur Gewinn- und Verlustrechnung

Die Gewinn- und Verlustrechnung wurde nach dem Gesamtkostenverfahren erstellt.

Aufgliederung der Umsatzerlöse

Die Umsatzerlöse setzen sich wie folgt zusammen bzw. haben sich wie folgt entwickelt (Angaben in TEUR):

	2021 TEUR	2020 TEUR
Umsatzerlöse		
Erlöse Inland	14 078	12 625
Erlöse EU	29	891
Erlöse sonstiges Ausland	0	1
Skonti	0	0
	14 107	13 518

Zusammensetzung der Aufwendungen für Abfertigungen und Leistungen an Mitarbeitervorsorgekassen:

	2021 EUR	2020 EUR
Dotierung Abfertigung	-100,00	-5 300,00
Veränderung Rückstellung für Abfertigung (Angestellte)	-49 500,00	0,00
MV-Beitrag Angestellte	1 345,33	21 194,60
	-48 254,67	15 894,60

Die Aufwendungen für Abfertigungen und Beiträge an Mitarbeitervorsorgekassen betreffen zur Gänze sonstige Arbeitnehmer.

Sonstige betriebliche Aufwendungen

Die übrigen sonstigen betrieblichen Aufwendungen betreffen im Wesentlichen Aufwendungen für konzerninterne Dienstleistungen und Umlagen, Aufwendungen für Vorstandstätigkeiten, Steuerberatungsaufwand sowie Rechts- und Beratungsaufwand.

Bezüglich der Aufwendungen für den Abschlussprüfer wird § 238 (1) Z 18 UGB in Anspruch genommen.

Erträge aus Beteiligungen

Die Erträge aus Beteiligungen in Höhe von EUR 84 512 060,86 (Vorjahr: EUR 14 983 188,00) betreffen Dividendenerträge, davon aus verbundenen Unternehmen EUR 83 699 674,61 (Vorjahr: EUR 14 376 790,00).

Sonstige Zinsen und ähnliche Erträge

Sonstige Zinsen und ähnliche Erträge in Höhe von EUR 114 807,37 (Vorjahr: EUR 133 710,23) betreffen im Wesentlichen Zinsen aus Darlehen.

Steuern vom Einkommen und vom Ertrag

Seit der Veranlagung 2014 ist die Gesellschaft Gruppenmitglied der Gruppe der Pierer Konzerngesellschaft mbH iSd § 9 KStG.

Die steuerlichen Ergebnisse der Gruppenmitglieder werden dem Gruppenträger zugerechnet. Die zu leistenden Steuerumlagen zwischen dem Gruppenträger und jedem einzelnen Gruppenmitglied wurde in Form von einer Gruppen- und Steuerumlagevereinbarung geregelt.

Die im Jahresabschluss ausgewiesenen Steuern vom Einkommen und vom Ertrag betreffen in Höhe von EUR 3 500,00 (Vorjahr: EUR 3 500,00) die Steuerumlage an den Gruppenträger (25%).

Die Pierer Mobility AG, Wels, ist seit 1.10.2018 Gruppenmitglied einer Organschaft im umsatzsteuerlichen Sinn, die von der Pierer Industrie AG, Wels, gebildet wird.

Zur Unternehmensgruppe gehören folgende Gesellschaften (Gruppenmitglieder):

Pierer Industrie AG, Wels (Gruppenträger)
Pierer Mobility AG, Wels
PIERER E-Bikes GmbH (vormals: Husqvarna E-Bicycles GmbH, Munderfing
KTM Technologies GmbH (vormals: KTM E-Technologies GmbH), Anif
KTM AG, Mattighofen
KTM Sportmotorcycle GmbH, Mattighofen
KTM Österreich GmbH, Mattighofen
KTM Sportcar GmbH, Mattighofen
KTM Immobilien GmbH, Mattighofen
KTM Logistikzentrum GmbH, Mattighofen
KTM MOTOHALL GmbH, Mattighofen
PIERER Innovation GmbH (vm. KTM Innovation GmbH), Wels
Husqvarna Motorcycles GmbH, Mattighofen
Pankl Racing Systems AG, Kapfenberg
Pankl Immobilienverwaltung GmbH, Kapfenberg
Pankl Aerospace Systems Europe GmbH, Kapfenberg
Krenhof GmbH, Köflach
KTM Components GmbH, Munderfing
WP Immobilien GmbH, Munderfing
WP Suspension GmbH, Mattighofen
GASGAS Motorcycles GmbH, Mattighofen
Avocado GmbH, Linz
bikes&wheels 2 Radhandels GmbH
KTM Forschungs & Entwicklungs GmbH

Es existieren temporäre Unterschiede zwischen steuerlichen und unternehmensrechtlichen Wertansätzen im Wesentlichen auf Grund von Bewertungsunterschieden im Sachanlagevermögen und bei der Bewertung von Personalrückstellungen. Da zum Bilanzstichtag weder passive latente Steuern zur Gegenverrechnung, als

auch substantielle Hinweise für die Rechtfertigung eines Ansatzes aktiver latenter Steuern vorliegen, wurden keine aktiven latenten Steuern angesetzt.

Sonstige Angaben

Ergebnisverwendung

Vorschlag zur Verwendung des Ergebnisses:

Es wird vorgeschlagen, aus dem Bilanzgewinn in Höhe von EUR 142 257 203,61 eine Dividende von EUR 1,00 je Aktie, das sind in Summe EUR 33 796 535,20 auszuschütten und den Restbetrag auf neue Rechnung vorzutragen.

Ereignisse nach dem Bilanzstichtag

Folgende wesentliche Ereignisse sind nach dem Abschlussstichtag eingetreten, die weder in der Bilanz noch in der Gewinn- und Verlustrechnung berücksichtigt sind:

Die PIERER Mobility AG listete ihre Aktien im Amtlichen Handel (Segment den prime market) der Wiener Börse. Die Handelsaufnahme im prime market, das Top-Segment der Wiener Börse, erfolgte am 1. März 2022.

Unternehmen, das den Konzernabschluss für den größten Kreis von Unternehmen aufstellt

Gemäß § 238 Abs.1 Z 7 und 8 UGB wird wie folgt berichtet:

Name des Mutterunternehmens:	Pierer Konzerngesellschaft mbH, FN 134766k
Sitz des Mutterunternehmens:	Wels, Österreich
Ort der Offenlegung:	Landesgericht Wels

Organe und Arbeitnehmer der Gesellschaft

Im Geschäftsjahr waren folgende Personen als Aufsichtsräte tätig:

Blazicek Josef (Vorsitzender)
Dr. Chalupsky Ernst (Stellvertreter des Vorsitzenden)
Ing. Hörtenhuber Alfred (Mitglied)
Mag. Rinnerberger Klaus (Mitglied)

Der Aufsichtsrat erhält für den Zeitraum 1.1.2021 bis 31.12.2021 eine Vergütungen in Höhe von EUR 73 000,00 (Vorjahr: EUR 57 000,00), der als Vorschlag in der nächsten Hauptversammlung eingebracht wird.

Im Geschäftsjahr waren folgende Personen als Vorstände tätig:

DI Pierer Stefan, CEO
Mag. Roithner Friedrich, CFO
Mag. Ing. Trunkenpolz Huber, CSO

PIERER Mobility AG

Mag. MBA Sigl Viktor

Die Gesamtbezüge der Mitglieder des Vorstandes beliefen sich auf TEUR 4 079 (Vorjahr: TEUR 2 162), davon wurden für Tätigkeiten der Vorstände innerhalb des Konzerns TEUR 2 667 (Vorjahr: TEUR 1 406) weiterverrechnet. Für Tätigkeiten der Vorstände aus dem Vorjahr wurde im Geschäftsjahr 2021 TEUR 3 gutgeschrieben.

Im Jahresdurchschnitt beschäftigt die Gesellschaft 1 (Vorjahr: 16) Angestellte.

Wels, am 11. März 2021



.....
Dipl. Ing. Stefan Pierer, CEO



.....
Mag. Friedrich Roithner, CFO



.....
Mag. Ing. Hubert Trunkenpolz, CSO



.....
Mag. Viktor Sigl

Beteiligungen

Firmenname	Firmensitz	Anteil in		Letztes Ergebnis	Bilanzstichtag
		Eigenkapital	%		
KTM AG	5230 Mattighofen	311 918 870,16	99,75	20 645 943,20	31.12.2020
PIERER E-Bikes GmbH	5222 Munderfing	24 051 600,28	100,0	-1 568 015,25	31.12.2020
Platin 1483. GmbH	97424 Schweinfurt, Deutschland	217 674,11	100,0	-7 325,89	31.12.2021
KTM Technologies GmbH (vormals: KTM E-Technologies GmbH)	5081 Anif	2 405 481,18	100,0	398 271,90	31.12.2020
Avocado GmbH	4020 Linz	1 573 170,17	100,0	989 354,82	31.12.2021
HDC GmbH	5222 Munderfing	122 892,86	100,0	1 052,39	31.12.2021
PIERER Innovation GmbH (vormals: KTM Innovation GmbH)	4600 Wels	146 729,94	100,0	-262 228,23	31.12.2020
Kiska GmbH	5081 Anif	6 447 793,21	50,0	1 554 768,59	31.3.2021
DealerCenter Digital GmbH	82061 Neuried, Deutschland	728 999,50	75,46	-200 411,92	31.12.2020

ANLAGENSPIEGEL
zum 31.12.2021

PIERER Mobility AG

	Stand		Anschaffungs-/Herstellungskosten		Abgänge		Umbuchungen		Stand		Abgänge		Zuschreibungen		Abgänge		Stand		Buchwerte	
	1.1.2021	€	Zugänge/ Umgründung	€	Abgänge	€	€	€	31.12.2021	€	Stand	€	€	€	€	€	€	31.12.2021	€	€
A. Anlagevermögen																				
I. Immaterielle Vermögensgegenstände																				
1. Software	109.034,82	0,00	0,00	0,00	0,00	0,00	0,00	0,00	109.034,82	105.251,72	3.783,07	0,00	0,00	0,00	0,00	0,00	109.034,79	3.783,10	0,03	
II. Sachanlagen																				
1. Betriebs- und Geschäftsausstattung	1.334.327,10	5.989,14	71,00	0,00	0,00	1.340.245,24	0,00	0,00	1.340.245,24	924.532,59	69.190,01	0,00	71,00	0,00	0,00	0,00	993.651,60	409.794,51	346.593,64	
2. Anlagen in Bau	0,00	14.960,00	0,00	0,00	0,00	14.960,00	0,00	0,00	14.960,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	14.960,00	
	1.334.327,10	20.949,14	71,00	0,00	0,00	1.355.205,24	0,00	0,00	1.355.205,24	924.532,59	69.190,01	0,00	71,00	0,00	0,00	0,00	993.651,60	409.794,51	361.553,64	
III. Finanzanlagen																				
1. Anteile an verbundenen Unternehmen	369.527.503,02	896.117.459,99 *)	0,00	2.011.984,60	0,00	1.267.656.947,61	15.250.000,00	16.275.508,22	15.250.000,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	31.525.508,22	354.277.503,02	1.236.131.439,39	
2. Ausleihungen an verbundene Unternehmen	6.000.000,00	100.000,00	6.000.000,00	150.000,00	0,00	250.000,00	0,00	0,00	250.000,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	6.000.000,00	250.000,00	
3. Beteiligungen	11.216.570,30	486.414,30	0,00	-2.011.984,60	0,00	9.701.000,00	0,00	0,00	9.701.000,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	11.216.570,30	9.701.000,00	
4. Ausleihungen an Unternehmen, mit denen ein Beteiligungsverhältnis besteht	150.000,00	0,00	0,00	-150.000,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	150.000,00	0,00	
5. Wertpapiere (Wertrechte) des Anlagevermögens	266.031,20	0,00	0,00	0,00	0,00	266.031,20	59.999,00	1,00	266.031,20	59.999,00	1,00	0,00	0,00	0,00	0,00	0,00	60.000,00	206.032,20	206.031,20	
	387.160.104,52	896.713.874,29	6.000.000,00	0,00	1.277.873.978,81	15.309.999,00	16.275.509,22	0,00	15.309.999,00	16.275.509,22	0,00	0,00	0,00	0,00	0,00	0,00	31.585.508,22	371.850.105,52	1.246.288.470,59	
SUMME ANLAGENSPIEGEL	388.603.466,44	896.734.823,43	6.000.071,00	0,00	1.279.338.218,87	16.339.783,31	16.348.482,30	0,00	16.339.783,31	16.348.482,30	0,00	0,00	0,00	0,00	0,00	0,00	32.688.194,61	372.263.683,13	1.246.650.024,26	

*) enthält Zugänge aus Einbringung in Höhe von EUR 895.000.000,00

per 31.12.2021
der PIERER Mobility AG , Wels

Da diese Gesellschaft eine geschäftsleitende Holdinggesellschaft ist, beinhaltet der Lagebericht neben den Informationen des Einzelabschlusses auf Basis UGB (Teil 1) auch die Informationen des Konzernabschlusses auf Basis IFRS (Teil 2).

I) Einzelabschluss der PIERER Mobility AG (nach UGB):

A. Geschäftsverlauf und Lage des Unternehmens

Das Geschäftsjahr für den Einzelabschluss der PIERER Mobility AG umfasst den Zeitraum vom 1.1.2021 bis 31.12.2021.

Die PIERER Mobility AG hat im Geschäftsjahr 2021 ihre Anteile an KTM AG um 46,5% erhöht, die von der Pierer Bajaj AG als Sacheinlage in Form einer Kapitalerhöhung in die Gesellschaft eingebracht wurden. Die PIERER Mobility AG besitzt zum Abschlussstichtag die Mehrheitsbeteiligung an der KTM AG (99,75%). Zum Stichtag 31.12.2021 hält die PIERER Mobility AG unverändert 100% Anteile an der PIERER E-Bikes GmbH, 100% Anteile an der PIERER Innovation GmbH (vm. KTM Innovation GmbH) 100% der Anteile an der HDC GmbH und 100% Anteile an der Avocodo GmbH. An der Kiska GmbH hält die Gesellschaft unverändert 50% sowie an der AC styria Mobilitätscluster GmbH 12,33%. Im Juni 2021 hat die PIERER Mobility AG 26% der Anteile an der KTM Technologies GmbH (vm. KTM E-Technologies GmbH) erworben und hält nun 100% Anteile an der Gesellschaft. Weiters hat die PIERER Mobility AG 30,46% Anteile an der DealerCenterDigital GmbH, Neuried, Deutschland, erworben und hat ihre Anteile auf 75,46% Anteile erhöht.

Da die PIERER Mobility AG im Wesentlichen die Aufgaben einer geschäftsleitenden Holdinggesellschaft erfüllt, wird im Lagebericht auch auf die Entwicklungen des Geschäftsjahres 2021 ihrer Tochtergesellschaften sowie des Konzerns insgesamt eingegangen.

B. Ertrags- und Vermögenslage

1. Ergebnisanalyse

Die PIERER Mobility AG hat im abgelaufenen Geschäftsjahr einen Jahresüberschuss von € 56,2 Mio. (Vorjahr: € 12,0 Mio.) erzielt. Positiv wirkten sich im Wesentlichen Dividendenerträge aus den Beteiligungsunternehmen in Höhe von € 84,5 Mio. aus. In Folge einer Dividendenausschüttung wurde eine Teilwertabschreibung in Höhe von € 16,3 Mio. vorgenommen, die das Ergebnis negativ beeinflusst hat. Negativ wirkten sich vor allem die sonstigen betrieblichen Aufwendungen aus. Diese betreffen im Wesentlichen Aufwendungen für konzerninterne Dienstleistungen und Umlagen, Aufwendungen für Vorstandstätigkeiten, Steuerberatungsaufwand sowie Rechts- und Beratungsaufwand.

2. Bilanzanalyse

Die Bilanzsumme zum 31.12.2021 in Höhe von € 1.326,6 Mio (Vorjahr: € 387,3 Mio) hat sich um € 939,3 Mio. erhöht, was im Wesentlichen auf die Erhöhung des Finanzanlagevermögens zurückzuführen ist. Das Anlagevermögen hat sich im Geschäftsjahr 2021 auf € 1.246,7 Mio. erhöht (Vorjahr: € 372,3 Mio.) und ist im Wesentlichen auf die Einbringung von 46,5% Anteilen an der KTM AG in Höhe von € 895,0 Mio., die in Form einer Sachkapitalerhöhung durch Erhöhung des Grundkapital in Höhe von € 11,3 Mio. sowie Erhöhung der Kapitalrücklagen in Höhe von € 883,7 Mio., sowie auf die Aufstockung der Anteile an der KTM Technologies GmbH (vm. KTM E-Technologies GmbH) sowie der DealerCenterDigital GmbH zurückzuführen ist.

Das Umlaufvermögen hat sich im Geschäftsjahr 2021 auf € 76,6 Mio. erhöht (Vorjahr: € 9,9 Mio.) und ist im Wesentlichen auf die Erhöhung der Forderungen gegenüber verbundenen Unternehmen zurückzuführen. Die liquiden Mittel haben sich gegenüber dem Vorjahr um € 11,4 Mio. erhöht. Die Forderungen gegenüber verbundenen Unternehmen betragen zum Stichtag € 58,0 Mio. (Vorjahr: € 2,8 Mio.) und betreffen im Wesentlichen Forderungen aus Dividendenanspruch, Finanzierungsforderungen sowie Forderungen aus laufenden Verrechnungen und sonstigen Forderungen.

Das Eigenkapital hat sich erhöht und beträgt zum Stichtag € 1.281,3 Mio. (Vorjahr: € 327,6 Mio.). Die Eigenkapitalquote beträgt 96,58% und liegt somit auf einem sehr hohen Niveau.

Die Verbindlichkeiten haben sich im abgelaufenen Geschäftsjahr reduziert und lagen zum 31.12.2021 bei € 42,8 Mio. (Vorjahr: € 56,5 Mio.). Die Reduktion der Verbindlichkeiten resultiert im Wesentlichen aus dem Ausgleich der Kaufpreisverbindlichkeit im Zusammenhang mit dem Erwerb der 40% Anteile an der PEXCO GmbH, der Geschäftsjahres 2020 stattgefunden hat. Von den kurz- und langfristigen Verbindlichkeiten betreffen € 6,0 Mio. (Vorjahr: € 6,0 Mio.) Schuldscheindarlehen, € 30,0 Mio. (Vorjahr: € 30,0 Mio.) Namensschuldverschreibungen, € 1,2 Mio. (Vorjahr: € 1,2 Mio.) Verbindlichkeiten aus Lieferungen und Leistungen, € 4,6 Mio. (Vorjahr: € 18,2 Mio.) Verbindlichkeiten gegenüber verbundenen Unternehmen sowie € 1,0 Mio. (Vorjahr: € 1,0 Mio.) sonstige Verbindlichkeiten.

C. Mitarbeiter

Im Jahresdurchschnitt beschäftigte die Gesellschaft 1 (Vorjahr: 16) MitarbeiterInnen.

LAGEBERICHT ZUM KONZERNABSCHLUSS PER 31.12.2021 DER PIERER MOBILITY AG, WELS

1. ENTWICKLUNG DER PIERER MOBILITY-GRUPPE

Das Unternehmen

Die PIERER Mobility-Gruppe ist Europas führender "Powered Two-Wheeler"-Hersteller (PTW). Mit ihren Motorradmarken KTM, HUSQVARNA Motorcycles und GASGAS zählt sie insbesondere bei den Premium-Motorrädern zu den europäischen Technologie- und Marktführern. Das Produktportfolio der PIERER Mobility-Gruppe umfasst neben Fahrzeugen mit Verbrennungsmotoren auch emissionsfreie Zweiräder mit Elektroantrieben (insbesondere E-Motorcycles und E-Bicycles). Als Pionier in der Elektromobilität für Zweiräder hat die Gruppe mit ihrem strategischen Partner Bajaj die Voraussetzungen geschaffen, eine global führende Rolle im Niedrigvoltbereich (48 Volt) einzunehmen. Der Einstieg in die (E-)Bicycle-Sparte mit der PIERER E-Bikes GmbH war ein weiterer wichtiger Schritt, um die Aktivitäten auch im Bereich der Fahrrad-Elektromobilität zu intensivieren. Die Fahrräder werden unter den Marken HUSQVARNA E-Bicycles, R Raymon sowie GASGAS E-Bicycles vertrieben und ab 2022 auch unter der Marke FELT Bicycles, um am attraktiven Marktwachstum in diesem Segment zu partizipieren und sich in diesem Bereich zu einem bedeutenden internationalen Player zu entwickeln.

Seit dem 14. November 2016 sind die Aktien der PIERER Mobility AG im International Reporting Standard der SIX Swiss Exchange primärkotiert. Am 29. März 2017 wurden die Aktien der PIERER Mobility AG in den Swiss Performance Index (SPI) der SIX Swiss Exchange aufgenommen. Seit dem 3. März 2020 notieren die Aktien der PIERER Mobility AG auch im regulierten Markt der Frankfurter Wertpapierbörse (General Standard). Ab 1. März 2022 ist zusätzlich die Handelsaufnahme im Prime Market der Wiener Börse erfolgt, womit die Aktien der PIERER Mobility AG im Top-Segment der Wiener Börse gelistet sind. Mit diesem Schritt soll dem großen Investoreninteresse im In- und Ausland begegnet werden.

Absatz- und Umsatzentwicklung im Geschäftsjahr 2021

Trotz höchster Herausforderungen in den internationalen Lieferketten und den Risiken aus der COVID-19 Pandemie verbesserte die PIERER Mobility-Gruppe den Umsatz um rund 1/3 und erzielte einen Rekordumsatz von € 2.041,7 Mio. (Vorjahr: € 1.530 Mio.). Mit 332.881 verkauften Motorrädern der Marken KTM, HUSQVARNA und GASGAS (Vorjahr: 270.407) hat PIERER Mobility, angetrieben durch die hohe globale Nachfrage nach Motorrädern, ein Absatzplus von 23% erreicht. Des Weiteren konnte die Fahrrad-Division mit den Marken HUSQVARNA, R RAYMON und GASGAS ein Absatzwachstum von mehr als 40% erzielen und 102.753 Fahrräder (Vorjahr: 73.277) verkaufen, davon 76.916 E-Bicycles (Vorjahr: 56.064).

In Europa lag der Absatz an die Händler bei 120.049 Motorrädern und 101.437 Fahrrädern. Knapp zwei Drittel der Motorräder (212.832 Stück) wurden in den Märkten außerhalb Europas, und hier insbesondere in Nordamerika, Indien und Australien, verkauft. Die Umsetzung der globalen Produktstrategie sowie die Expansion in weitere asiatische und südamerikanische Märkte wurden im abgelaufenen Geschäftsjahr konsequent weiterverfolgt.

Ein ähnliches Bild wie im Wholesale spiegelt sich im internationalen Retail-Marktumfeld wider, wobei hier der europäische Motorradmarkt um ca. 8% auf 740.000 Stück gewachsen ist. Der Marktanteil aller drei Motorradmarken liegt somit im Jahr 2021 bei 11,5%. Ebenfalls positiv entwickelten sich sowohl der amerikanische als auch der australische Markt, mit jeweils deutlich zweistelligen Marktanteilswerten von 11,3% bzw. 19,7%. Der indische Gesamtmotorradmarkt befindet sich leicht im Aufschwung (+2%). Bajaj setzte in Indien rund 60.000 KTM und Husqvarna Motorräder ab, resultierend in einem Marktanteil von 7%. Die PIERER Mobility-Gruppe bestätigte somit die starken Zulassungszahlen des Vorjahres und konnte die globalen Zulassungen auf hohem Niveau konstant halten.

Erwerb FELT Bicycles

Im Geschäftsjahr 2021 wurde die Bündelung der operativen Tätigkeiten der Fahrrad-Division erfolgreich in der PIERER E-Bikes GmbH abgeschlossen. Ein wichtiges Highlight in diesem Segment war der im November erfolgte Erwerb der US-amerikanischen Marke „FELT“. FELT Bicycles wurde 1991 in Kalifornien, USA, gegründet und ist bekannt für die Herstellung von leistungsstarken Rennrädern, Triathlon-, Bahn-, Cyclocross- und Gravel-Bikes. FELT-Fahrräder wurden zu Etappensiegen bei Grand Tours gefahren und brachten rekordverdächtige Triathlon-Weltmeistertitel, olympische Goldmedaillen sowie Weltmeistertitel auf verschiedenen Terrains ein. Der Integrationsprozess der Marke Felt in die PIERER E-Bikes GmbH hat bereits begonnen.

Vereinfachung der Beteiligungsstruktur mit Bajaj

Als wichtiger Meilenstein für das Unternehmen ist der Abschluss der Vereinfachung der Beteiligungsstruktur zwischen der Pierer-Gruppe und der indischen Bajaj-Gruppe im 4. Quartal 2021 zu sehen. Die Bajaj-Gruppe brachte dabei wie geplant im ersten Schritt ein Aktienpaket im Ausmaß von 46,5% an der operativen Tochtergesellschaft KTM AG in die von der Pierer-Gruppe gehaltene Mehrheitsaktionärin der PIERER Mobility AG, die Pierer Bajaj AG, ein. Dafür erhielt Bajaj eine Beteiligung an der Pierer Bajaj AG im Ausmaß von 49,9%. In einem zweiten Schritt wurde dieses zwischenzeitlich von der Pierer Bajaj AG gehaltene 46,5% KTM-Aktienpaket im Rahmen einer knapp 50%igen Sachkapitalerhöhung in die PIERER Mobility AG eingebracht. Dabei wurden 11.257.861 neuer Aktien ausgegeben. Diese Sachkapitalerhöhung aus dem genehmigten Kapital in Höhe von € 895 Mio., das entspricht exakt 49,9% des bestehenden Grundkapitals, wurde unter Bezugsrechtsausschluss durchgeführt. Zur Zeichnung wurde ausschließlich die Pierer Bajaj AG zugelassen. Durch dieses „Uplifting-Projekt“ inklusive Kapitalerhöhung stieg die Beteiligung der Pierer Mobility an der operativen KTM AG (nach Erwerb der noch restlichen von Bajaj gehaltenen rund 1,5% KTM AG-Anteile) auf 99,75% (Vorjahr: 51,71%). Die restlichen 0,25% sollen gegen Gewährung einer angemessenen Barabfindung auf den Hauptgesellschafter PIERER Mobility AG in 2022 übertragen werden (Squeeze-Out). Somit wird in der PIERER Mobility Gruppe nachhaltig eine klare Struktur geschaffen und dabei die Minderheitenanteile („Minorities“) auf ein zu vernachlässigendes Niveau reduziert.

Strategische Partnerschaften

Als Pionier in der Elektrifizierung von motorisierten Zweirädern erzielte die PIERER Mobility-Gruppe in 2021 bereits Umsatzerlöse in Höhe von rund € 181 Mio. (+55%) mit elektrisch angetriebenen Zweirädern (E-Motorcycles und E-Bicycles). Hervorzuheben sind in diesem Zusammenhang die in 2021 eingegangenen beiden strategischen Partnerschaften im Bereich der E-Mobilität mit Bajaj einerseits und VARTA andererseits.

Die PIERER Mobility AG und Bajaj Auto Limited, Indiens zweitgrößter Motorradhersteller, vertieften ihre bereits 15-jährige strategische Partnerschaft in der internationalen Motorradindustrie nun auch bei der Entwicklung von Elektroprodukten im Zweiradbereich, um der wachsenden Nachfrage nach innovativen E-Mobility-Konzepten gerecht zu werden. Beide Unternehmen arbeiten an der Erforschung gemeinsamer Themen, wie beispielsweise das emissionsfreie Abgassystem, den geringen Wartungsaufwand und die Langlebigkeit von leichten Elektrofahrzeugen in urbanen Umgebungen und Metropolen. Diese Strategie beinhaltet auch eine offene Herangehensweise mit unterschiedlichen Batterie-Lösungen, um sowohl die Vorteile von integrierten als auch herausnehmbaren Batterien zu nutzen.

Eine weitere strategische Kooperation für die Entwicklung von hocheffizienten Batteriesystemen im Elektro-Zweiradbereich vereinbarten im März 2021 PIERER Mobility AG und VARTA AG, der führende europäische Hersteller von Li-Ionen-Zellen und ein globaler Innovations- und Technologieführer. VARTA und KTM sollen mit hocheffizienten Batteriesystemen ein starkes Signal in und aus Europa setzen. Zielsetzung ist eine Zusammenarbeit in den Bereichen Forschung, Entwicklung, Produktion, Marketing und Vertrieb sowie im Bereich Rücknahme, Recycling und 2nd Life von Batterien. Die Kooperationspartner sehen großes Potenzial für die Entwicklung einer Plattformbatterie für leichte Elektrofahrzeuge im Bereich der 48-Volt-Technologie mit Spitzenleistungen bis ca. 20kW.

Zur Erweiterung der Fahrrad- und E-Bike-Produktionskapazität wurde 2021 mit MAXCOM Ltd. ein 50:50 Joint Venture für die E-Bike Fertigung in Plovdiv, gegründet. Auf einem Areal von 130.000 m² entsteht eine hochmoderne E-Bike Produktions- und Assemblierungsstätte. Es wird auch internationalen Zulieferern die Möglichkeit gegeben, sich am Standort anzusiedeln. Die Inbetriebnahme ist in der zweiten Jahreshälfte 2023 geplant. Die jährliche Produktionskapazität beträgt rund 350.000 Stück. PIERER Mobility AG bringt ihre gesamte Fahrzeugentwicklungs- und Produktionskompetenz in das Joint Venture ein. MAXCOM Ltd. ist einer der größten Fahrradhersteller in Osteuropa und Mitglied der MAXEUROPE-Gruppe in Bulgarien. Maxcom produziert bereits für die PIERER E-Bikes GmbH Fahrräder der Marken R RAYMON, zunehmend aber auch Husqvarna E-Bicycles.

Als weiterer wichtiger Joint Venture-Partner sei auch CFMOTO genannt. Die intensiviertere Zusammenarbeit mit Partner CFMOTO zum Aufbau einer zusätzlichen Produktionsstätte und Lieferkette in China ist mit der Assemblierung von rund 10.000 Mittelklasse-Motorrädern in 2021 erfolgreich angelaufen. In der Joint Venture-Fabrik in Hangzhou entsteht aus der 790er Zweizylinder Plattform eine Modellfamilie für neue, preisgünstige Mittelklasse Duke- und Adventure Modelle. Im Jahr 2022 sollen rund 25.000 Motorräder produziert werden.

Erhöhung globaler Markenbekanntheit durch sensationelle Erfolge im Motorsport

Hervorzuheben sind in 2021 die großen Erfolge im Motorrad-Rennsport. Unter den drei Marken KTM, Husqvarna und GasGas wurden sowohl im Straßen- als auch im Offroadsport 21 Weltmeistertitel gewonnen.

Jeffrey Herlings sicherte sich auf KTM die Weltmeisterkrone in der MX GP, Coober Webb (ebenfalls KTM) krönte sich zum Supercross Champion und Billy Bolt (Husqvarna) gewann die Hard Enduro Series, um nur einige zu nennen. Im Straßenrennsport triumphierten in der Moto 2 gleich zwei KTM Fahrer, Remy Gardner vor seinem Teamkollegen Raul Fernandez, die auch beide in die MotoGP 2022 aufrücken.

Im Jänner 2022 gewann Sam Sunderland die prestigeträchtige Rallye Dakar für die Gruppe auf GasGas. Den zweiten Podestplatz erlangte Matthias Walkner, der amtierende Cross Country Rallies Weltmeister, als Dritter im Klassement.

COVID-19 Pandemie

Im Geschäftsjahr 2021 kam es an den Produktionsstandorten in Österreich zu keinen wesentlichen Produktionsunterbrechungen. Jedoch stellten die teilweise hohen Infektionszahlen und der damit eingehende temporäre Ausfall von Mitarbeitern die Produktion und die Logistik vor erhebliche Herausforderungen. Durch die hohe Flexibilität der Mitarbeiter, einem zusätzlichen Mitarbeiteraufbau und die Einführung zusätzlicher Schichten konnten die Herausforderungen weitgehend gemeistert werden.

Die internationalen Lieferketten waren durch teilweise Instabilität und Verzögerungen gekennzeichnet. Die Erholung der Weltwirtschaft führte zu einer erhöhten Nachfrage und Engpässen bei Frachtcontainern und somit zu einer erheblichen Erhöhung der Frachtkosten. Das im vergangenen Jahr überarbeitete Risikofrüherkennungssystem zur Identifikation globaler Ereignisse mit direkten oder indirekten Auswirkungen auf die Lieferkette wurde zielorientiert verbessert. Eine ausgereifte Supply Chain vom Lieferanten bis hin zu den Produktionsstandorten in Mattighofen und Munderfing soll primär die Teilverfügbarkeit zu wirtschaftlich konkurrenzfähigen Kosten sicherstellen, dennoch aber für die beteiligten Parteien als Zulieferer und Abnehmer eine Basis schaffen, mit der langjährige Geschäftsbeziehungen aufgebaut beziehungsweise ausgebaut werden können. Um diese Ziele umsetzen zu können, tragen verschiedenste Mitarbeiter aus den Bereichen Einkauf, Qualitätsmanagement und der Forschung & Entwicklung ihre Expertise bereits vor der Vergabe eines neuen Kaufteiles an einen in einer Vergaberunde ausgewählten Zulieferbetrieb bei. Diese tradierten und bewährten Beziehungen trugen maßgeblich dazu bei, dass die globale Verknappung von Ressourcen und Engpässen in den Lieferketten die Gruppe nur unwesentlich in ihrem Geschäftsbetrieb betroffen haben.

Die Motorrad-Produktion beim strategischen Partner Bajaj lief weitgehend auf Normalbetrieb und die Versorgung von kleinmotorigen KTM und Husqvarna Straßenmotorrädern (bis 400 cm³) für den weltweiten Vertrieb der PIERER Mobility-Gruppe war sichergestellt. Die in einigen Ländern durchgeführten Lockerungen national-

regulatorischer Lockdown-Maßnahmen führten zu einer teilweisen Wiedereröffnung des weltweiten Händler-Netzwerkes. Die unverändert hohe Nachfrage nach motorisierten Zweirädern, die maßgeblich aus einer Änderung des Konsumentenverhaltens hinsichtlich der Benutzung des öffentlichen Verkehrs und einer Zurückhaltung bei Reisen resultiert, stellt eine Folge hieraus dar. So setzten sich die bereits im vergangenen Jahr verzeichneten Erholungseffekte beim Retail-Absatz in allen relevanten Absatzmärkten fort.

Die Auswirkungen des Ausbruchs der COVID-19-Pandemie wurden vom Management bereits in 2019 frühzeitig erkannt. KTM reagierte durchgehend proaktiv gemäß den national-regulatorischen Maßnahmen zur Eindämmung der COVID-19-Krise und setzte diese vollständig um. Die Produktion verlief in 2021 durchgehend und ohne unmittelbare Einschränkungen aufgrund der COVID-19-Pandemie, sodass auch die Motorsport- und Marketingaktivitäten wieder deutlich gesteigert wurden. Die Lockdown-Maßnahmen zum Ende des Jahres 2021 hatten hierauf nur geringfügig Einfluss, konnte die Produktion aufgrund der getroffenen Maßnahmen aufrechterhalten und durch Erweiterung der Homeoffice-Regelungen eine Verringerung der Belegschaft vor Ort und damit eine Reduktion des Infektionsrisikos erreicht werden. Die Ersatzteilversorgung der Endkunden war jederzeit gewährleistet.

Temporäre Verzögerungen bei Investitions- und Entwicklungsprojekten, wie sie noch im vergangenen Jahr auftraten, konnten in 2021 vermieden werden. Die Liquiditätssituation entwickelte sich gemäß Geschäftsverlauf sehr erfreulich. Neben der Ausgabe einer Namensschuldverschreibung in Höhe von € 30 Mio. im Mai 2021, wurde durch die Aufnahme eines Darlehens bei der Europäischen Investitionsbank in Höhe € 50 Mio. die Liquiditätssituation nachhaltig gestärkt. Gestützt durch die positive Entwicklung der Retail-Absätze und die in den Vorjahren etablierten und konsequent weiterverfolgten Working Capital Optimierungen konnte eine Free Cash-Flow in Höhe von € 172,2 Mio. (Vorjahr: € 165,8 Mio.) erwirtschaftet werden. Die Nettoverschuldung reduzierte sich weiter um € 122,5 Mio. auf € 189,9 Mio. (Vorjahr: € 312,4 Mio.).

Um das Risiko durch die COVID-19-Pandemie zu minimieren und die Aufrechterhaltung der Produktionskapazitäten sicherzustellen, wurde schon 2021 ein umfangreiches Präventionskonzept entwickelt, das sich an den gebotenen regulatorischen Maßnahmen orientiert und diese umsetzt. Zum Schutz der Gesundheit der Mitarbeiter wurden diverse weitergehende Vorsichtsmaßnahmen getroffen. Zu diesen gehören Abstandsregeln, die regelmäßige Desinfektion von Arbeitsbereichen sowie Hygienemaßnahmen und Zutrittsbeschränkungen in Abhängigkeit des Status als geimpft, genesen oder negativ getestet. Aufgrund der guten Erfahrungen mit dem Home-Office Angebot wurde dieses flexibel beibehalten. Den Mitarbeitern wurde zudem ein umfangreiches COVID-19-Impfangebot unterbreitet, das über das gesamte Geschäftsjahr beständig beibehalten und von Mitarbeitern stark nachgefragt wurde.

2. WIRTSCHAFTLICHES UMFELD UND MARKTENTWICKLUNG

Das seit Ende Dezember 2019 bekannte und insbesondere seit März 2020 in allen Ländern der Welt auftretende SARS-CoV-2 beeinflusst anhaltend die Wirtschaftstätigkeit in globaler Perspektive. Regierungen weltweit haben Maßnahmen ergriffen, die Ausbreitung zu bremsen bzw. zu verhindern und wirtschaftliche Folgeerscheinungen dieser infektiologisch gebotenen Maßnahmen abzumildern.

Nicht nur Rückschläge im Kampf gegen die Pandemie bereiten dabei Anlass zur Sorge, sondern auch die damit in Zusammenhang stehenden Verknappungen von Ressourcen in den Lieferketten sowie steigende bzw. anhaltende Inflationszahlen. Die globale wirtschaftliche Lage ist mit großer Unsicherheit behaftet und die bestehenden Verwerfungen im Rahmen der wirtschaftlichen Erholung haben sich vergrößert, vor allem im Zusammenhang mit dem Verlauf der Pandemie und dem Zugang zu Impfstoffen.

Die aktuellen Einschätzungen des Internationalen Währungsfonds (IWF) vom Jänner 2022 sind unverändert gleichermaßen mit großer Unsicherheit behaftet. Demnach wird die Weltwirtschaftsleistung in 2022 um 4,4 % wachsen. Für Industrieländer wird ein Wachstum von 3,9 % für 2022 sowie 2,6 % für das Jahr 2023 prognostiziert. Für die Euro-Zone wird ein Wachstum von 3,9 % für 2022 erwartet. Für das Jahr 2023 prognostiziert der IWF ein weltweites Wachstum von 3,8 %, wobei für die Eurozone ein Wachstum von 2,5 % erwartet wird.

Für Schwellen- und Entwicklungsländer wird ein Wachstum der Wirtschaftsleistung von 4,8 % für das Jahr 2022 sowie 4,7 % für das Jahr 2023 erwartet. Für China wird ein Wachstum von 4,8 % für 2022 sowie von 5,2 % für 2023 prognostiziert. Für Indien wird mit einem Anstieg der Wirtschaftsleistung um 9,0 % für 2022 und um 7,1 % für 2023 ebenfalls eine positive Entwicklung erwartet.

Im abgelaufenen Geschäftsjahr 2021 konnte die PIERER Mobility-Gruppe die starken Zulassungszahlen des Vorjahres bestätigen und die globalen¹ Zulassungen auf hohem Niveau konstant halten. Das Marktumfeld des **Motorradmarktes** legte im Vergleich zu 2020 um ca. 9% zu.

In **Europa**² wuchs der Motorradmarkt auf ein Volumen von ca. 740.000 Neuzulassungen zum 31.12.2021, was einem Plus von 8% entspricht. Der Marktanteil straßenzugelassener Motorräder von KTM, Husqvarna und GASGAS liegt bei 11,5%. Während Italien (+28%) und Frankreich (+12%) sowohl im Gesamtmarkt als auch bei den Zulassungen der Gruppe (Italien +14%, Frankreich +10%) Anstiege verzeichneten, schrumpfte die Motorradnachfrage in Deutschland als einer der größten relevanten Märkte für die Gruppe in Europa um 9%.

In den **USA**³, dem größten singulären Motorradmarkt für PIERER Mobility, knüpfte der Motorradmarkt an das positive Wachstum des Vorjahres an und verzeichnete 2021 sowohl im Offroad- als auch im Straßenbereich ein Volumen von rund 440.000 Motorrädern (Vorjahr: ca. 398.000) bei einem Plus von 10%. Die drei Motorradmarken der PIERER Mobility-Gruppe weisen gemeinsam erneut einen deutlich zweistelligen Marktanteil von 11,3% aus (Vorjahr: 11,6%). Fast ident zeigt sich die Dynamik in **Kanada** mit ebenso einem Plus von 10% im Motorradmarkt, was einem Marktanteil von 14,1% für das Geschäftsjahr 2021 entspricht (Vorjahr: 14,5%).

Trotz lang andauernden Lockdowns in **Australien** erfreut sich auch dieser Markt starker Zugewinne, sowohl in seiner Gesamtheit bezogen auf den Motorradmarkt (2021: +8%; Vorjahr: +17,9%) sowie für die Produkte von KTM, Husqvarna und GASGAS (2021: +4%; Vorjahr: +46,5%), was sich in einem Marktanteil von 19,7% niederschlägt (Vorjahr: 20,4%).

Der noch im vergangenen Jahr von der Corona-Pandemie stark getroffene Markt in **Indien** konnte sich in 2021 deutlich erholen und im rund 9,6 Mio. Einheiten umfassenden Gesamtmotorradmarkt ein Wachstum von 2% verzeichnen. Im relevanten S2/S3-Segment, in dem die Marken KTM und Husqvarna Motorcycles einen

¹ Bezogen auf die wesentlichen Absatzmärkte der KTM Gruppe: DE, FR, IT, UK, ES, SE, BE, NL, AT, CH, FL, DK, NO, GR, PL, SL, HU, BALTIC, USA, CAN, AUS, NZ, JP, SA.

² Motorräder = 120ccm ohne Motocross, Scooters und ATV's, inkl. Elektromotorräder in den Märkten DE, FR, IT, UK, ES, SE, BE, NL, AT, CH, FI, NO, BALTIC

³ Motorräder = 120ccm inklusive Motocross, ohne Scooters und ATV's, inkl. Elektromotorräder

Marktanteil von 7% aufweisen, konnten über die Vertriebswege des strategischen Partners Bajaj wie auch schon im Vorjahr ca. 60.000 Motorräder abgesetzt werden.

Äußerst positiv entwickelt sich das Marktumfeld für Motorräder in den südamerikanischen, für die Gruppe relevanten Kernländern **Argentinien und Kolumbien** (Gesamtmarkt: ca. 600.000 Einheiten). Im Geschäftsjahr 2021 wuchs der Motorradmarkt in Argentinien um 29%, wobei der Absatz von Motorrädern der Marken KTM und Husqvarna um knapp 70% stieg. Dies resultiert in einem Marktanteil von 4%. Als noch stärker erweist sich das Wachstum in Kolumbien, wo der Gesamtmarkt um 43% zulegen konnte. Die Motorradmarken der PIERER Mobility-Gruppe verzeichneten für das Geschäftsjahr 2021 in Kolumbien ein Zulassungsplus von 76% und einen Marktanteil von 2%.

Der **E-Mobility-Markt** birgt große Wachstumspotenziale. E-Bicycles stehen für eine gesunde, nachhaltige und individuelle Fortbewegung. Sie sind ein zunehmend wichtiger Baustein moderner Mobilitätskonzepte. Gerade die Beliebtheit von E-Bicycles wächst dynamisch und hat inzwischen alle Modellgruppen im Fahrradsektor erfasst. E-Bicycles ermöglichen längere Wegstrecken sowie höhere Durchschnittsgeschwindigkeiten und eröffnen in den Städten und auf dem Land neue Mobilitätsoptionen. Es ist erkennbar, dass sich auch am Fahrradmarkt qualitativ hochwertige Markenprodukte durchsetzen. Der Konsument zeigt sich qualitäts- und umweltbewusster, was unmittelbar zu einer höheren Nachfrage am Fahrradmarkt führt – ein erwiesener Trend insbesondere auf Grundlage von Daten für den deutschen Absatzmarkt, der nach neueren wissenschaftlichen Erkenntnissen nicht zuletzt von der sich verändernden Bevölkerungsstruktur sowie dem Umweltbewusstsein schärfenden allgemeinen Bildungsniveau abhängt.

Laut Meldungen des deutschen Zweirad-Industrie-Verband (ZIV) wurde in Deutschland 2020 mit 5,04 Mio. verkauften Einheiten (E-Bicycles und Non-E-Bicycles) eine Absatzsteigerung von +16,9% gegenüber dem Vorjahr erzielt. Bei einem Rückgang von -7,2% bei herkömmlichen Fahrrädern resultiert das starke Wachstum vor allem aus dem E-Bicycles-Segment. In seinem Bericht zum ersten Halbjahr 2021 bestätigt der ZIV diese für den E-Bicycle-Markt positiven Tendenzen, während sich der prognostizierte Rückgang in den Verkaufszahlen von Fahrrädern gesamt ausschließlich aus dem Rückgang bei herkömmlichen Fahrrädern speist. So berichtet der ZIV von 1,95 Mio. verkauften E-Bicycles in 2020 in Deutschland (2019: 1,36 Mio.). Der Marktanteil der E-Bicycles lag 2020 demnach bei 38,7% (2019: 31,5%). Mittelfristig werden für E-Bicycles Marktanteile von 40 % bis 50 % am gesamten Fahrradmarkt in Deutschland prognostiziert.

In ähnlicher Weise zeigt eine Trendstudie des Wirtschaftsprüfungs- und Beratungsunternehmens PwC auf, dass der Fahrradmarkt in den kommenden Jahren global mit einer durchschnittlichen Rate von jährlich ca. 5,5 % wachsen wird. Diese Entwicklung wird maßgeblich vom starken Wachstum in den Absatzzahlen von E-Bicycles getrieben (gemäß der Studie 7,4 % p.a.). Die größten Wachstumspotentiale liegen demnach in den ostasiatischen sowie europäischen und nordamerikanischen Märkten mit einem geschätzten Absatzvolumen von ca. 210,4 Mio. verkauften Fahrrädern (E-Bicycles und Non-E-Bicycles; geschätzter Wert des Absatzvolumens: ca. 80 Mrd. EUR) weltweit in 2025.

3. FINANZIELLE LEISTUNGSINDIKATOREN

BEDEUTSAMSTE FINANZIELLE LEISTUNGSINDIKATOREN:

ERTRAGSKENNZAHLEN		2020	2021	VDG. IN %
Umsatzerlöse	in € Mio.	1.530,4	2.041,7	33,4%
Betriebsergebnis vor Abschreibung (EBITDA)	in € Mio.	233,5	332,2	42,3%
EBITDA-Marge	in %	15,3%	16,3%	
Ergebnis der betrieblichen Tätigkeit (EBIT)	in € Mio.	107,2	193,5	80,5%
EBIT-Marge	in %	7,0%	9,5%	

WEITERE FINANZIELLE KENNZAHLEN:

ERTRAGSKENNZAHLEN		2020	2021	VDG. IN %
Ergebnis nach Steuern	in € Mio.	69,5	142,9	>100,0%
Ergebnis nach Minderheiten	in € Mio.	34,9	82,5	>100,0%

BILANZKENNZAHLEN		31.12.2020	31.12.2021	VDG. in %
Bilanzsumme	in € Mio.	1.686,0	2.033,7	20,6%
Eigenkapital	in € Mio.	654,1	765,6	17,0%
Eigenkapitalquote	in %	38,8%	37,6%	
Working Capital Employed ¹⁾	in € Mio.	181,5	160,5	-11,6%
Nettoverschuldung ²⁾	in € Mio.	312,4	189,9	-39,2%
Gearing ³⁾	in %	47,8%	24,8%	

CASH-FLOW UND INVESTITIONEN		2020	2021	VDG. in %
Cash-Flow aus Betriebstätigkeit	in € Mio.	312,8	367,4	17,5%
Cash-Flow aus Investitionstätigkeit	in € Mio.	-147,0	-195,1	32,7%
Free Cash-Flow ⁴⁾	in € Mio.	165,8	172,2	3,9%
Cash-Flow aus Finanzierungstätigkeit	in € Mio.	-104,7	-27,6	-73,6%
Investitionen ⁵⁾	in € Mio.	150,2	178,5	18,8%

WERTSCHAFFUNG		31.12.2020	31.12.2021
ROCE (Return on Capital Employed) ⁶⁾	in %	9,7%	17,4%
ROE (Return on Equity) ⁷⁾	in %	10,9%	20,1%
ROIC (Return on Invested Capital) ⁸⁾	in %	7,7%	13,0%

1) Working Capital Employed = Vorräte + Forderungen aus Lieferungen und Leistungen - Verbindlichkeiten aus Lieferungen und Leistungen

2) Nettoverschuldung = Finanzverbindlichkeiten (kurzfristig, langfristig) - Zahlungsmittel

3) Gearing = Nettoverschuldung / Eigenkapital

4) Free Cash-Flow = Cash-Flow aus Betriebstätigkeit + Cash-Flow aus Investitionstätigkeit

5) Zugänge von Sachanlagen und immateriellen Vermögenswerten laut Anlagespiegel; ohne Leasingzugänge (IFRS 16) iHv. € 24,6 Mio. (Vorjahr: € 19,5 Mio.)

6) ROCE: EBIT / durchschnittliches Capital Employed; Capital Employed = Sachanlagen + Firmenwert + Immaterielle Vermögenswerte + Working Capital Employed

7) ROE = Ergebnis nach Steuern / durchschnittliches Eigenkapital

8) ROIC = NOPAT / durchschnittliches Capital Employed; NOPAT = EBIT - Steuern

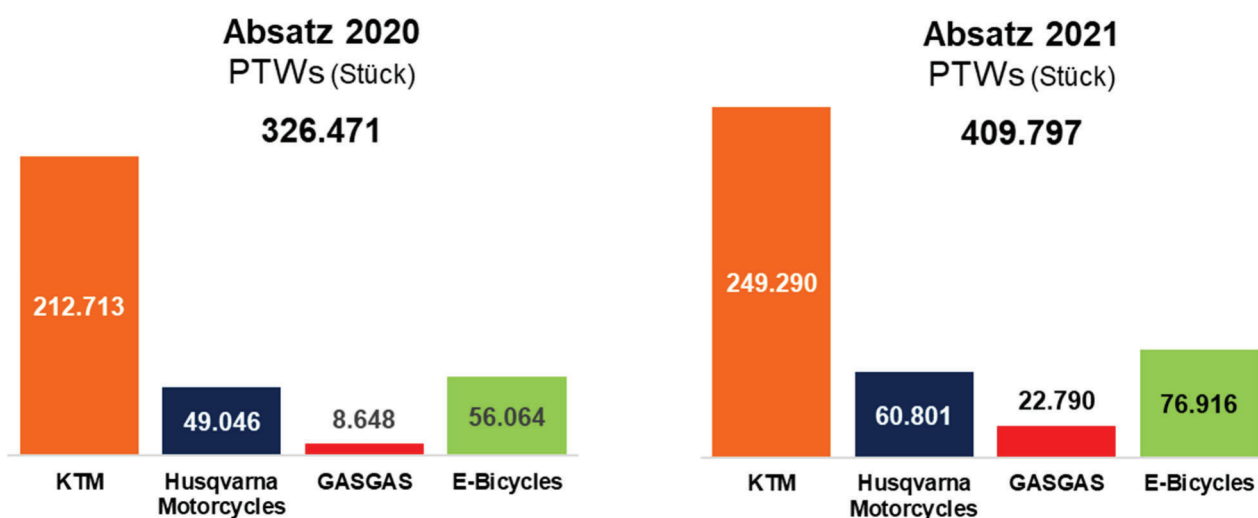
GESCHÄFTSENTWICKLUNG UND ANALYSE DER ERTRAGSKENNZAHLEN

Die PIERER Mobility-Gruppe blickt auf ein neues Rekordjahr 2021 zurück. Die größten Herausforderungen für die erfolgreiche Fortsetzung des Wachstumskurses waren die instabilen internationalen Lieferketten, die möglichst flexible Sicherstellung der erforderlichen Produktionskapazitäten und die Minimierung der Risiken aus der COVID-19-Pandemie für die Mitarbeiter. Aufgrund der hohen Marktnachfrage nach Powered Two-Wheelers (PTWs) und durch ein aktives Management der genannten Herausforderungen erzielte die PIERER Mobility-Gruppe trotz herausfordernder Rahmenbedingungen sowohl umsatz- als auch ergebnisseitig ein Rekordwachstum im Jahr 2021.

Im Geschäftsjahr 2021 erzielte die PIERER Mobility-Gruppe Umsatzerlöse in Höhe von € 2.041,7 Mio. (+33,4%) und verbesserte damit den Umsatz um € 511,3 Mio. zum Vorjahr. Rund 95% der Umsatzerlöse wurden außerhalb von Österreich erzielt. Regional betrachtet entfielen 56,0% der Umsatzerlöse auf Europa (-1,2 Prozentpunkte zum Vorjahr), 22,9% auf Nordamerika inkl. Mexiko (-1,5 Prozentpunkte zum Vorjahr) und 21,1% auf den Rest der Welt (+2,7 Prozentpunkte zum Vorjahr). Aufgrund der weltweit hohen Nachfrage nach Motorrädern und E-Bicycles wurden im abgelaufenen Geschäftsjahr insgesamt 663 Mitarbeiter aufgebaut, sodass der Mitarbeiterstand zum Jahresende 5.249 betrug. In Österreich werden davon 4.340 Mitarbeiter beschäftigt.

Das operative Ergebnis vor Abschreibungen (EBITDA) liegt mit € 332,2 Mio. um rund € 100 Mio. über dem Vorjahreswert von € 233,5 Mio. Die EBITDA-Marge beläuft sich auf 16,3%. Die Unternehmensgruppe steigerte das EBIT um rund 80% auf € 193,5 Mio. (Vorjahr: € 107,2 Mio.), was einer EBIT-Marge von 9,5% entspricht. Zudem konnte das Ergebnis nach Steuern mehr als verdoppelt werden und erreichte im Geschäftsjahr 2021 € 142,9 Mio. (Vorjahr: € 69,5 Mio.).

Die Absatzzahlen von PTWs - Motorrädern der Marken KTM, Husqvarna Motorcycles und GASGAS sowie E-Bicycles (exklusive Non-E-Bicycles) - verteilen sich wie folgt:



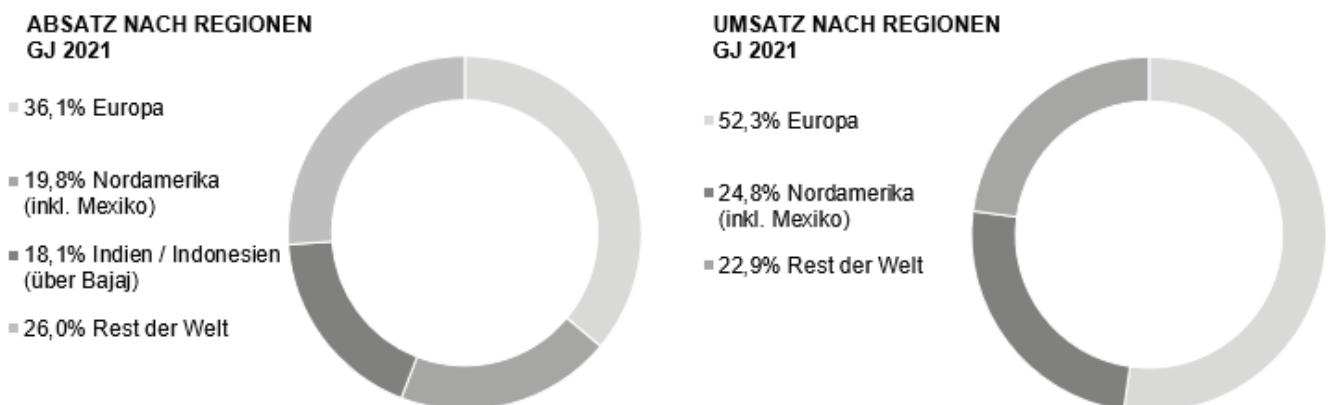
Die beiden Segmente „Motorcycles“ und „E-Bicycles“ stellen die operativen Hauptbereiche der PIERER Mobility-Gruppe dar, auf deren Entwicklung im Folgenden eingegangen wird.

MOTORCYCLES

Die noch in 2020 aufgrund von Produktionsunterbrechungen verzeichneten Umsatzausfälle, bedingt durch die COVID-Pandemie, konnten im Geschäftsjahr 2021 aufgeholt und der Gesamtumsatz deutlich gesteigert werden. In der KTM-Gruppe konnte im abgelaufenen Geschäftsjahr ein Umsatz von € 1.876,4 Mio. erzielt werden (Vorjahr: € 1.414,0 Mio.), was einem Umsatzplus von 32,7% entspricht. KTM erzielte im Geschäftsjahr 2021 ein EBITDA von € 325,2 Mio. (+44,1% im Vergleich zum Vorjahr) und ein EBIT von € 192,8 Mio. (+83,1% im Vergleich zum Vorjahr). Dies entspricht einer EBITDA-Marge von 17,3% (Vorjahr: 16,0%) und einer EBIT-Marge von 10,3% (Vorjahr: 7,4%). Das Ergebnis nach Steuern beläuft sich auf € 146,1 Mio. (Vorjahr: € 71,2 Mio.).

In Nordamerika verzeichnete KTM ein Umsatzwachstum von 24,8% auf € 466,1 Mio. Damit wurden 24,8% des Umsatzes in Nordamerika erzielt (Vorjahr: 26,4%). In Europa stieg der Umsatz gegenüber dem Vorjahr um 29,1% auf € 980,8 Mio., was einem Anteil von 52,3% entspricht (Vorjahr: 53,7%). Auch in den übrigen Ländern konnte der Umsatz gegenüber dem Vorjahr um 52,9% auf € 429,4 Mio. gesteigert werden. Der Umsatzanteil in den übrigen Ländern beträgt 22,9% (Vorjahr: 19,9%).

Mit 249.290 verkauften KTM Motorrädern, 60.801 verkauften HUSQVARNA Motorrädern und 22.790 verkauften GASGAS Motorrädern im Geschäftsjahr 2021, hat die KTM-Gruppe insgesamt 332.881 Motorräder (+23,1% zum Vorjahr; unter Berücksichtigung der in Indien und Indonesien von Partner Bajaj verkauften Motorräder) abgesetzt und festigte dadurch mit den drei Motorradmarken ihre Präsenz in den wichtigen Motorradabsatzmärkten. In den Vertriebsregionen von Europa lag der Absatz bei 120.049 Motorrädern (+23,3%). Signifikante Zuwächse verzeichnet auch die nordamerikanische Vertriebstochter mit 65.792 abgesetzten Motorrädern (+24,6%), und in Australien konnte der Absatz um 25,7% auf 20.811 gesteigert werden. Die stärksten Wachstumspotentiale zeigten sich in Südamerika (+62,5%) mit 32.562 und in Asien (+55,8%) mit 29.847 verkauften Motorrädern.



Im Geschäftsjahr 2021 wurden am Produktionsstandort Mattighofen 178.992 Motorräder produziert. Im Vergleich zum Vorjahr entspricht dies einer Steigerung von 38.740 Stück oder +27,6%. Unter Berücksichtigung der von unserem Partner Bajaj Auto Ltd. in Indien produzierten kleinmotorigen KTM- und Husqvarna-Modelle sowie der in Spanien produzierten GASGAS-Trials wurden weltweit 323.931 Fahrzeuge (+22,1%) produziert.

E-BICYCLES

In der Fahrrad-Division stand in 2021 die Etablierung der drei Marken Husqvarna E-Bicycles, R Raymon und GasGas sowie die technische Weiterentwicklung und Qualitätssteigerung des Produktportfolios im Vordergrund der Aktivitäten. R RAYMON bietet sowohl Fahrräder als auch E-Bikes für unterschiedliche Zielgruppen: von Kinderrädern bis hin zu Rennrädern, von City-E-Bikes bis hin zu sportlichen E-MTBs. Die Produktpalette von Husqvarna umfasst heute die gesamte Bandbreite in Sachen E-Mobility. Im April 2021 wurden GASGAS-Fahrräder offiziell eingeführt. Die spanische Eigenmarke schlug ein neues Kapitel im Bereich der E-Mobility auf und soll noch mehr Offroad-Enthusiasten Zugang zum gemeinsamen Fahrspaß im Gelände verschaffen. Mit den verschiedenen Marken und dem damit noch breiter gestreuten Produktportfolio wird es möglich sein, diesen stark differenzierten Markt optimal bedienen zu können. Die weltweite COVID-19 Pandemie hat den Wunsch der Konsumenten nach Lösungen im Bereich Individualverkehr und -sport verstärkt. Darüber hinaus rückt die Berücksichtigung von Nachhaltigkeitsgedanken das Bedürfnis nach emissionsfreier Fortbewegung stärker in den Fokus von Konsumenten. Dabei erweisen sich insbesondere E-Bikes als besonders beliebt bei und attraktiv für Kunden. Die PIERER E-Bikes-Gruppe konnte dies nutzen, sich mit ihren Marken auf einem stark umkämpften Markt behaupten und ihren Wachstumskurs fortsetzen.

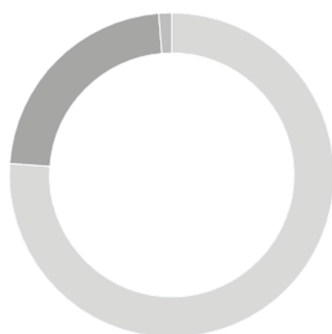
Im Geschäftsjahr 2021 konnte im E-Bicycles-Segment ein Umsatz in Höhe von € 162,7 Mio. erzielt werden (Vorjahr: € 112,5 Mio.). Dies bedeutet ein Umsatzplus von knapp 45% im Jahresvergleich. Das EBITDA lag in

2021 bei € 11,4 Mio. (Vorjahr: € 6,5 Mio.) und das EBIT bei € 7,0 Mio. (Vorjahr: € 2,2 Mio.). Dies entspricht einer EBITDA-Marge von 7,0% (Vorjahr: 5,8%) und einer EBIT-Marge von 4,3% (Vorjahr: 2,0%). Das Ergebnis nach Steuern beläuft sich auf € 5,0 Mio. (Vorjahr: € 0,3 Mio.).

Mit 76.916 E-Bicycles (+37,2%) und 25.837 non-E-Bicycles (+50,1%) konnte die Fahrrad-Division mit den Marken HUSQVARNA, R RAYMON und GASGAS ein Absatzwachstum von in Summe mehr als 40% erzielen und bereits 102.753 Fahrräder verkaufen (Vorjahr: 73.277). Von den im Geschäftsjahr 2021 verkauften E-Bicycles wurden 40,8% unter der Marke Husqvarna E-Bicycles, 53,3% unter der Marke R RAYMON sowie 5,9% unter der Marke GASGAS verkauft. Die Absätze der Non-E-Bikes sind zur Gänze der Marke R RAYMON zuzurechnen. Rund 76% des Absatzes entfallen auf die DACH-Region.

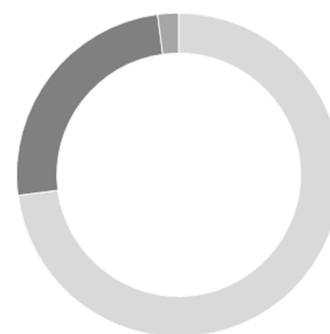
**ABSATZ NACH REGIONEN
GJ 2021**

- 76,1% DACH-Region
- 22,6% Restliches Europa
- 1,3% Rest der Welt



**UMSATZ NACH REGIONEN
GJ 2021**

- 73,0% DACH-Region
- 24,9% Restliches Europa
- 2,1% Rest der Welt



BILANZANALYSE

Die Bilanzstruktur der PIERER Mobility-Gruppe setzt sich wie folgt zusammen:

	2020		2021	
	Mio. €	in %	Mio. €	in %
Langfristige Vermögenswerte	942,0	55,9%	992,8	48,8%
Kurzfristige Vermögenswerte	744,0	44,1%	1.040,9	51,2%
Vermögenswerte	1.686,0	100,0%	2.033,7	100,0%
Eigenkapital	654,1	38,8%	765,6	37,6%
Langfristige Schulden	581,4	34,5%	649,5	31,9%
Kurzfristige Schulden	450,5	26,7%	618,7	30,4%
Eigenkapital und Schulden	1.686,0	100,0%	2.033,7	100,0%

Die Bilanzsumme der PIERER Mobility-Gruppe erhöhte sich zum 31.12.2021 gegenüber dem Konzernabschluss zum 31.12.2020 von € 1.686,0 Mio. auf € 2.033,7 Mio. um 20,6%.

Die langfristigen Vermögenswerte erhöhten sich 2021 von € 942,0 Mio. auf € 992,8 Mio. Dies entspricht einer Steigerung von € 50,8 Mio. bzw. 5,4%. Der Anstieg resultiert größtenteils aus dem über den Abschreibungen liegenden Investitionsniveau speziell im Bereich von Entwicklungsprojekten und den dadurch folglich erhöhten immateriellen Vermögenswerten.

Innerhalb der kurzfristigen Vermögenswerte erhöhten sich insbesondere die Zahlungsmittel um € 155,2 Mio. und die Vorräte um € 106,4 Mio. und hier insbesondere aus dem Bestandsaufbau an unfertigen Erzeugnissen bzw.

Roh-, Hilfs- und Betriebsstoffen. Dies führte insgesamt zu einer deutlichen Erhöhung der kurzfristigen Vermögenswerte um 39,9% auf € 1.040,9 Mio.

Bei den kurzfristigen Schulden war im abgelaufenen Geschäftsjahr ein Anstieg um € 168,2 Mio. auf € 618,7 Mio. (+37,3%) zu verzeichnen. Der Anstieg ist im Wesentlichen aufgrund des Anstiegs der Verbindlichkeiten aus Lieferungen und Leistungen in Höhe von € 133,5 Mio. zurückzuführen. Sonstige Erhöhungen betreffen u.a. Umsatzboni und Personalverbindlichkeiten.

Die langfristigen Schulden stiegen um 11,7% auf € 649,5 Mio. Die Erhöhung resultiert größtenteils aus der Aufnahme von Finanzierungen. Im Mai 2021 emittierte die KTM AG Namensschuldverschreibungen mit einer Laufzeit von 12 Jahren zu einem Nominalwert von € 30 Mio. Zudem wurde im Dezember 2021 ein Darlehen von der Europäischen Investitionsbank in Höhe von € 50 Mio. aufgenommen.

Das Eigenkapital erhöhte sich im Geschäftsjahr 2021 um € 111,4 Mio. auf € 765,6 Mio. Einerseits wurde durch das erfreuliche Ergebnis nach Steuern in Höhe von € 142,9 Mio. sowie durch den Verkauf eigener Aktien in Höhe von € 13,6 Mio. das Eigenkapital gestärkt. Andererseits führten Dividendenzahlungen in Höhe von € 24,4 Mio. und der Zukauf der Anteile an Tochterunternehmen (Erhöhung der Anteile an der KTM AG und KTM Technologies GmbH) in Höhe von insgesamt € 30,5 Mio. zu einer Verringerung des Eigenkapitals. Die sonstigen Effekte betreffen vor allem die ergebnisneutrale Erfassung von Fremdwährungsdifferenzen, die Bewertung von Finanzinstrumenten sowie die Neubewertung der Nettoschuld aus leistungsorientierten Versorgungsplänen. Die zum 31.12.2021 ausgewiesene Eigenkapitalquote liegt mit 37,6% aufgrund der beschriebenen Bilanzerhöhung unter dem Vorjahreswert von 38,8%.

LIQUIDITÄTSANALYSE

Der Cash-Flow aus dem operativen Bereich lag im Geschäftsjahr 2021 bei € 367,4 Mio. und damit um 17,5% über dem Vorjahreswert von € 312,8 Mio., wofür insbesondere die positive operative Ergebnisentwicklung hauptverantwortlich war (EBITDA +€ 98,7 Mio. gegenüber dem Vorjahreszeitraum).

Der Zahlungsmittelabfluss aus Investitionen betrug € -195,1 Mio. und liegt insgesamt deutlich über dem Vorjahreswert von € -147,0 Mio. Dieser Anstieg resultiert im Wesentlichen aufgrund der höheren Auszahlungen für den Erwerb von immateriellen Vermögenswerten und Sachanlagen (Effekt € -34,1 Mio.).

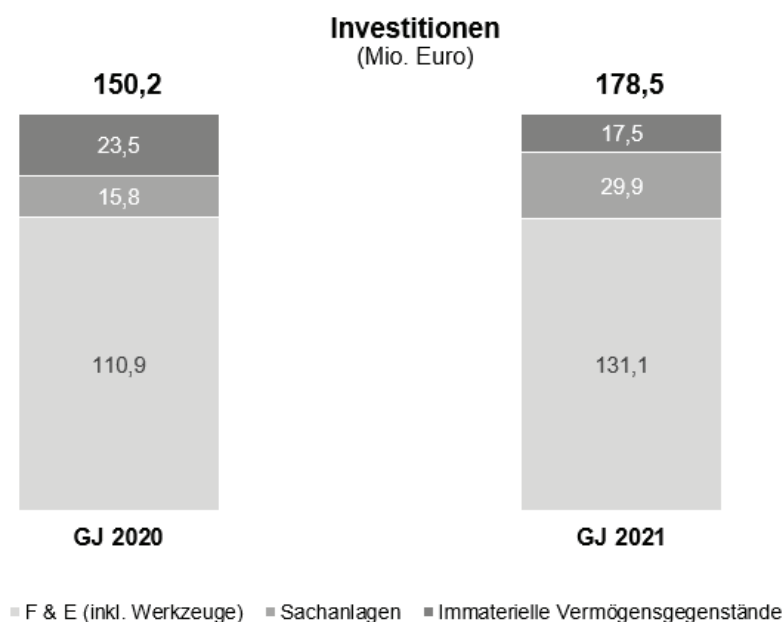
Aufgrund des ausgezeichneten Ergebnisses und des niedrigen Working Capital Standes wurde somit ein starker Free Cash-Flow in Höhe von € 172,2 Mio. generiert, was 8,4% der Umsatzerlöse entspricht. Der Free Cash-Flow konnte gegenüber dem Vorjahreszeitraum insgesamt um € 6,4 Mio. gesteigert werden.

Nach Berücksichtigung des Cash-Flows aus Finanzierungsaktivitäten in Höhe von € -27,6 Mio. erhöhten sich die liquiden Mittel im Vergleich zum 31. Dezember 2020 um € 155,2 Mio. (inklusive Fremdwährungseffekte von € 10,6 Mio.) auf € 373,5 Mio.

Durch die starke Eigenkapitalbasis und die langfristigen Finanzierungen stehen ausreichende Liquiditätsreserven nachhaltig zur Verfügung.

INVESTITIONEN

Im laufenden Geschäftsjahr wurden in der PIERER Mobility-Gruppe Gesamtinvestitionen in Höhe von € 203,1 Mio. (Vorjahr: € 169,7 Mio.) inklusive IFRS 16 Leasingzugänge in Höhe von € 24,6 Mio. (Vorjahr: € 19,5 Mio.) getätigt. Die Investitionen ohne Leasingprojekte verteilen sich auf Entwicklungsprojekte (inkl. Werkzeuge), Sachanlagen und immaterielle Vermögensgegenstände wie folgt:



Trotz der COVID-19-Pandemie haben Investitionen in die (Weiter-)Entwicklung von bestehenden und neuen Modellen sowie in die Elektromobilität höchste Priorität. Die Ausgaben für Investitionen in Forschung und Entwicklung werden daher nachhaltig auf dem bereits hohen Niveau der Vorjahre liegen und stellen einen der wesentlichen Erfolgsfaktoren der Gruppe dar. Der Anteil an Investitionen in Entwicklungsprojekte (inkl. Werkzeuge) zu den Gesamtinvestitionen liegt mit 73% geringfügig unter dem Vorjahreswert von 74%. Die Investitionen in die Infrastruktur (Sachanlagen) machen 17% (Vorjahr: 10%) der Gesamtinvestitionen aus. Weitere 10% (Vorjahr 16%) entfallen auf immaterielle Vermögensgegenstände (Markenrechte, IT, Lizenzen). Die Investitionen in immaterielle Vermögensgegenstände enthalten im Vorjahr größtenteils den Erwerb der Markenrechte an „GASGAS“ in Höhe von rund € 14 Mio.

Die wesentlichen Infrastrukturerweiterungen an unseren österreichischen Standorten im Berichtsjahr 2021 betreffen den Ausbau des Logistikzentrums (geplante Fertigstellung in 2022) sowie das neu errichtete Schulungszentrum am Standort Munderfing. Mit der in Mattighofen neu geschaffenen „Production Academy“ wurde außerdem massiv in die Aus- und Weiterbildung von Produktionsmitarbeiter investiert. Weiters erfolgte der Ausbau des neuen Produktionsstandortes von GASGAS in Terrassa, Spanien.

4. NICHTFINANZIELLE ERKLÄRUNG

Die Gesellschaft erstellte für die PIERER Mobility-Gruppe einen konsolidierten nichtfinanziellen Bericht gemäß § 267a UGB für das Geschäftsjahr 2021, welcher Angaben zu Konzepten, nichtfinanziellen Risiken, Due Diligence Prozessen sowie Ergebnissen und Leistungsindikatoren hinsichtlich Umwelt-, Sozial- und Arbeitnehmerbelangen, der Achtung von Menschenrechten, sowie der Bekämpfung von Korruption und Bestechung, enthält. Dieser Bericht wurde vom Aufsichtsrat gemäß § 96 AktG geprüft und ist online verfügbar unter <https://www.pierermobility.com/nachhaltigkeit/nachhaltigkeitsberichte>.

Der Corporate Governance Bericht ist auf der Webseite der Gesellschaft verfügbar unter <https://www.pierermobility.com/investor-relations/corporate-governance>.

5. FORSCHUNG & ENTWICKLUNG UND NEUE MODELLE

Die PIERER Mobility AG will ihre Vorreiterrolle in Bezug auf Technologie, Vertrieb und Image vor allem in der Motorradwelt weiter ausbauen. Der Bereich Forschung und Entwicklung steht daher seit Jahren besonders im Fokus. Als Resultat der verfolgten F&E-Strategie entstehen innovative Produkte, die den hohen Kundenerwartungen hinsichtlich Technologie und Performance gerecht werden. Dank der global agierenden Forschungs- und Entwicklungsorganisation verfügt die PIERER Mobility-Gruppe über ein Netzwerk an hoch qualifizierten Mitarbeitern etwa im Bereich Konstruktion, Berechnung und Simulation. Dieses Netzwerk wird durch den betriebsinternen Maschinen- und Anlagenpark, der für Produktion, Aufbau und Validierung neu entwickelter Prototypen verantwortlich ist, unterstützt.

Der Aufwand für Forschung und Entwicklung (vor Aktivierung von Entwicklungsleistungen) lag im Geschäftsjahr 2021 in der PIERER Mobility-Gruppe bei € 162,4 Mio. (Vorjahr: € 137,7 Mio.), was 8,0% (Vorjahr: 9,0%) des Umsatzes entspricht. Die Produkte aller Konzernunternehmen bewegen sich in einem sehr anspruchsvollen Leistungsniveau, weshalb von den Kunden eine permanente Entwicklung und Weiterentwicklung gefordert wird. In der Forschungs- und Entwicklungsabteilung beschäftigte die PIERER Mobility-Gruppe im Geschäftsjahr 2021 zum Stichtag 31.12. 976 Mitarbeiter (Vorjahr: 808 Mitarbeiter), das entspricht 18,6% der gesamten Belegschaft. Rund 6,4% des Gesamtumsatzes wurden in die Forschung und Entwicklung investiert (-0,8 Prozentpunkte zum Vorjahr).

Der Forschungs- und Entwicklungsbereich ist mit dezentralen Standorten in Europa (insbesondere Österreich und Spanien), Amerika und Kolumbien global organisiert. Die zentrale Steuerung der Entwicklungsprogramme erfolgt im Forschungs- und Entwicklungshauptquartier der KTM AG in Mattighofen und Munderfing, wo ein Großteil der Mitarbeiter aus dem Forschungs- und Entwicklungsbereich auf einer Nutzfläche von über 20.000 m² angesiedelt ist. Mit dem Fokus auf den Leistungsbereich von 250W bis 11kW setzt die Gruppe die nächsten Schritte, um die Forschung & Entwicklung (F&E) im Bereich der Elektromobilität zu intensivieren und verfolgt in voller Fahrt ihre Vision, weltweit führend im Bereich der elektrisch angetriebenen Zweiräder (PTW) zu werden. So wurden im Berichtsjahr alle F&E-Aktivitäten in einer eigenen Forschungs- und Entwicklungsgesellschaft - der KTM Forschungs & Entwicklungs GmbH (KTM F&E GmbH) - gebündelt und weiter ausgebaut, um die stetig steigende Taktfrequenz der Technologieentwicklung weiter gewährleisten zu können. Ein besonderer Schwerpunkt des vergangenen Jahres war der Bezug des neu erschlossenen F&E-Standortes in Anif bei Salzburg, der neben dem Bereich der E-Antriebs-Entwicklung innerhalb der F&E GmbH auch der KTM Technologies GmbH Raum für weiteres Wachstum bietet. Das Investitionsvolumen in das 7.780 m² große Kompetenzzentrum für E-Mobilität beläuft sich auf EUR 20 Millionen. Die hochmoderne Einrichtung bietet mehr als 150 Mitarbeitern Platz und ist unmittelbar neben dem KISKA Designstudio in Anif bei Salzburg/ Österreich, angesiedelt.

Wir setzten im Jahr 2021 weitere Schritte auch bei der Entwicklung von Batterien. KTM beteiligt sich an Konsortium für Motorräder mit tauschbaren Akkumulatoren mit Honda Motor, Piaggio Gruppe und Yamaha Motor für Motorräder und leichte Elektrofahrzeuge. Das Konsortium wird in den kommenden 3 Jahren einen gemeinsamen technischen Standard für ein Batterie-Wechselsystem inkl. der entsprechenden Batterie-Tauschstationen erarbeiten.

Der Forschungs- und Entwicklungsbereich der PIERER E-Bikes GmbH ist in dezentralen Standorten in Europa (Österreich, Deutschland, Spanien) organisiert. Dies ermöglicht eine spezifische Antwort auf die Mobilitätsbedürfnisse der jeweiligen Märkte, sei es die urbane Mobilität in München und Barcelona oder die Offroad bzw. Dual Sport Community im ländlichen bis alpinen Raum rund um Schweinfurt, Salzburg und Munderfing.

MOTORCYCLES

2021 setzen alle drei Motorradmarken mit innovativen Erneuerungen und neuen Modellen, sowohl im Straßen- als auch im Offroadsegment ein klares Statement.

Zu den wichtigsten Projekten des vergangenen Jahres zählt auf Seite der Street-Modellplattformen die Industrialisierung der Speerspitzen im Street-Modellportfolio von KTM – der 1290 SUPER ADVENTURE R und S Modelle sowie des Hyper-Naked-Bikes 1290 SUPER DUKE RR. Die KTM 1290 SUPER ADVENTURE S der Generation 2021 verfügt erstmals serienmäßig über eine innovative adaptive Geschwindigkeitsregelanlage. Diese wurde in intensiver Forschungsarbeit gemeinsam mit Bosch entwickelt. Sie sorgt mittels Radarsensoren automatisch für die Wahrung eines angemessenen Abstandes zu anderen Verkehrsteilnehmern vor dem Motorrad und kann über den neu gestalteten Kombischalter in fünf Stufen eingestellt werden.

Weitere Highlights stellen die Serienproduktion der KTM RC Generation im Supersportsegment, der Serienhochlauf der HUSQVARNA Norden 901 sowie der Hochlauf der mit weitreichenden Updates versehenen Modelle KTM 1290 SUPER DUKE R und KTM 1290 SUPER DUKE GT dar. Den Anfang machte das auf der Reihenzweizylinder-Midclass-Plattform basierende Modellderivat KTM 890 DUKE, dessen Serienstart vor Beginn der Motorradsaison im Februar 2021 stattfand. Mit der 890 DUKE rundet KTM die Naked-Bike-Palette ab und bietet damit einen direkten Nachfolger der äußerst populären 790 DUKE an, bei denen die Entwickler insbesondere bei Mechanik und Performance als auch hinsichtlich des Emissionsverhaltens signifikante Fortschritte erzielen konnten.

Bereits 2019 stellte HUSQVARNA Motorcycles den „Norden“ genannten Prototyp eines Motorrads im Mittelklasse-Travel-Segment vor. Exakt zwei Jahre nach dessen Präsentation stand im November 2021 sein Serienhochlauf an. In seinen Grundzügen auf dem Plattformbaukasten der KTM 890 ADVENTURE Modelle basierend, differenziert sich das Modell durch sein eigenständiges Design, ein überarbeitetes Fahrwerk und eine Reihe weiterer markentypischer Detaillösungen deutlich von seinen Konzernschwestern. Mit der SVARTPILEN 125 erweiterte Husqvarna das Portfolio der Naked Bikes und bietet jungen Fahrern einen perfekten Einstieg in die Welt der Husqvarna Straßenmotorräder.

GASGAS Motorcycles bestätigte die weltweite Verfügbarkeit der neuesten TXT RACING- und TXT GP-Trial Modelle der MY 2022. Darüber hinaus hat GASGAS Motorcycles sein Angebot an Dirt Bikes um die kleinrädige MC 85, die MC 250 mit Zwei- und die MC 350F mit Viertaktmotor erweitert.

Einen weiteren Höhepunkt des abgelaufenen Forschungsjahres bildete die Entwicklung und der Start der Serienproduktionsüberleitung der neuen KTM SX / SX-F und HUSQVARNA TC / FC Motocross Modellpalette im Fullsize-Offroad-Segment. KTM's Markenleitsatz „Ready to Race“ folgend werden diese neben einer umfassenden Prototypenerprobung auch im Rahmen des weltweiten Motorsportengagements unter härtesten Bedingungen validiert und geprüft. Die jüngste Modellgeneration der Fullsize-Offroad-Plattform ist Ergebnis einer differenzierten Plattformstrategie, deren primäres Ziel es ist, die Performance aller verbauten Komponenten zu optimieren und gleichzeitig ein hohes Maß an Effizienz zu gewährleisten.

Die Forschungsabteilung arbeitet darüber hinaus intensiv an zukunftssträchtigen, nachhaltigen Mobilitätslösungen. Teil der verfolgten Strategie ist eine offene Herangehensweise mit unterschiedlichen Batterielösungen, um sowohl die Vorteile von integrierten als auch entnehmbaren Batterien zu nutzen. Das Forschungsjahr 2021 umfasste eine Reihe von F&E-Projekten im Bereich rein elektrisch angetriebener Fahrzeugkonzepte. Neben den großen Anstrengungen im Bereich der Grundlagen- und Technologieforschung wurden im vergangenen Jahr erstmals neue Fahrzeugkonzepte, das HUSQVARNA E-PILEN-Konzept sowie das Elektroroller-Konzept HUSQVARNA BLTZ, der Öffentlichkeit vorgestellt.

Weiters bildete die KTM AG mit Honda Motor, der Piaggio Gruppe und Yamaha Motor ein Konsortium für Motorräder mit austauschbaren Akkumulatoren. Ziel des Konsortiums ist es, Lösungen für die Bedenken der Kunden in Bezug auf die Zukunft der Elektromobilität zu erarbeiten, wie z. B. hinsichtlich Reichweite, Ladezeit und -infrastruktur sowie Kosten. Dies soll in Übereinstimmung mit vier Hauptzielen gewährleistet werden: a) Entwicklung gemeinsamer technischer Spezifikationen für austauschbare Akkusysteme. b) Bestätigung der

gemeinsamen Nutzung der Akkusysteme. c) Die gemeinsamen Spezifikationen des Konsortiums bei den europäischen und internationalen Normungsgremien fördern und zum Standard machen. d) Weltweite Anwendung der gemeinsamen Spezifikationen des Konsortiums. Gemeinsam mit den Konsortialpartnern wird daran gearbeitet, ein austauschbares Akkusystem für Fahrzeuge im Niedrigvoltbereich (48 V) mit bis zu 11 kW Leistung zu entwickeln, das auf internationalen technischen Standards basiert.

Parallel zu den oben genannten Initiativen im Bereich der Elektromobilität arbeitet die KTM Gruppe auch an Technologien zur weiteren Reduktion des Emissionsverhaltens von Motorrädern, die mit Verbrennungsmotoren ausgestattet sind. Die Entwicklungsstrategie im Bereich der Verbrennungsmotorenentwicklung ist klar auf eine Verbrauchs- und Emissionsreduktion ausgerichtet. Dazu zählen F&E-Aktivitäten in Zusammenhang mit der Weiterentwicklung des thermodynamischen Systems (Kraftstoffeinspritzung, Verbrennung) als auch den Systemen zur Abgasnachbehandlung (Katalysatoren). Weiters werden Ansätze zur Verwendung von CO₂-freien bzw. CO₂-neutralen Kraftstoffen, die unter anderem aus dem in der Atmosphäre befindlichen CO₂ gewonnen werden, untersucht. Bereits jetzt sind alle Motoren in der Hubraumkategorie über 500 cm³ für den Betrieb mit synthetischen Kraftstoffen (e-Fuels) qualifiziert – weitere Motorenplattformen können innerhalb kurzer Reaktionszeiten umgestellt werden. In den besonders technologiegetriebenen Rennserien MotoGP™ und Moto3™ wird darüber hinaus ab der Saison 2024 der Einsatz sogenannter blended fuels, bei denen 40 % des Kraftstoffes aus nicht fossilem Brennstoff bestehen, erprobt. Ab der Saison 2027 ist aus heutiger Sicht in der Königsklasse der Motorrad-WM ein vollständiger Umstieg auf synthetische Kraftstoffe geplant.

E-BICYCLES

In der Fahrrad-Division stand in 2021 die Etablierung der drei Marken Husqvarna E-Bicycles, R Raymon und GasGas sowie die technische Weiterentwicklung und Qualitätssteigerung des Produktportfolios im Vordergrund der Aktivitäten.

Die Husqvarna-Modellflotte erwartet für 2022 einige Neuheiten. Besonders hervorzuheben ist die neue Offroad-Modellsparte mit eigenen Rahmendesigns und technischen Neuerungen, verkörpert vor allem vom brandneuen Mountain Cross 6 (MC 6). Die MC 6 beweist, dass Husqvarna E-Bicycles die Themen Kinematik, Design und Technik ernst nimmt und richtet sich an eine neue Generation von Fahrern. Zusammen mit Husqvarna Motorcycles stellte Husqvarna E-Bicycles auch seine Flotte von Urban-Mobility-Fahrzeugen vor, womit sich die Gruppe auf der IAA Mobility 2021 in München als holistischer, emissionsfreier Hersteller von motorisierten Zweirädern positionierte. Im Jänner 2022 präsentierte HUSQVARNA E-Bicycles mit der ‚Legacy Edition‘ außerdem eine upgegradete Auflage des Mountain Cross 5 mit erneuertem Design.

GASGAS Bicycles präsentierte 2021 das Enduro Cross 9.0 als das Top-Modell. Es verbindet den bekannt robusten, in Enduro-Geometrie geformten Aluminiumrahmen mit einer Gabel vom Typ Rock Shox ZEB 160 und einem Federbein vom Typ Rock Shox SDS+ sowie Rädern in den Formaten 29 Zoll vorn und 27,5 Zoll hinten für perfektes Handling und hohe Wendigkeit. Mit seinem 12-Gang-Antrieb vom Typ SRAM SX Eagle, 4-Kolben-Bremsen von Tektro, einem Yamaha PW-X2-Motor mit modernem Quad Sensor-System und 250 W Leistung sowie einem integrierten 630-Wh-Akku im Unterrohr verkörperte es alles, was die Marke GASGAS Bicycles ausmacht.

Im Jahr 2021 präsentierte R RAYMON seinen Claim „Ride here. Ride now.“, der die Merkmale, das Wachstum und den Geist der Marke widerspiegelt. Als typisches Beispiel sticht der Allrounder TourRay E 5.0 mit dem sportlichen Yamaha PW-ST-Antrieb mit 60 Nm Drehmoment und dem semiintegrierten Yamaha-Akku mit 500 Wh hervor. Die Trekking-Power des TourRay machte es zum absoluten Bestseller in der E-Bike-Palette des Jahres 2021. Mit 27,5-Zoll-Rädern, Scheibenbremsen und einer SR Suntour-Federgabel mit 75 Millimetern Federweg bietet das TourRay E 5.0 viel Komfort und Traktion auf allen Untergründen. Im Jahr 2022 wird R RAYMON sein Portfolio abermals erweitern und in den Markt der leichten E-Mountainbikes einsteigen. Mit dem AirRay wird R RAYMON Perspektiven verändern – kombiniert es doch die typische Verspieltheit eines Trail-Bikes mit solider Performance und einer idealen Akkukapazität. Für diese drei Modelle wurden bewusst nicht die drehmomentstärksten Motoren und höchsten Akkukapazitäten ausgewählt. Stattdessen konzentrierte man sich auf eine ausgewogene Balance aus den drei Säulen Motor, Akku und Gewicht. Ausgerüstet mit dem AIR DRIVE-Motor powered by Yamaha (50 Nm Drehmoment), einem schlanken 2,8-Kilo-Kohlefaserrahmen, einem agilen

Handling und einer Fahrdynamik auf höchstem Niveau wiegt das leichte E-Mountainbike R RAYMON AirRay 29" bei einem Federweg von ganzen 150 mm weniger als 20 Kilogramm. Im kommenden Jahr darf man weitere Innovationen erwarten; darunter neue Rahmenplattformen und -konzepte, während sich R RAYMON zugleich stärker im Sport-Segment etablieren will.

6. CHANCEN- UND RISIKOBERICHT

Als Europas führender „Powered Two-Wheeler“-Hersteller (PTW) zählt die PIERER Mobility-Gruppe mit ihren Motorradmarken KTM, HUSQVARNA Motorcycles und GASGAS zu den europäischen Technologie- und Marktführern. Die Geschäftstätigkeit der PIERER Mobility-Gruppe ist von laufenden Veränderungen geprägt. Die Nutzung der sich durch diese Veränderungen ergebenden Chancen ist der wesentliche Grundstein des Erfolges der PIERER Mobility-Gruppe. Zur Sicherung des zukünftigen unternehmerischen Erfolgs und Nutzung der sich ergebenden Chancen muss die Gruppe bewusst Risiken eingehen.

Das Management von Chancen und Risiken ist die Basis, um auf Änderungen politischer, wirtschaftlicher, technischer oder rechtlicher Rahmenbedingungen adäquat zu reagieren. Sofern es wahrscheinlich ist, dass die identifizierten Chancen beziehungsweise Risiken eintreten, sind sie bereits in den Aussagen im Konzernanhang und -lagebericht verarbeitet. Die nachfolgenden Ausführungen beinhalten mögliche künftige Entwicklungen oder Ereignisse, die zu einer für die PIERER Mobility-Gruppe positiven (Chancen) beziehungsweise negativen (Risiken) Abweichung von der Unternehmensprognose führen können.

Im Rahmen des Risikomanagements werden alle Einzel- und kumulierten Risiken, die den Erfolg des Unternehmens gefährden könnten, überwacht und gesteuert. Bestandsgefährdende Risiken werden grundsätzlich vermieden. Der Risikokonsolidierungskreis entspricht dem Konsolidierungskreis des Konzernabschlusses der PIERER Mobility-Gruppe.

RISIKOMANAGEMENTSYSTEM

Der Hauptzweck des Risikomanagements der PIERER Mobility-Gruppe besteht in der Sicherung und Stärkung des Unternehmens durch eine richtige und transparente Einschätzung der finanziellen, operativen und strategischen Risiken. Der Vorstand übernimmt dabei gemeinsam mit dem Management der wesentlichen Konzerngesellschaften, insbesondere der KTM AG, umfangreiche Steuerungs- und Controlling-Aufgaben im Rahmen eines internen, alle wesentlichen Standorte umfassenden, integrierten Kontrollsystems. Das rechtzeitige Erkennen, Evaluieren und Reagieren auf strategische und operative Risiken ist ein wesentlicher Bestandteil der Führungstätigkeit dieser Einheiten und leistet einen wesentlichen Wertbeitrag für das Unternehmen. Grundlagen dafür sind ein einheitliches und konzernweites, auf Monatsbasis aufgebautes Berichtswesen und eine laufende Überwachung der operativen und strategischen Pläne.

Die PIERER Mobility-Gruppe verfügt über ein mehrstufiges Risikomanagementsystem, bei dem die konzernweiten Risiken nach Standorten bzw. geografischen Bereichen erhoben werden. Die operative Verantwortung und die Bewertung der konzernweiten Risiken erfolgt durch das Risikomanagement der KTM AG und dem lokalen Management und wird direkt an den Vorstand berichtet und von diesem sowie vom Konzernvorstand überwacht.

Eine präventive Analyse von potenziellen oder Beinahe-Ereignissen ist ebenso Ziel des Risikomanagements. Zusätzlich ist es auch Aufgabe des Risikomanagements, Risiken aktiv zu steuern und entsprechende Maßnahmen mit den betroffenen Unternehmensbereichen zu evaluieren.

RISIKOMANAGEMENTSTRATEGIE

Die PIERER Mobility-Gruppe orientiert sich im Rahmen Ihrer Risikomanagementstrategie auf eine Risikoanalyse und Risikobewertung nach dem COSO® Framework. Demgemäß hat der Konzern folgende Kernbereiche der Risikomanagementstrategie definiert:



Das auf Ebene der KTM AG eingerichtete Risikomanagement führt regelmäßig Risikoanalysen für ausgewählte Produktions- und Vertriebsstandorte durch. Es werden nur Risiken außerhalb der Konzern-Bilanz und der Konzern-GuV dargestellt.

RISIKOMITIGATION

Es wird versucht, je nach Auswirkung auf das Unternehmen, Risiken durch entsprechende Maßnahmen zu minimieren, zu vermeiden oder auch in bestimmten Fällen bewusst einzugehen.

RISIKOBEWERTUNG

Ziel der Risikobewertung ist die kontinuierliche, qualitative und quantitative Bewertung aller identifizierten Chancen und Risiken zur Priorisierung von Risikosteuerungsmaßnahmen. Die Chancen- und Risikobewertung bei der PIERER Mobility-Gruppe soll folgenden Anforderungen entsprechen:

- Objektivität: Die Bewertung soll nach möglichst objektiven Maßstäben erfolgen.
- Vergleichbarkeit: Damit die Chancen und Risiken miteinander verglichen werden können, erfolgt eine quantitative Bewertung anhand einheitlich definierter Werte (sofern sinnvoll und möglich).

BEWERTUNGSMETHODIK

Chancen und Einzelrisiken werden anhand ihrer Eintrittswahrscheinlichkeit und ihrer Bedeutung für die Vermögens-, Finanz- und Ertragslage des Konzerns beurteilt. Diese Beurteilung basiert auf Informationen über a) tatsächlich in der Vergangenheit eingetretenen Risiken, b) Benchmark-Werten aus der Branche oder c) selbst erstellten realistischen Expertenschätzungen.

Die quantitative Bewertung folgt einem Szenario orientiertem Ansatz, bei dem folgende Kategorien unterschieden werden: Best Case (BC), Most Likely Case (MLC), und Worst Case (WC). Hierbei handelt es sich um eine klassische Dreiecksverteilung. Für vereinzelt Risiken kann, wenn notwendig, zusätzlich eine qualitative Bewertung verwendet werden, bzw. können für schwankungsorientierte Risiken alternative Verteilungen

(Normalverteilung, etc.) herangezogen werden. Die Wahl der jeweiligen Verteilung ist abhängig von der Art des Risikos.

RISIKOÜBERWACHUNG /-KONTROLLE

Kernpunkt des operativen Risikomanagements ist die Identifizierung, Evaluierung und Beherrschung von wesentlichen Risiken aus dem operativen Geschäft. Dieser Prozess wird insbesondere von den oberen und mittleren Managementebenen der KTM AG durchgeführt und vom Vorstand der PIERER Mobility AG überwacht.

CHANCEN- UND RISIKOBERICHT

Die folgende Übersicht dient dem Gesamtüberblick über alle identifizierten Risiken und Chancen und zeigt deren Bedeutung für die PIERER Mobility-Gruppe auf. Gesamthaft hat die PIERER Mobility-Gruppe weder zum Bilanzstichtag noch zum Zeitpunkt der Aufstellung des Abschlusses bestandsgefährdende Risiken identifiziert.

▪ MARKTRISIKEN

Konjunkturelles Risiko

Die KTM-Gruppe ist schwerpunktmäßig in der Motorradbranche und die PIERER E-Bikes-Gruppe in der Fahrradbranche tätig. Die Absatzmöglichkeiten sind von der allgemeinen konjunkturellen Lage in den Ländern und Regionen bestimmt, in denen die PIERER Mobility-Gruppe mit ihren Produkten vertreten ist. Wie die letzten Jahre gezeigt haben, ist insbesondere die Motorradbranche zyklisch und unterliegt starken Nachfrageschwankungen. Durch entsprechende Marktforschungen und -prognosen, welche in der Planung berücksichtigt werden, wird dem Risiko entgegengewirkt. Durch das veränderte Mobilitätsverhalten befindet sich der globale Motorradmarkt nach wie vor im Aufschwung und legte in den wichtigsten Verkaufsregionen im Jahresvergleich deutlich zu.

Wettbewerb und Preisdruck

Speziell der Motorradmarkt in Industriestaaten ist von intensivem Wettbewerb geprägt, wobei die stärksten Konkurrenten von KTM vier japanische, drei europäische und in geringerem Ausmaß ein amerikanischer Hersteller sind und manche von ihnen größere finanzielle Ressourcen, höhere Absatzzahlen und Marktanteile besitzen. Im Straßenmotorradmarkt herrscht zudem ein hoher Preisdruck und neu hinzukommende Mitbewerber versuchen, über Niedrigpreisstrategien den Markteintritt zu schaffen. Durch die erfolgreiche Marktstrategie ist KTM Europas führender „Powered Two-Wheeler“ Hersteller. Dies wurde unter anderem auch durch die vollständige Integration von GASGAS als dritte Motorradmarke und die weitere Entwicklung des Händlernetzes unterstützt. Durch unsere Innovationsstärke sehen wir uns als Technologieführer im Zweirad-Sektor in Europa. Die strategische Partnerschaft mit Bajaj, Indiens zweitgrößtem Motorradhersteller, festigt die Wettbewerbsfähigkeit in den globalen Märkten.

Absatzrisiko

Die größten Einzelabsatzmärkte der PIERER Mobility-Gruppe stellen der europäische sowie der US-amerikanische Markt dar. Ein Einbruch dieser Märkte könnte nachteilige Auswirkungen auf die Geschäftstätigkeit haben. Der Markteintritt in neue Märkte stellt im Wesentlichen ein Kostenrisiko dar, da in manchen dieser Märkte die Absatzentwicklung sowie die politischen Rahmenbedingungen schwer einschätzbar sind. Durch die Zusammenarbeit mit dem strategischen Partner Bajaj Auto Ltd., Pune, Indien, wird gemeinsam konsequent an der Umsetzung einer globalen Produktstrategie im Motorradbereich gearbeitet. Um das Absatzrisiko zu diversifizieren, verfolgt auch die Fahrrad-Division das Ziel in weiteren Märkten erfolgreich zu expandieren.

Geopolitische Risiken

Darüber hinaus gilt es auch die geopolitischen Risiken verstärkt im Auge zu behalten. Insbesondere der Ukraine-Krieg wird die Weltwirtschaft negativ beeinflussen. Die PIERER Mobility Gruppe ist geschäftlich nicht unmittelbar

von den militärischen Auseinandersetzungen in der Ukraine betroffen. Indirekt erhöht sich aber wie für die gesamte Industrie auch für die PIERER Mobility Gruppe die Gefahr vor allem weiter steigender Energie- und Rohstoffkosten sowie negativer Auswirkungen auf die Kapitalmärkte.

▪ **BRANCHENSPEZIFISCHE RISIKEN**

Beschränkungen des Motorradfahrens

Der Umsatz der Gruppe hängt unter anderem von den Einsatzmöglichkeiten der Motorräder im Gelände ab und wird daher erheblich von nationalen gesetzlichen Rahmenbedingungen in den Absatzländern beeinflusst, die den Geländemotorsport, Motorradzulassungen und Lenkerberechtigungen regeln.

Aufgrund der Einführung der Abgasnorm Euro 5 am 1. Januar 2020 stand die Aktualisierung des gesamten Motorrad Street-Produktportfolios auf die neuen regulatorischen Anforderungen im Mittelpunkt der F&E-Aktivitäten und wurde in 2020 abgeschlossen. Im Laufe des Kalenderjahres 2020 wurden sämtliche für den EU-Raum und den Betrieb auf öffentlichen Straßen vorgesehenen Modelle nach den „Euro 5“-Vorschriften neu typgenehmigt bzw. deren Typgenehmigung per Nachtrag von „Euro 4“ auf „Euro 5“ angehoben. Die Serienproduktion des ersten „Euro 5“ Modells erfolgte im Juli 2020 (Musterserie der KTM 890 Adventure Modelle). Das letzte „Euro 4“ Modell für den EU-Raum wurde im Dezember 2020 produziert. Ab 01.01.2021 werden für den EU-Raum und den Betrieb auf öffentlichen Straßen ausschließlich „Euro 5“ Fahrzeuge produziert.

Beschaffungsrisiko

Das Beschaffungsrisiko der KTM-Gruppe liegt in der aktuellen Situation im Wesentlichen darin, bestellte Komponenten gar nicht oder nicht zum vereinbarten Termin zu erhalten. Um die Verfügbarkeit von Komponenten bestmöglich sicherzustellen, legt KTM großen Wert auf eine langfristige Zusammenarbeit mit unseren Lieferpartnern sowie die sorgfältige Auswahl leistungsfähiger neuer Lieferanten nach festgelegten Kriterien. Die KTM-Gruppe arbeitet kontinuierlich an der Weiterentwicklung der Beziehungen zu ihren Lieferanten. Ein tiefes gegenseitiges Verständnis der Prozesse ist dabei aus Sicht der KTM wesentlich. Da die Qualität der KTM-Produkte maßgeblich von der Qualität und den Eigenschaften der zu beschaffenden Subkomponenten geprägt ist, wird insbesondere auf geeignete Betriebseinrichtungen und Produktionsprozesse der Lieferanten aber auch auf deren Finanzkraft und die Einhaltung ökologischer, sozialer und ethischer Standards geachtet.

Im zweiten Jahr nach Ausbruch der COVID-19-Pandemie wurde die KTM-Gruppe zunehmend mit der Halbleiterkrise und den damit verbundenen Engpässen von elektronischen Komponenten konfrontiert. Um ihre Lieferanten in dieser Situation zu unterstützen, griff die KTM AG aktiv in die Beschaffung von Elektronikkomponenten ein und konnte damit größere Ausfälle sowohl bei den Lieferanten als auch in den eigenen Produktionsstandorten verhindern. Zusätzlich zur Knappheit bei Elektrokomponenten kam es auch bei Rohmaterialien wie etwa Aluminium und Kunststoffgranulat zu vermehrten Engpässen, welche aber durch intensive Zusammenarbeit in der Supply Chain nur unwesentliche Auswirkungen auf die KTM AG hatten.

Für 2022 sieht die KTM AG zumindest für die ersten beiden Quartale eine weitere Verschärfung der Situation. Die schwierige Versorgungslage für Lieferanten, Kapazitätsengpässe bei den Lieferanten selbst und Störungen in der Logistik werden weiterhin eine enge Abstimmung erforderlich machen. Zur Risikoreduktion wurden für 2022 unter anderem Lagerbestände bei Lieferanten aufgebaut, ein Marktintelligenzsystem für Elektronikbauteile eingeführt sowie die Logik unserer Lieferplanabrufe an die veränderte Situation angepasst.

In der PIERER E-Bikes-Gruppe wird die Beschaffung der Komponenten und Fahrräder mittelfristig geplant. Durch entsprechende Lagerkapazitäten können auch kurzfristige Schwankungen ausgeglichen werden. Die Produkte werden auf Basis fix verhandelter Einkaufspreise kalkuliert. Dabei werden mit den Lieferanten Preise und Kapazitäten im Vorfeld vereinbart und gesichert. Die PIERER E-Bikes-Gruppe hat mehrere Lieferanten aus verschiedenen Ländern für E-Bikes im Portfolio, um das Risiko der Abhängigkeit weitestgehend zu reduzieren und die Stabilität der Lieferketten zu erhöhen. Rechtzeitige Verfügbarkeit der Rahmen und Antriebskomponenten als Risiko stellen erhöhte Anforderungen an die Lieferanten für E-Bikes.

Forschung und Entwicklung, Rennsport

Technische Innovationen und die Einführung neuer Produkte sind maßgeblich für die Marktstellung der PIERER Mobility-Gruppe verantwortlich. Dazu müssen neue Trends rechtzeitig erkannt werden. Um dem Risiko entgegenzuwirken, ist es wichtig, die Innovationsfähigkeit der eigenen Produkte zu gewährleisten. Die Leistungen im Rennsport sind für das Unternehmen nicht nur als Marketinginstrument von großer Bedeutung, sondern bilden auch die Grundlage für die Produktentwicklung und sind Maßstab für die Serienentwicklung. Aus der Möglichkeit, Produkte unter Rennbedingungen bei Rennsportereignissen zu testen, werden wertvolle Erfahrungen gewonnen. Weiters werden technische Neuerungen vor der Serieneinführung einer umfassenden Prüfung durch das Qualitätsmanagementsystem unterzogen, um technische Fehler mit negativen Auswirkungen auf die Ergebnisentwicklung weitestgehend auszuschließen.

Um unsere technologische Vorreiterrolle weiter auszubauen und auch mit den großen Mitbewerbern mitzuhalten, verfolgt die PIERER Mobility-Gruppe eine sehr intensive Forschungs- und Entwicklungsstrategie. Das erklärt auch die relativ hohe Forschungsquote – aktuell liegt sie bei rund 8-9% des Umsatzes.

▪ IT-RISIKEN

In der PIERER Mobility-Gruppe wird ein IT-Security- und Riskmanagement-System mit dem Ziel betrieben, unternehmensrelevante Risiken im Bereich Informationssicherheit erkennen und steuern zu können. Für weitere Ausführungen zu IT-Risiken wird auf den Konzernanhang (Kapitel VII) der PIERER Mobility AG verwiesen.

▪ FINANZIELLE RISIKEN

Für weitere Ausführungen zum Risikobericht sowie zu Finanzinstrumenten, einschließlich der konkreten Maßnahmen zur Mitigierung von Risiken durch den Einsatz von Finanzinstrumenten (z.B. Hedging von Fremdwährungspositionen mit Futures, Swaps etc.) wird auf den Konzernanhang (Kapitel VII und VIII) der PIERER Mobility AG verwiesen.

▪ SONSTIGE RISIKEN

Risiken durch Rechtliche Rahmenbedingungen

Da die PIERER Mobility-Gruppe über ihre Beteiligungen an der KTM-Gruppe und PIERER E-Bikes-Gruppe Motorräder und E-Bicycles bzw. Non-E-Bicycles in eine Vielzahl von Ländern vertreibt, ist sie dem Risiko der Veränderung von nationalen Vorschriften, Lizenzbedingungen, Steuern, Handelsbeschränkungen, Preisen, Einkommen und Devisenbeschränkungen, ferner dem Risiko von politischer, sozialer und ökonomischer Instabilität, Inflation und Zinsschwankungen, ausgesetzt. Für den Straßeneinsatz zugelassene Motorräder müssen entsprechende Lärm- und Abgasemissionsbestimmungen erfüllen, um am Markt des jeweiligen Landes zugelassen zu werden. Auch die Einsatzmöglichkeiten von Motorrädern im Gelände werden erheblich von nationalen gesetzlichen Rahmenbedingungen in den Absatzländern beeinflusst. Um dem Risiko entgegenzuwirken und bei Änderungen von nationalen gesetzlichen Rahmenbedingungen rechtzeitig handeln zu können, werden die jeweiligen länderspezifischen Regelungen vor dem Markteintritt eingehend überprüft und laufend überwacht.

Betriebliches und Umweltrisiko

Umweltrisiken können sich auf Produkte, die Produktion, die Beschaffung und auf nichtbetriebliche Faktoren beziehen. Hinsichtlich der Produkte ergeben sich Risiken durch etwaige Emissionen wie Lärm und Schadstoffe oder den Austritt umweltschädlicher Substanzen wie Treibstoff oder Öl. Um diese, ausgelöst durch etwaige Fehlfunktionen, zu minimieren, werden neben weiteren Maßnahmen vor allem die Homologationsauflagen strikt eingehalten, jedes Fahrzeug auf seine Funktionsfähigkeit und Einhaltung aller Grenzwerte auf eigenen Prüfständen geprüft und ein Labor zur Untersuchung der Wechselwirkung eingesetzter Werkstoffe mit Menschen und der Umwelt betrieben. Zudem wird zunehmend auf die Entwicklung emissionsfreier alternativer Antriebsysteme und Produkte gesetzt.

In der Produktion ergeben sich Umweltrisiken durch den etwaigen Austritt von Substanzen, Abfällen und Materialresten auf dem Gelände. Um diese zu verhindern, werden zahlreiche Maßnahmen umgesetzt, die beispielsweise Abfallwirtschaftskonzepte, eine Motorölaufbereitungsanlage, Notfallpläne je Standort und professionelle Absauganlagen von Metallspänen in dafür vorgesehene Container umfassen. Emissionen aus dem Betrieb der Prüfstände werden ebenfalls durch Absaugungsanlagen abgefangen.

Umweltrisiken in der Beschaffung können sich aus der umweltbedingten Knappheit und Verteuerung der Ressourcen, der Zusammenarbeit mit Lieferanten ohne ausreichende Umweltbestrebungen und durch Emissionen aus Lieferwegen ergeben. Um diese Risiken zu minimieren, werden Maßnahmen getroffen, die eine Überprüfung der Lieferanten, eine Optimierung der Beschaffungswege sowie einen hohen Fokus auf regionale Beschaffung und den Einsatz ressourcenschonender, moderner Produktionstechnologie einschließen.

Zudem ergeben sich Umweltrisiken aus wetter- und klimabedingten Phänomenen wie Hochwasser und anderen Naturkatastrophen. Obwohl eine vollständige Risikoausschließung bei Naturgewalten nicht möglich ist, wird versucht, das Risiko einer Beeinträchtigung von Produktionsabläufen durch geeignete Notfallpläne und Versicherungen zu minimieren.

Personelle Risiken

Insbesondere in Hinblick auf den Wachstumskurs können sich Risiken aus dem Ausscheiden von Schlüsselkräften aus dem Unternehmen ergeben. Durch ein effizientes Personalmanagement sowie der stetigen Weiterführung von Personalentwicklungsprogrammen wird dem Risiko des Ausscheidens von Schlüsselkräften entgegengewirkt. Dem Risiko des Fachkräftemangels wird unter anderem durch ein umfassendes Lehrlingsausbildungsprogramm in einer eigenen Lehrwerkstätte begegnet. Ziel ist die Rekrutierung von Mitarbeitern aus der Region und eine langfristige Bindung an das Unternehmen.

Interne und externe Maßnahmen zur Erhöhung der Arbeitgeber-Attraktivität sind ein wesentlicher Baustein, um den vorherrschenden Spirit der PIERER Mobility-Gruppe zu potentiellen neuen Mitarbeitern hinauszutragen. Mit diversen crossmedialen Mitarbeiterkampagnen konnte das Unternehmen den Personalbedarf im Berichtsjahr weitgehend abdecken. Im Bereich LEHRE wurde nicht nur auf eine zielgruppengerechte Ansprache geachtet, sondern auch ein eigener Bereich für die Eltern der zukünftigen Auszubildenden geschaffen, um frühzeitig über Chancen und Möglichkeiten zu informieren und Ungewissheiten vorzubeugen.

Die PIERER Mobility-Gruppe hat seit Ausbruch der Corona-Pandemie in Österreich zahlreiche Maßnahmen zum Schutz der Mitarbeiter getroffen. Maßnahmen und Verordnungen der Regierung wurden umfänglich und rasch umgesetzt und durch die vorausschauende Arbeitsweise und den stetigen Austausch mit den Behörden zum Teil bereits vor ihrer gesetzlichen Verpflichtung in den Unternehmensalltag integriert. Daher konnte eine großflächige Ausbreitung im Unternehmen verhindert werden.

7. ANGABEN GEMÄß § 243A (ABS 1) UGB

1. Das Grundkapital beträgt EUR 33.796.535. Es ist zerlegt in 33.796.535 Stück auf Inhaber lautende, Stückaktien mit Stimmrecht, wobei jede Stammaktie am Grundkapital in gleichem Umfang beteiligt ist. Die Aktien gewähren die gewöhnlichen nach dem österreichischen Aktiengesetz den Aktionären zustehenden Rechte. Dazu zählt das Recht auf die Auszahlung der in der Hauptversammlung beschlossenen Dividende sowie das Recht auf Ausübung des Stimmrechtes in der Hauptversammlung. Die Aktien der PIERER Mobility AG sind seit dem 14. November 2016 an der SIX Swiss Exchange (SIX) im International Reporting Standard hauptnotiert (ISIN AT0000KTMIG02). Zudem sind die Aktien der PIERER Mobility AG seit dem 3. März 2020 im regulierten Markt (General Standard) der Frankfurter Wertpapierbörse gelistet. Seit dem 1. März 2022 sind die Aktien der PIERER Mobility AG zusätzlich an der Wiener Börse (Amtlicher Handel) gelistet. Im Geschäftsjahr 2021 hat der Vorstand der Gesellschaft im Rahmen der Ausnützung des genehmigten Kapitals mit Zustimmung des Aufsichtsrates beschlossen, das Grundkapital gegen Sacheinlage von EUR 22.538.674,- - um EUR 11.257.861,- auf EUR 33.796.535,- durch Ausgabe von 11.257.861 neuen Aktien zu erhöhen. Dabei hat die Mehrheitsaktionärin Pierer Bajaj AG ihr Aktienpaket in Höhe von rund 46,5 Prozent des Grundkapitals der KTM AG in die PIERER Mobility AG eingebracht. Die entsprechende Satzungsänderung

wurde am 22. Oktober 2021 in das Firmenbuch eingetragen. Im Geschäftsjahr 2021 wurden keine eigene Aktien erworben. Am 20. Jänner 2021 wurde das Aktienrückkaufprogramm der PIERER Mobility AG vorzeitig beendet. Am 21. Jänner 2021 hat die Gesellschaft beschlossen, die eigenen Aktien ab dem 8. Februar 2021 an ausgewählte institutionelle Investoren und/oder strategische Geschäftspartner zum Kauf anzubieten. Im Geschäftsjahr 2021 wurden somit alle 193.340 Stück bestehenden eigene Aktien verkauft. Die Veränderung der nicht gebundenen Kapitalrücklagen von EUR 194.593.484,41 um EUR 891.996.720,59 auf EUR 1.086.590.205,00 resultiert einerseits aus dem Verkauf von 193.340 Stück eigenen Aktien sowie aus Sachkapitalerhöhung durch Sacheinlage von 5.042.925 Stück KTM AG Aktien durch die Pierer Bajaj AG (vormals: PTW Holding) AG).

2. Am 29. September 2021 wurde ein Syndikatsvertrag zwischen der Pierer Konzerngesellschaft mbH, der Pierer Industrie AG und der Pierer Bajaj AG einerseits (die „Pierer-Gruppe“) und der Bajaj Auto Ltd. und Bajaj Auto International Holdings B.V. andererseits (die „Bajaj-Gruppe“) abgeschlossen (der „Syndikatsvertrag 2021“), der die Rechte und Pflichten der beiden Unternehmensgruppen in Bezug auf die Beteiligung der Pierer Industrie AG und der Bajaj Auto International Holdings B.V. an der Pierer Bajaj AG als Mehrheitsaktionärin der PIERER Mobility AG regelt. Der Syndikatsvertrag 2021 sieht vor, dass die Geschäftsordnung für den Vorstand und den Aufsichtsrat der Pierer Bajaj AG im Falle einer Übertragung des Eigentums von Aktien der PIERER Mobility AG der Zustimmung der von Bajaj nominierten Aufsichtsratsmitglieder der Pierer Bajaj AG bedarf. Die Pierer Bajaj AG, die wirtschaftlich Herrn DI Stefan Pierer zuzurechnen ist, unterliegt angesichts des Syndikatsvertrags auf der Ebene der Pierer Bajaj AG somit Veräußerungsbeschränkungen. Dem Vorstand sind keine weiteren Beschränkungen bekannt, die Stimmrechte oder die Übertragung von Aktien betreffen.
3. Nach Kenntnis der Gesellschaft bestand per 31. Dezember 2021 folgende direkte oder indirekte Beteiligung am Kapital der PIERER Mobility AG, die zumindest 10 von Hundert betragen:
 - Pierer Bajaj AG (vormals) PTW Holding AG: 73,32% (direkte Beteiligung);
 - Pierer Industrie AG: 73,32% (indirekte Beteiligung);
 - Pierer Konzerngesellschaft mbH (direkte und indirekte Beteiligung): 2,58% (direkte Beteiligung) und 73,32% (indirekte Beteiligung).
4. Es gibt keine Aktien mit besonderen Kontrollrechten.
5. Es bestehen derzeit keine Mitarbeiterbeteiligungsmodelle.
6. Es bestehen keine über das Gesetz hinausgehenden Bestimmungen hinsichtlich der Ernennung und Abberufung der Mitglieder des Vorstandes und des Aufsichtsrates und über die Änderung der Satzung.
7. Möglichkeiten, Aktien auszugeben oder zurückzukaufen:

In der Hauptversammlung vom 27. April 2017 wurden folgende Beschlüsse gefasst:

- a) Die Ermächtigung des Vorstandes mit Zustimmung des Aufsichtsrates bis 01.04.2022 Finanzinstrumente im Sinne des § 174 AktG, insbesondere Wandelschuldverschreibungen, Gewinnschuldverschreibungen und Genussrechte, mit einem Gesamtnennbetrag von EUR 150.000.000,00, die auch das Bezugs- und / oder das Umtauschrecht auf den Erwerb von insgesamt bis zu 25.000.000 Aktien der Gesellschaft einräumen können und / oder auch so ausgestaltet sind, dass ihr Ausweis als Eigenkapital erfolgen kann, auch in mehreren Tranchen und in unterschiedlicher Kombination, auszugeben.
- b) Für die Bedienung der Umtausch- und / oder Bezugsrechte kann der Vorstand das bedingte Kapital und / oder eigene Aktien verwenden.
- c) Ausgabebetrag und Ausgabebedingungen der Finanzinstrumente sind vom Vorstand mit Zustimmung des Aufsichtsrates festzusetzen, wobei der Ausgabebetrag nach Maßgabe anerkannter finanzmathematischer Methoden sowie des Kurses der Aktien der Gesellschaft in einem anerkannten Preisfindungsverfahren zu ermitteln ist.

- d) Der Vorstand ist berechtigt, das Bezugsrecht der Aktionäre auf die Finanzinstrumente im Sinne des § 174 AktG mit Zustimmung des Aufsichtsrates auszuschließen.
- e) Die bedingte Erhöhung des Grundkapitals der Gesellschaft gemäß § 159 Abs 2 Z 1 AktG um bis zu EUR 25.000.000,00 durch Ausgabe von bis zu 25.000.000 auf Inhaber lautende Stammaktien ohne Nennwert (Stückaktien) zur Ausgabe an Gläubiger von Finanzinstrumenten gemäß § 174 AktG, die unter Ausnutzung der in dieser Hauptversammlung eingeräumten Ermächtigung von der Gesellschaft ausgegeben werden, soweit die Gläubiger der Finanzinstrumente von ihrem Umtausch und / oder Bezugsrecht auf Aktien der Gesellschaft Gebrauch machen. Der Ausgabebetrag und das Umtauschverhältnis sind nach Maßgabe anerkannter finanzmathematischer Methoden sowie des Aktienkurses in einem anerkannten Preisfindungsverfahren zu ermitteln. Die neu ausgegebenen Aktien der bedingten Kapitalerhöhung sind im gleichen Maße wie die bereits bestehenden Aktien der Gesellschaft dividendenberechtigt. Der Vorstand ist ermächtigt mit Zustimmung des Aufsichtsrates die weiteren Einzelheiten der Durchführung der bedingten Kapitalerhöhung festzusetzen. Der Aufsichtsrat ist ermächtigt, Änderungen der Satzung, die sich durch die Ausgabe von Aktien aus dem bedingten Kapital ergeben, zu beschließen.
- f) Der Vorstand wird gem § 65 Abs 1 Z 8 sowie Abs 1a und 1b AktG ermächtigt, auf den Inhaber lautende Stückaktien der Gesellschaft im Ausmaß von bis zu 10% des Grundkapitals der Gesellschaft während einer Geltungsdauer von 30 Monaten ab Beschlussfassung sowohl über die Börse als auch außerbörslich zu erwerben, wobei der niedrigste Gegenwert nicht mehr als 20% unter und der höchste Gegenwert nicht mehr als 10% über dem durchschnittlichen Börsenschlusskurs der letzten 3 Börsenwerkstage vor Erwerb der Aktien liegen darf. Der Handel mit eigenen Aktien ist als Zweck des Erwerbs ausgeschlossen. Die Ermächtigung kann ganz oder teilweise oder auch in mehreren Teilbeträgen und in Verfolgung eines oder mehrerer Zwecke durch die Gesellschaft, durch Tochterunternehmen oder für Rechnung der Gesellschaft durch Dritte ausgeübt werden.
- g) Den Erwerb über die Börse kann der Vorstand beschließen, doch muss der Aufsichtsrat im Nachhinein von diesem Beschluss in Kenntnis gesetzt werden. Der außerbörsliche Erwerb unterliegt der vorherigen Zustimmung des Aufsichtsrats.
- h) Der Vorstand wird für die Dauer von fünf Jahren ab Beschlussfassung gem. § 65 Abs 1b AktG ermächtigt, mit Zustimmung des Aufsichtsrats für die Veräußerung bzw. Verwendung eigener Aktien eine andere Art der Veräußerung als über die Börse oder durch ein öffentliches Angebot, unter sinngemäßer Anwendung der Regelungen über den Bezugsrechtsausschluss der Aktionäre, zu beschließen und die Veräußerungsbedingungen festzusetzen. Die Ermächtigung kann ganz oder teilweise oder in mehreren Teilbeträgen und in Verfolgung eines oder mehrerer Zwecke durch die Gesellschaft, durch ein Tochterunternehmen oder für Rechnung der Gesellschaft durch Dritte ausgeübt werden, insbesondere als Gegenleistung beim Erwerb von Unternehmen, Betrieben, Teilbetrieben oder Anteilen an einer oder mehreren Gesellschaften im In- oder Ausland.
- i) Der Vorstand wird ferner ermächtigt mit Zustimmung des Aufsichtsrats erforderlichenfalls das Grundkapital durch Einziehung dieser eigenen Aktien ohne weiteren Hauptversammlungsbeschluss gem. § 65 Abs 1 Z 8 letzter Satz iVm § 122 AktG herabzusetzen. Der Aufsichtsrat ist ermächtigt Änderungen der Satzung, die sich durch die Einziehung von Aktien ergeben, zu beschließen.

In der Hauptversammlung vom 26. April 2018 wurden folgende Beschlüsse gefasst:

- a) Der Vorstand ist gemäß § 169 AktG ermächtigt, bis 26.04.2023 mit Zustimmung des Aufsichtsrates das Grundkapital der Gesellschaft von EUR 22.538.674,00, allenfalls in mehreren Tranchen, gegen Bar- und / oder Sacheinlagen um bis zu EUR 11.269.337,00 durch Ausgabe von bis zu 11.269.337 Stück auf Inhaber lautende nennbetragslose Stückaktien auf bis zu EUR 33.808.011,00 zu erhöhen und den Ausgabebetrag sowie die Ausgabebedingungen und die weiteren Einzelheiten der Durchführung der Kapitalerhöhung im Einvernehmen mit dem Aufsichtsrat festzusetzen sowie allenfalls die neuen Aktien im Wege des mittelbaren Bezugsrechts gemäß § 153 Abs 6 AktG den Aktionären zum Bezug anzubieten.

- b) Der Vorstand ist ermächtigt, mit Zustimmung des Aufsichtsrates das Bezugsrecht der Aktionäre ganz oder teilweise auszuschließen,
- (i) wenn die Kapitalerhöhung gegen Bareinlagen erfolgt und in Summe der rechnerisch auf die gegen Bareinlagen unter Ausschluss des Bezugsrechts ausgegebenen Aktien entfallende Anteil am Grundkapital der Gesellschaft die Grenze von 10% (zehn Prozent) des Grundkapitals der Gesellschaft zum Zeitpunkt der Einräumung nicht übersteigt,
 - (ii) wenn die Kapitalerhöhung gegen Sacheinlagen erfolgt,
 - (iii) zur Bedienung einer Mehrzuteilungsoption (Greenshoe), und / oder
 - (iv) für den Ausgleich von Spitzenbeträgen.

Diese Ermächtigung wurde vom Vorstand der PIERER Mobility AG zur Durchführung der Sachkapitalerhöhung im Oktober 2021 im Ausmaß von EUR 11.257.861,00 durch Ausgabe von 11.257.861 Stück auf Inhaber lautende nennbetragslose Stückaktien ausgenützt.

In der außerordentlichen Hauptversammlung vom 4. Oktober 2019 wurden folgende Beschlüsse gefasst:

- a) Der Vorstand wird gemäß § 65 Abs 1 Z 8 AktG für die Dauer von 30 Monaten ermächtigt, eigene Aktien der Gesellschaft sowohl über die Börse als auch außerbörslich auch unter Ausschluss des quotenmäßigen Andienungsrechtes der Aktionäre zu erwerben und, ohne dass die Hauptversammlung vorher nochmals befasst werden muss, gegebenenfalls diese Aktien mit Zustimmung des Aufsichtsrates einzuziehen. Der Handel mit eigenen Aktien ist als Zweck des Erwerbs ausgeschlossen. Der Anteil der zu erwerbenden Aktien darf 10% des Grundkapitals nicht übersteigen. Der Gegenwert pro zu erwerbender Stückaktie darf jeweils den durchschnittlichen ungewichteten Börseschlusskurs an der SIX Swiss Exchange der vergangenen 10 Handelstage um nicht mehr als 20% unterschreiten oder übersteigen. Die Ermächtigung kann ganz oder teilweise oder auch in mehreren Teilbeträgen und in Verfolgung eines oder mehrerer Zwecke durch die Gesellschaft, mit ihr verbundener Unternehmen oder für deren Rechnung durch Dritte ausgeübt werden. Der Aufsichtsrat ist ermächtigt, Änderungen der Satzung, die sich durch die Einziehung von Aktien ergeben, zu beschließen.
 - b) Der Vorstand wird für die Dauer von fünf Jahren ermächtigt, mit Zustimmung des Aufsichtsrates eigene Aktien auch auf andere Art als über die Börse oder durch ein öffentliches Angebot zu jedem gesetzlich zulässigen Zweck zu veräußern oder zu verwenden und hierbei auch das quotenmäßige Kaufrecht der Aktionäre auszuschließen (Ausschluss des Bezugsrechtes) und die Veräußerungsbedingungen festzusetzen. Die Ermächtigung kann ganz oder teilweise oder auch in mehreren Teilbeträgen und in Verfolgung eines oder mehrerer Zwecke ausgeübt werden.
8. Vereinbarungen der Gesellschaft, die bei einem Kontrollwechsel infolge eines Übernahmeangebotes wirksam werden, sich ändern oder enden sowie deren Wirkungen werden seitens der Gesellschaft nicht bekannt gegeben, da dies der Gesellschaft erheblich schaden würde.
9. Es existieren keine Entschädigungsvereinbarungen zwischen der Gesellschaft und ihren Vorstands- und Aufsichtsratsmitgliedern oder Arbeitnehmern für den Fall eines öffentlichen Übernahmeangebotes.

8. WESENTLICHE MERKMALE DES INTERNEN KONTROLLSYSTEMS § 243A (ABS2) UGB

Das interne Kontrollsystem der PIERER Mobility-Gruppe hat die Aufgabe, die Ordnungsmäßigkeit und Zuverlässigkeit der Finanzberichterstattung, die Einhaltung der für das Unternehmen maßgeblichen gesetzlichen und unternehmensinternen Vorschriften sowie die Wirksamkeit und Wirtschaftlichkeit der betrieblichen Tätigkeit einschließlich des Schutzes des Vermögens vor Verlusten durch Schäden und Malversationen sicherzustellen. In der Gestaltung der Elemente des internen Kontrollsystems wurden international anerkannte Rahmenwerke für Interne Kontrollsysteme (z.B. COSO-Framework) berücksichtigt. Das System umfasst:

- Konzernweite Vorgaben für die Rechnungslegung
- Funktionstrennung als organisatorische Maßnahme
- Systemgestützte und prozessabhängige Kontrollen
- Prozessunabhängige Kontrollen

Die PIERER Mobility-Gruppe setzt auf eine kontinuierliche Weiterentwicklung und Verbesserung des internen Kontrollsystems. Dazu erfolgt regelmäßig eine Überwachung seiner Funktionsfähigkeit durch Prozess- und Datenanalysen sowie unabhängige, externe Prüfungstätigkeiten. Im Folgenden werden die wesentlichen Merkmale des internen Kontrollsystems im Hinblick auf den Rechnungslegungsprozess dargestellt.

KONTROLLUMFELD

Die Organisationsstruktur der PIERER Mobility-Gruppe bildet die Basis für das Kontrollumfeld und das interne Kontrollsystem im Unternehmen. Im Bereich der Aufbauorganisation im (Konzern-)Rechnungswesen bestehen eindeutige Kompetenz- und Verantwortungsbereiche auf den unterschiedlichen Führungs- und Hierarchieebenen des Konzerns. Dies betrifft einerseits die Konzernzentrale in Wels sowie die österreichischen und alle internationalen Tochtergesellschaften. Die Bereiche Treasury und Business Process Finance sind in den operativen Bereichen der Gruppe angesiedelt, wobei auch hier die Aufgaben und Verantwortungen klar aufgeteilt sind.

Der starken internationalen Ausrichtung der PIERER Mobility-Gruppe und der damit zusammenhängenden dezentralen Gesellschafts- und Standortstrukturen wird durch die Zentralisierung von wesentlichen Unternehmensfunktionen im Bereich der Finanzberichterstattung in den österreichischen Standorten (insbesondere in Mattighofen) Rechnung getragen. Die Wahrnehmung und Steuerung der nationalen Geschäftstätigkeiten obliegt dem jeweiligen lokalen Management und wird vom Vorstand der KTM AG sowie vom Konzernvorstand überwacht.

In der Ablauforganisation setzt die PIERER Mobility-Gruppe auf ein ausgeprägtes und umfangreiches Regelwerk an Bilanzierungs-, Bewertungs- und Kontierungsvorgaben. Dies stellt eine angemessene Basis für ein starkes Kontrollumfeld und Kontrollsystem dar. Neue Bilanzierungsstandards werden hinsichtlich ihrer Auswirkung auf die Rechnungslegung der PIERER Mobility-Gruppe beurteilt. Die Vorgaben an die Rechnungslegung und die Rechnungslegungsprozesse werden laufend überprüft und mindestens jährlich, bei Bedarf häufiger angepasst. Die Überwachung der Einhaltung der rechnungslegungsbezogenen Regelungen und Kontrollen liegt in der Verantwortung des jeweils zuständigen Managements.

RISIKOBEURTEILUNG

Risiken in Bezug auf den Rechnungslegungsprozess werden durch das Management erhoben und überwacht. Der Fokus wird dabei auf jene Risiken gelegt, die typischerweise als wesentlich zu betrachten sind.

Die wesentlichen Risiken im Bereich der Rechnungslegung umfassen die nicht vollständige Erfassung von bilanzierungsrelevanten Sachverhalten, Fehler in der Belegerfassung sowie fehlerhafte Berechnungen. Komplexe Bilanzierungsgrundsätze könnten zu einem erhöhten Fehlerrisiko, unrichtigen Ausweis sowie verspätete Bilanzerstellung führen. Zudem besteht das Risiko eines Datenzugriffes von unberechtigten Personen bzw. Datenmanipulation, Ausfall von IT-Systemen und Datenverlust.

Für die Erstellung des Abschlusses müssen regelmäßig Schätzungen vorgenommen werden, bei denen das immanente Risiko besteht, dass die zukünftige Entwicklung von diesen Schätzungen abweicht. Dies trifft insbesondere auf die folgenden Sachverhalte/Posten des Konzernabschlusses zu: Sozialkapital, Ausgang von Rechtsstreitigkeiten, Werthaltigkeit von Forderungen, Beteiligungen und Vorräten. Teilweise werden externe Experten zugezogen bzw. wird auf öffentlich zugängliche Quellen abgestellt, um das Risiko einer Fehleinschätzung zu minimieren.

KONTROLLMAßNAHMEN

Die PIERER Mobility-Gruppe hat ihre Kontrollen direkt in die (Konzern-)Rechnungslegungsprozesse integriert. Wesentliches Element ist dabei, neben prozessunabhängigen externen Kontrollmechanismen, das Prinzip der Funktionstrennung. Zur Gewährleistung einer vollständigen, zeitgerechten und richtigen Bilanzerstellung wurden in allen am Buchungsprozess beteiligten Bereichen Qualitätssicherungs- und Kontrollmaßnahmen implementiert. Sämtliche Kontrollmaßnahmen werden im laufenden Geschäftsprozess angewandt, um sicherzustellen, dass potenzielle Fehler in der Finanzberichterstattung vorgebeugt bzw. diese entdeckt und korrigiert werden. Des Weiteren führt die Anwendung von unternehmensinternen Richtlinien zu einer einheitlichen Behandlung der Geschäftsfälle sowie zu einer einheitlichen Bilanzierung und Berichterstattung.

In den wichtigen IT-Systemen mit Rechnungslegungsrelevanz sind Kontrollen integriert, die unter anderem die falsche Erfassung von Geschäftsvorfällen verhindern, die vollständige Erfassung von Geschäftsvorfällen beziehungsweise Bewertung der Geschäftsvorfälle entsprechend den Rechnungslegungsvorschriften sicherstellen oder die Überprüfung der Konsolidierung unterstützen sollen. Im Hinblick auf die steigenden Anforderungen an IT-Systeme in der Rechnungslegung sowie den ständig steigenden technischen Möglichkeiten führt die PIERER Mobility Gruppe regelmäßig IT-gestützte Analysen der Wirksamkeit der gesetzten Maßnahmen durch, um etwaige aufgetretene Kontrollschwächen zu erkennen und anschließend zu beseitigen.

Kontrollmaßnahmen in Bezug auf die IT-Sicherheit stellen einen Eckpfeiler des internen Kontrollsystems dar. So wird die Trennung von sensiblen Tätigkeiten durch eine restriktive Vergabe von IT-Berechtigungen unterstützt. Durch die eingesetzte ERP Software finden automatisierte Prüfungen statt, wie z.B. die automatisierten Kontrollen bei Rechnungsfreigabe und Rechnungsprüfung.

KOMMUNIKATION UND ÜBERWACHUNG

Die Verantwortung für die Wirksamkeit des internen Kontrollsystems im (Konzern-)Rechnungslegungsprozess ist klar geregelt und liegt bei den verantwortlichen Führungskräften und Prozessverantwortlichen. In die Beurteilung der Wirksamkeit fließen neben den Ergebnissen aus der unternehmensinternen Einschätzung auch jene von externen Prüfungen, z. B. im Rahmen der Jahresabschlussprüfung oder von externen IT-Security Audits, sowie des Aufsichtsrats und des Prüfungsausschusses ein. Schwächen im Kontrollsystem werden unter Berücksichtigung ihrer möglichen Auswirkung auf die Rechnungslegungsprozesse behoben.

Neben den gesetzlich vorgeschriebenen Abschlüssen, welche den Führungsebenen zur Verfügung gestellt werden, wurde im Konzern auch ein umfangreiches Internes Berichtswesen implementiert, das je nach Berichtsempfänger in unterschiedlichen Aggregationstiefen erstellt und verteilt wird.

Weitere zentrale Instrumente der Risikoüberwachung und -kontrolle sind die unternehmensweiten Richtlinien über den Umgang mit wesentlichen Risiken, der Planungs- und der Controlling-Prozesse, sowie die laufende Berichterstattung. Die Richtlinien umfassen die Festsetzung und Kontrolle von Limits und Handlungsabläufen zur Begrenzung finanzieller Risiken sowie die strikte Vorgabe des Vier-Augen-Prinzips bei Rechnungs- und Zahlungsfreigaben.

Darüber hinaus basiert das interne Kontrollsystem auf genauen Informationen über die Prozesse für die Rechnungslegung und Finanzberichterstattung und schließt auch deren vorgelagerte Unternehmensprozesse, z. B. Bestellanforderungen oder Logistikprozesse, mit ein. Die Wirksamkeit des internen Kontrollsystems wird vom Management dahingehend überprüft, dass die Ergebnisse, die in komprimierter Berichtsform an das Management übermittelt werden von ihm analysiert, bewertet und kommentiert werden.

Vorstand und Prüfungsausschuss werden jährlich über die Einschätzung zur Wirksamkeit des internen Kontrollsystems in der Rechnungslegung unterrichtet. Bei wesentlichen Veränderungen der Wirksamkeit des internen Kontrollsystems erfolgt eine unverzügliche Berichterstattung an den Vorstand und gegebenenfalls an den Aufsichtsrat sowie eine Ergreifung adäquater Maßnahmen zur Erhöhung der Wirksamkeit.

9. AUSBLICK

Für das Geschäftsjahr 2022 rechnet der Vorstand mit einem neuerlichen Wachstum sowohl bei den Motorrädern als auch bei den Fahrrädern bei einem Ergebnis innerhalb der langfristigen Bandbreite. Es muss jedoch auch in 2022 weiterhin mit Herausforderungen bei den internationalen Lieferketten gerechnet werden, da Kapazitäts- und Lieferengpässe bei einzelnen Zulieferern und in der internationalen Transportlogistik zu Lieferverzögerungen führen können. Durch intensive Maßnahmen im Bereich des Supply Chain Managements und hoher Flexibilität in der Produktionsplanung wird versucht, negative Auswirkungen rechtzeitig zu erkennen und zu minimieren. Durch die im letzten Jahr überarbeitete Lieferantenrisikobewertung sowie das implementierte Programm zur Vorwarnung globaler Ereignisse, die sich direkt oder indirekt auf die Lieferkette auswirken, sollen die erwarteten Herausforderungen und ihre Folgen abgemildert werden. Absatzseitig sieht PIERER Mobility den Markt weiterhin nachhaltig positiv. Das Wachstum soll vor allem durch die weiterhin hohe globale Nachfrage und dem Megatrend hin zum Zweirad sowie zu immer mehr elektrischen Fahrzeugen, vor allem im urbanen Bereich, getrieben sein.

Im Einklang mit der strategischen Zielsetzung zur Leistung eines Beitrags zur Emissionsreduktion und Emissionsneutralität bei den Motorrädern liegt in den nächsten Jahren der Fokus in der Entwicklung verstärkt auf alternativen Antrieben im Bereich bis 15KW. Im Bereich darüber wird die technologische Weiterentwicklung konventioneller Antriebsformen mit synthetischen Treibstoffen zur CO₂ Vermeidung vorangetrieben. Das Hauptziel ist es, das Innovations- und Entwicklungspotenzial im Bereich der Elektromobilität voll auszuschöpfen und mit E-Fuel angetriebenen Verbrennern als Global Player mit starken Marken den wachsenden Markt mitzugestalten und Marktanteile zu sichern. Bis 2024 werden mindestens drei elektrische Plattformen mit mehreren Produkten eingeführt.

Während der Fokus in 2021 in der Fahrrad-Division vorrangig auf einer breiteren Etablierung der Marken Husqvarna E-Bicycles und R RAYMON in europäischen Märkten sowie dem Ausbau des Händlernetzwerkes in den Kernmärkten Deutschland, Österreich und der Schweiz (DACH) lag, eröffnet sich mit dem Erwerb der Marke FELT ein neues Spektrum an Produkt-, Absatz- und Entwicklungsmöglichkeiten. Mit FELT wurde das bestehende Portfolio an Fahrrädern insbesondere um die Sparte Rennsport erweitert und ermöglicht für alle Fahrradprodukte eine stärkere Öffnung sowie Positionierung auf dem nordamerikanischen Markt. Neben dem DACH-Raum bietet der nordamerikanische Markt enormes Wachstums- und Vertriebspotential für den Absatz von E-Bicycles. Daneben sollen sich die weiteren Expansionsschritte auf den Überseemarkt Australien sowie auf Südeuropa konzentrieren. Durch die Aufnahme der Marke GASGAS in die E-Bicycle Produktpalette und die Erweiterung des E-Bicycle-Vertriebes im bereits bestehenden Motorradhandel wird der dynamische Wachstumskurs darüber hinaus weiter vorangetrieben.

Die PIERER Mobility-Gruppe setzt im Geschäftsjahr 2022 trotz der bestehenden Herausforderungen in der Zulieferkette weiterhin auf Wachstum in allen Kernbereichen, sowohl bei den Motorrädern als auch bei den (E-)Fahrrädern. Der Vorstand rechnet mit einem Umsatzwachstum zwischen 6 bis 10% (Geschäftsjahr 2021: EUR 2.041,7 Mio.) bei einer EBIT-Marge von 8 bis 10% und einer EBITDA-Marge zwischen 15 und 17%.

Zudem listete die PIERER Mobility AG ihre Aktien im Amtlichen Handel (Segment den prime market) der Wiener Börse. Die Handelaufnahme im prime market, das Top-Segment der Wiener Börse, erfolgte am 1. März 2022.

Darüber hinaus gilt es auch die geopolitischen Risiken verstärkt im Auge zu behalten. Insbesondere die militärischen Auseinandersetzungen in der Ukraine werden die Weltwirtschaft negativ beeinflussen. Das Wechselkursumfeld bleibt in den für PIERER Mobility wichtigen Regionen voraussichtlich volatil.

Wels, am 11. März 2022

Der Vorstand der PIERER Mobility AG



Dipl.-Ing. Stefan Pierer



Mag. Ing. Hubert Trunkenpolz



Mag. Friedrich Roithner



Mag. Viktor Sigl, MBA

4. Bestätigungsvermerk

Bericht zum Jahresabschluss

Prüfungsurteil

Wir haben den Jahresabschluss der

PIERER Mobility AG,
Wels,

bestehend aus der Bilanz zum 31. Dezember 2021, der Gewinn- und Verlustrechnung für das an diesem Stichtag endende Geschäftsjahr und dem Anhang, geprüft.

Nach unserer Beurteilung entspricht der Jahresabschluss den gesetzlichen Vorschriften und vermittelt ein möglichst getreues Bild der Vermögens- und Finanzlage zum 31. Dezember 2021 sowie der Ertragslage der Gesellschaft für das an diesem Stichtag endende Geschäftsjahr in Übereinstimmung mit den österreichischen unternehmensrechtlichen Vorschriften.

Grundlage für das Prüfungsurteil

Wir haben unsere Abschlussprüfung in Übereinstimmung mit der EU-Verordnung Nr 537/2014 (im Folgenden AP-VO) und mit den österreichischen Grundsätzen ordnungsgemäßer Abschlussprüfung durchgeführt. Diese Grundsätze erfordern die Anwendung der International Standards on Auditing (ISA). Unsere Verantwortlichkeiten nach diesen Vorschriften und Standards sind im Abschnitt "Verantwortlichkeiten des Abschlussprüfers für die Prüfung des Jahresabschlusses" unseres Bestätigungsvermerks weitergehend beschrieben. Wir sind von der Gesellschaft unabhängig in Übereinstimmung mit den österreichischen unternehmens- und berufsrechtlichen Vorschriften und wir haben unsere sonstigen beruflichen Pflichten in Übereinstimmung mit diesen Anforderungen erfüllt. Wir sind der Auffassung, dass die von uns erlangten Prüfungsnachweise bis zum Datum dieses Bestätigungsvermerkes ausreichend und geeignet sind, um als Grundlage für unser Prüfungsurteil zu diesem Datum zu dienen.

Besonders wichtige Prüfungssachverhalte

Besonders wichtige Prüfungssachverhalte sind solche Sachverhalte, die nach unserem pflichtgemäßen Ermessen am bedeutsamsten für unsere Prüfung des Jahresabschlusses des Geschäftsjahres waren. Diese Sachverhalte wurden im Zusammenhang mit unserer Prüfung des Jahresabschlusses als Ganzes und bei der Bildung unseres Prüfungsurteils hierzu berücksichtigt und wir geben kein gesondertes Prüfungsurteil zu diesen Sachverhalten ab.

Werthaltigkeit der Anteile an verbundenen Unternehmen

Siehe Anhang „Bilanzierungs- und Bewertungsmethoden“ sowie „Erläuterungen zur Bilanz“.

Das Risiko für den Abschluss

Die Anteile an verbundenen Unternehmen mit einem Buchwert in Höhe von 1.236 Mio EUR stellen rund 97 % des ausgewiesenen Vermögens im Jahresabschluss der PIERER Mobility AG dar.

Für sämtliche bedeutsame Anteile an verbundenen Unternehmen beurteilt PIERER Mobility AG, ob Anhaltspunkte für einen wesentlich gesunkenen beizulegenden Wert vorliegen. Liegen solche Anhaltspunkte vor, wird für das betroffene verbundene Unternehmen eine Unternehmensbewertung durchgeführt und der Buchwert der Anteile auf das Ergebnis der Unternehmensbewertung abgeschrieben. Zum 31. Dezember 2021 hat PIERER Mobility AG für die Anteile an verbundenen Unternehmen keine Anhaltspunkte für einen wesentlich gesunkenen beizulegenden Wert identifiziert.

Die Beurteilung, ob Anhaltspunkte für einen wesentlich gesunkenen beizulegenden Wert vorliegen, erfordert Schätzungen und Ermessensentscheidungen des Managements. Für den Jahresabschluss besteht damit das Risiko, dass nicht angemessene Schätzungen und Ermessensentscheidungen dazu führen, dass Anhaltspunkte für einen wesentlich gesunkenen beizulegenden Wert nicht identifiziert werden und Anteile an verbundenen Unternehmen in Folge nicht mit dem niedrigeren beizulegenden Wert angesetzt werden.

Unsere Vorgehensweise in der Prüfung

Wir haben die Werthaltigkeit der Anteile an verbundenen Unternehmen wie folgt beurteilt:

- Wir haben die vom Unternehmen durchgeführte Analyse der Anhaltspunkte für einen wesentlich gesunkenen beizulegenden Wert (einschließlich der Deckung des Beteiligungsansatzes durch das anteilige Eigenkapital) der Anteile an verbundenen Unternehmen nachvollzogen.
- Zudem haben wir in Gesprächen mit dem Management erörtert, ob darüber hinausgehende Anhaltspunkte für einen wesentlich gesunkenen beizulegenden Wert der Anteile an verbundenen Unternehmen vorliegen.
- Weiters haben wir die vom Aufsichtsrat genehmigten Budgetzahlen und die vom Vorstand freigegebene Mittelfristplanung eingeholt und gewürdigt, ob diese mit den Schlussfolgerungen des Managements, wonach keine Anhaltspunkte für einen wesentlich gesunkenen beizulegenden Wert bestehen, im Einklang stehen.

Verantwortlichkeiten der gesetzlichen Vertreter und des Prüfungsausschusses für den Jahresabschluss

Die gesetzlichen Vertreter sind verantwortlich für die Aufstellung des Jahresabschlusses und dafür, dass dieser in Übereinstimmung mit den österreichischen unternehmensrechtlichen Vorschriften ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft vermittelt. Ferner sind die gesetzlichen Vertreter verantwortlich für die internen Kontrollen, die sie als notwendig erachten, um die Aufstellung eines Jahresabschlusses zu ermöglichen, der frei von wesentlichen falschen Darstellungen aufgrund von dolosen Handlungen oder Irrtümern ist.

Bei der Aufstellung des Jahresabschlusses sind die gesetzlichen Vertreter dafür verantwortlich, die Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit zu beurteilen, Sachverhalte im Zusammenhang mit der Fortführung der Unternehmenstätigkeit – sofern einschlägig – anzugeben, sowie dafür, den Rechnungslegungsgrundsatz der Fortführung der Unternehmenstätigkeit anzuwenden, es sei denn, die gesetzlichen Vertreter beabsichtigen, entweder die Gesellschaft zu liquidieren oder die Unternehmenstätigkeit einzustellen oder haben keine realistische Alternative dazu.

Der Prüfungsausschuss ist verantwortlich für die Überwachung des Rechnungslegungsprozesses der Gesellschaft.

Verantwortlichkeiten des Abschlussprüfers für die Prüfung des Jahresabschlusses

Unsere Ziele sind hinreichende Sicherheit darüber zu erlangen, ob der Jahresabschluss als Ganzes frei von wesentlichen falschen Darstellungen aufgrund von dolosen Handlungen oder Irrtümern ist und einen Bestätigungsvermerk zu erteilen, der unser Prüfungsurteil beinhaltet. Hinreichende Sicherheit ist ein hohes Maß an Sicherheit, aber keine Garantie dafür, dass eine in Übereinstimmung mit der AP-VO und mit den österreichischen Grundsätzen ordnungsgemäßer Abschlussprüfung, die die Anwendung der ISA erfordern, durchgeführte Abschlussprüfung eine wesentliche falsche Darstellung, falls eine solche vorliegt, stets aufdeckt. Falsche Darstellungen können aus dolosen Handlungen oder Irrtümern resultieren und werden als wesentlich angesehen, wenn von ihnen einzeln oder insgesamt vernünftigerweise erwartet werden könnte, dass sie die auf der Grundlage dieses Jahresabschlusses getroffenen wirtschaftlichen Entscheidungen von Nutzern beeinflussen.

Als Teil einer Abschlussprüfung in Übereinstimmung mit der AP-VO und mit den österreichischen Grundsätzen ordnungsgemäßer Abschlussprüfung, die die Anwendung der ISA erfordern, üben wir während der gesamten Abschlussprüfung pflichtgemäßes Ermessen aus und bewahren eine kritische Grundhaltung.

Darüber hinaus gilt:

- Wir identifizieren und beurteilen die Risiken wesentlicher falscher Darstellungen aufgrund von dolosen Handlungen oder Irrtümern im Abschluss, planen Prüfungshandlungen als Reaktion auf diese Risiken, führen sie durch und erlangen Prüfungsnachweise, die ausreichend und geeignet sind, um als Grundlage für unser Prüfungsurteil zu dienen. Das Risiko, dass aus dolosen Handlungen resultierende wesentliche falsche Darstellungen nicht aufgedeckt werden, ist höher als ein aus Irrtümern resultierendes, da dolose Handlungen kollusives Zusammenwirken, Fälschungen, beabsichtigte Unvollständigkeiten, irreführende Darstellungen oder das Außerkraftsetzen interner Kontrollen beinhalten können.

- Wir gewinnen ein Verständnis von dem für die Abschlussprüfung relevanten internen Kontrollsystem, um Prüfungshandlungen zu planen, die unter den gegebenen Umständen angemessen sind, jedoch nicht mit dem Ziel, ein Prüfungsurteil zur Wirksamkeit des internen Kontrollsystems der Gesellschaft abzugeben.
- Wir beurteilen die Angemessenheit der von den gesetzlichen Vertretern angewandten Rechnungslegungsmethoden sowie die Vertretbarkeit der von den gesetzlichen Vertretern dargestellten geschätzten Werte in der Rechnungslegung und damit zusammenhängende Angaben.
- Wir ziehen Schlussfolgerungen über die Angemessenheit der Anwendung des Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit durch die gesetzlichen Vertreter sowie, auf der Grundlage der erlangten Prüfungsnachweise, ob eine wesentliche Unsicherheit im Zusammenhang mit Ereignissen oder Gegebenheiten besteht, die erhebliche Zweifel an der Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit aufwerfen können. Falls wir die Schlussfolgerung ziehen, dass eine wesentliche Unsicherheit besteht, sind wir verpflichtet, in unserem Bestätigungsvermerk auf die dazugehörigen Angaben im Jahresabschluss aufmerksam zu machen oder, falls diese Angaben unangemessen sind, unser Prüfungsurteil zu modifizieren. Wir ziehen unsere Schlussfolgerungen auf der Grundlage der bis zum Datum unseres Bestätigungsvermerks erlangten Prüfungsnachweise. Zukünftige Ereignisse oder Gegebenheiten können jedoch die Abkehr der Gesellschaft von der Fortführung der Unternehmenstätigkeit zur Folge haben.
- Wir beurteilen die Gesamtdarstellung, den Aufbau und den Inhalt des Jahresabschlusses einschließlich der Angaben sowie ob der Jahresabschluss die zugrunde liegenden Geschäftsvorfälle und Ereignisse in einer Weise wiedergibt, dass ein möglichst getreues Bild erreicht wird.
- Wir tauschen uns mit dem Prüfungsausschuss unter anderem über den geplanten Umfang und die geplante zeitliche Einteilung der Abschlussprüfung sowie über bedeutsame Prüfungsfeststellungen, einschließlich etwaiger bedeutsamer Mängel im internen Kontrollsystem, die wir während unserer Abschlussprüfung erkennen, aus.
- Wir geben dem Prüfungsausschuss auch eine Erklärung ab, dass wir die relevanten beruflichen Verhaltensanforderungen zur Unabhängigkeit eingehalten haben und uns mit ihm über alle Beziehungen und sonstigen Sachverhalte austauschen, von denen vernünftigerweise angenommen werden kann, dass sie sich auf unsere Unabhängigkeit und – sofern einschlägig – damit zusammenhängende Schutzmaßnahmen auswirken.
- Wir bestimmen von den Sachverhalten, über die wir uns mit dem Prüfungsausschuss ausgetauscht haben, diejenigen Sachverhalte, die am bedeutsamsten für die Prüfung des Jahresabschlusses des Geschäftsjahres waren und daher die besonders wichtigen Prüfungssachverhalte sind. Wir beschreiben diese Sachverhalte in unserem Bestätigungsvermerk, es sei denn, Gesetze oder andere Rechtsvorschriften schließen die öffentliche Angabe des Sachverhalts aus oder wir bestimmen in äußerst seltenen Fällen, dass ein Sachverhalt nicht in unserem Bestätigungsvermerk mitgeteilt werden sollte, weil vernünftigerweise erwartet wird, dass die negativen Folgen einer solchen Mitteilung deren Vorteile für das öffentliche Interesse übersteigen würden.

Sonstige gesetzliche und andere rechtliche Anforderungen

Bericht zum Lagebericht

Der Lagebericht ist aufgrund der österreichischen unternehmensrechtlichen Vorschriften darauf zu prüfen, ob er mit dem Jahresabschluss in Einklang steht und ob er nach den geltenden rechtlichen Anforderungen aufgestellt wurde.

Die gesetzlichen Vertreter sind verantwortlich für die Aufstellung des Lageberichts in Übereinstimmung mit den österreichischen unternehmensrechtlichen Vorschriften.

Wir haben unsere Prüfung in Übereinstimmung mit den Berufsgrundsätzen zur Prüfung des Lageberichts durchgeführt.

Urteil

Nach unserer Beurteilung ist der Lagebericht nach den geltenden rechtlichen Anforderungen aufgestellt worden, enthält die nach § 243a UGB zutreffenden Angaben, und steht in Einklang mit dem Jahresabschluss.

Erklärung

Angesichts der bei der Prüfung des Jahresabschlusses gewonnenen Erkenntnisse und des gewonnenen Verständnisses über die Gesellschaft und ihr Umfeld haben wir keine wesentlichen fehlerhaften Angaben im Lagebericht festgestellt.

Zusätzliche Angaben nach Artikel 10 AP-VO

Wir wurden von der Hauptversammlung am 29. April 2021 als Abschlussprüfer gewählt und am 29. September 2021 vom Aufsichtsrat mit der Abschlussprüfung der Gesellschaft für das am 31. Dezember 2021 endende Geschäftsjahr beauftragt.

Wir sind ohne Unterbrechung seit dem Jahresabschluss zum 31.12.2014 Abschlussprüfer der Gesellschaft.

Wir erklären, dass das Prüfungsurteil im Abschnitt "Bericht zum Jahresabschluss" mit dem zusätzlichen Bericht an den Prüfungsausschuss nach Artikel 11 der AP-VO in Einklang steht.

Wir erklären, dass wir keine verbotenen Nichtprüfungsleistungen (Artikel 5 Abs 1 der AP-VO) erbracht haben und dass wir bei der Durchführung der Abschlussprüfung unsere Unabhängigkeit von der geprüften Gesellschaft gewahrt haben.

Auftragsverantwortlicher Wirtschaftsprüfer

Der für die Abschlussprüfung auftragsverantwortliche Wirtschaftsprüfer ist Herr Dr. Helge Löffler.

Linz, 11. März 2022

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft



qualifiziert elektronisch signiert:
Dr. Helge Löffler
Wirtschaftsprüfer

STATEMENT BY THE EXECUTIVE BOARD

Pursuant to Section 124 (1) (3) of the Austrian Stock Exchange Act

We confirm to the best of our knowledge that the consolidated financial statements give a true and fair view of the assets, liabilities, financial and earnings position of the Group as required by the applicable accounting standards and that the consolidated management report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

We confirm to the best of our knowledge that the annual financial statements of the parent company give a true and fair view of the assets, liabilities, financial and earnings position of the parent company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the parent company, together with a description of the principal risks and uncertainties the parent company faces.

Wels, March 2022

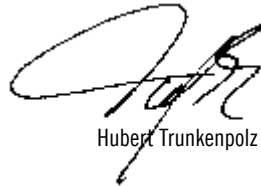
Executive Board



Stefan Pierer



Friedrich Roithner



Hubert Trunkenpolz



Viktor Sigl

GENERAL COMPANY DATA:

Reporting company: PIERER Mobility AG

Registered office of the company: Austria

Legal form of the company: Aktiengesellschaft

Country in which the company is registered as a legal entity: Austria

Address of registered office: Edisonstrasse 1, 4600 Wels

Headquarters of the business activity: Edisonstrasse 1, 4600 Wels

Name of the parent company: Pierer Bajaj AG

Name of the ultimate parent company: Pierer Konzerngesellschaft mbH

Business activity: The PIERER Mobility Group is Europe's leading "Powered Two-Wheeler" (PTW) manufacturer with a focus on highly innovative sports motorcycles and electric mobility.

IMPRINT

Owner and publisher

PIERER Mobility AG

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4600 Wels, Austria

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Photos: KTM archive, Husqvarna Motorcycles/Husqvarna E-Bicycles archive, WP archive, GASGAS archive, R Raymon

The present report has been prepared with the utmost care and the correctness of the data was checked. Nevertheless, slight differences in the calculations may arise as result of the summation of rounded amounts and percentages, and typographical and printing errors cannot be ruled out.

References to persons such as "employees" or "staff members" are intended to be gender-neutral and insofar as the contrary appears this is solely for purposes of legibility.

This report and the forward-looking statements it contains were prepared on the basis of all the data and information available at the time of going to press. However, we must point out that various factors may cause the actual results to deviate from the forward-looking statements given in the report.

This report is published in German and English. In the event of ambiguity, the German version shall take precedence.