

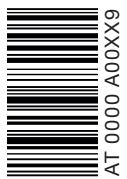
MAG 20

ANNUAL FINANCIAL REPORT 2020

POLYTEC



**FORCING
THE PACE**



AT 0000 A00XX9

KEY FIGURES

Key figures from the consolidated income statement	Unit	2020	2019	2018	2017	2016
Sales revenues	EUR million	522.0	627.1	636.4	676.4	650.4
thereof passenger cars & light commercial vehicles	EUR million	328.7	388.8	387.9	434.1	425.4
thereof commercial vehicles	EUR million	118.3	158.4	174.7	165.0	147.4
thereof industrial applications	EUR million	75.0	79.9	73.8	77.3	77.6
EBITDA	EUR million	48.3	68.4	67.1	82.3	80.1
EBITDA margin (EBITDA/sales revenues)	%	9.3	10.9	10.5	12.2	12.3
EBIT	EUR million	13.0	32.6	40.1	55.1	52.4
EBIT margin (EBIT/sales revenues)	%	2.5	5.2	6.3	8.1	8.1
Earnings after tax	EUR million	9.5	23.1	30.0	39.0	37.0
Earnings per share	EUR	0.29	1.02	1.32	1.74	1.65

Balance sheet key figures	Unit	2020	2019	2018	2017	2016
Balance sheet total	EUR million	581.5	605.6	557.6	516.5	501.4
Equity ratio (equity/balance sheet total)	%	42.6	41.7	42.7	42.1	37.9
Investments in fixed assets	EUR million	14.2	45.8	42.6	38.4	34.4
Net working capital	EUR million	92.8	125.4	95.2	75.5	40.1
Net working capital/sales revenues	%	17.8	20.0	15.0	11.2	6.2
Average capital employed	EUR million	404.9	400.4	341.8	297.5	274.8
ROCE before tax (EBIT/average capital employed)	%	3.2	8.2	11.7	18.5	19.1
Net debt (+)/assets (-)	EUR million	105.8	156.0	101.8	78.7	69.9
Net debt (+)/assets (-)/EBITDA	-	2.19	2.28	1.52	0.96	0.87
Gearing (net debt (+)/assets (-)/equity)	-	0.43	0.62	0.43	0.36	0.37

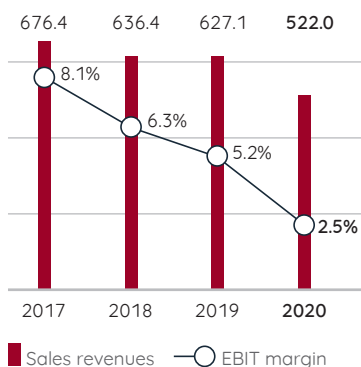
Consolidated cash flow key figures	Unit	2020	2019	2018	2017	2016
Cash flow from operating activities	EUR million	45.8	24.4	30.9	38.3	70.7
Cash flow from investing activities	EUR million	12.1	-48.6	-39.4	-38.0	-28.8
Cash flow from financing activities	EUR million	-22.8	6.1	25.2	-22.7	-20.0
Change in cash and cash equivalents	EUR million	35.0	-18.1	16.7	-22.4	21.9
Closing balance of cash and cash equivalents	EUR million	90.4	55.6	73.6	56.9	79.5

Personnel key figures	Unit	2020	2019	2018	2017	2016
Employees on annual average	FTE ¹⁾	3,939	4,344	4,465	4,527	4,449
Employees as of 31 December	FTE	3,636	4,406	4,315	4,522	4,427
Sales revenues per employee	EUR k	132.5	144.4	142.5	149.4	146.2

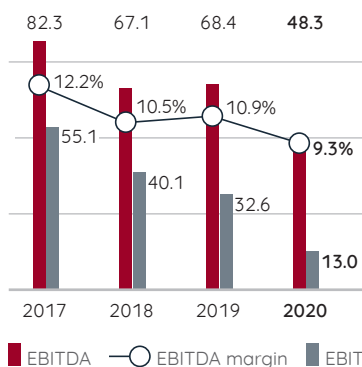
¹⁾ FTE: full-time equivalents incl. leasing personnel

POLYTEC share (AT0000A00XX9)	Unit	2020	2019	2018	2017	2016
Year-end closing price	EUR	7.51	8.65	8.38	18.50	10.39
Highest closing price during the year (as at 2 January 2020)	EUR	8.93	10.64	21.00	22.38	10.60
Average closing price during the year	EUR	5.92	8.89	13.29	16.46	7.89
Lowest closing price during the year (as at 20 March 2020)	EUR	3.21	8.05	8.38	10.40	6.65
Market capitalisation at year-end	EUR million	167.7	193.1	187.1	413.1	231.9
Money turnover (daily average, double counting)	Shares	68,925	47,768	93,591	83,317	35,937
Earnings per share	EUR	0.29	1.02	1.32	1.74	1.65
Proposed dividend per share	EUR	0.30	0.00	0.40	0.45	0.40
Dividend yield on the basis of the average closing price	%	5.1	0.0	3.0	2.7	5.1

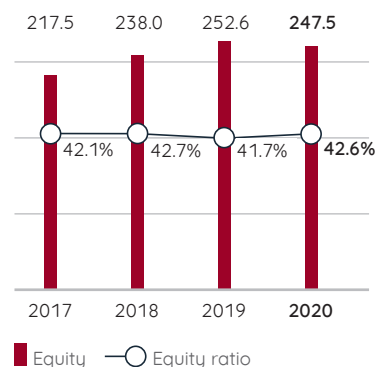
SALES REVENUES, EBIT MARGIN



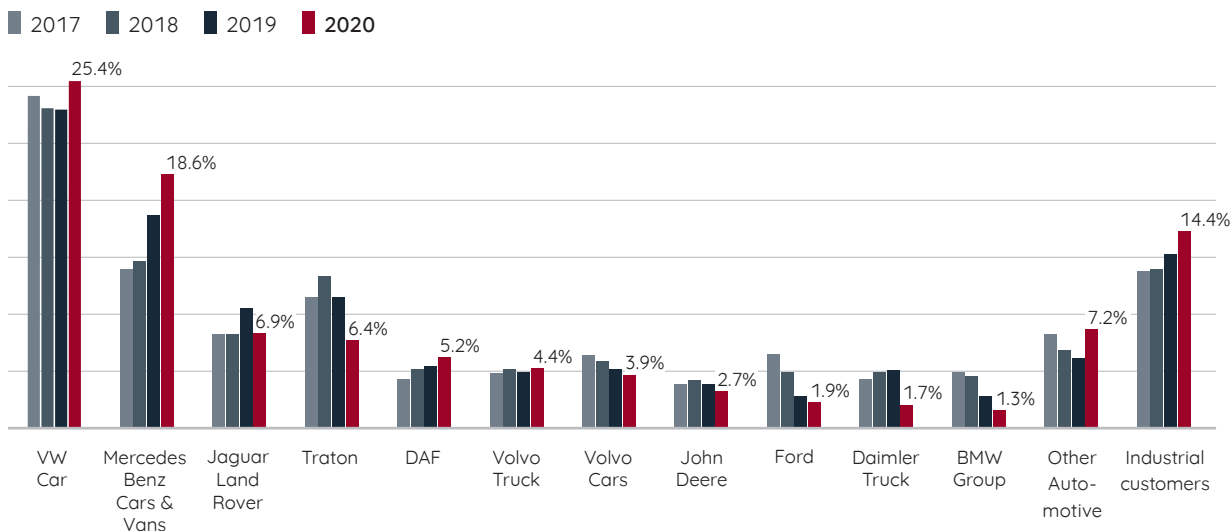
EBITDA, EBITDA MARGIN, EBIT



EQUITY, EQUITY RATIO



GROUP SALES REVENUES BY CUSTOMER



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FINANCIALS 2020



CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT FOR THE 2020 FINANCIAL YEAR

with comparative figures from the previous year

in EUR k	Note	2020	2019
Net sales revenues	E.1	521,976	627,081
Other operating income	E.2	8,971	11,862
Changes in inventory of finished and unfinished goods		1,893	1,739
Other own work capitalised		973	884
Expenses for materials and services received	E.3	-257,577	-298,188
Personnel expenses	E.4	-194,761	-216,386
Other operating expenses	E.5	-50,229	-58,592
Deconsolidation gain	B.1	17,042	0
Earnings before interest, taxes and depreciation (EBITDA)		48,287	68,399
Depreciation	E.8/E.9	-35,324	-35,752
Earnings before interest and taxes = operating result (EBIT)		12,962	32,648
Interest result		-3,356	-4,010
Other financial income		-1,931	209
Financial result	E.6	-5,287	-3,801
Earnings before tax		7,676	28,847
Tax income/expenses	E.7	1,799	-5,772
Earnings after tax		9,475	23,075
thereof result of non-controlling interests		3,039	683
thereof result of the parent company		6,435	22,391
Earnings per share in EUR	E.19	0.29	1.02

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 2020 FINANCIAL YEAR

1.1.-31.12.2020

in EUR k	Note	Group	Non-controlling interests	Total
Earnings after tax		6,435	3,039	9,475
Items that will not be reclassified (recycled) in future periods in the income statement				
Remeasurement of defined benefit obligation, net of tax		783	0	783
thereof related, deferred income taxes		-242	0	-242
	E.21	541	0	541
Items that will be reclassified (recycled) in future periods in the income statement				
Currency translations		-4,075	0	-4,075
		-4,075	0	-4,075
Other result after tax		-3,535	0	-3,535
Total result		2,901	3,039	5,940

1.1.-31.12.2019

in EUR k	Note	Group	Non-controlling interests	Total
Earnings after tax		22,391	683	23,075
Items that will not be reclassified (recycled) in future periods in the income statement				
Remeasurement of defined benefit obligation, net of tax		-2,836	20	-2,816
thereof related, deferred income taxes		948	-5	943
	E.21	-1,888	15	-1,873
Items that will be reclassified (recycled) in future periods in the income statement				
Currency translations		2,199	0	2,199
		2,199	0	2,199
Other result after tax		311	15	326
Total result		22,702	698	23,400

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2020

with comparative figures from the previous year

ASSETS

in EUR k	Note	31.12.2020	31.12.2019 adjusted
A. Non-current assets			
I. Intangible assets	E.8	5,120	4,776
II. Goodwill	E.8	12,643	19,180
III. Tangible assets	E.9	249,862	276,789
IV. Other non-current assets		2,035	126
V. Deferred tax assets	E.10	8,169	7,245
		277,829	308,117
B. Current assets			
I. Inventories	E.11	38,570	40,875
II. Trade accounts receivable	E.12	55,020	53,413
III. Revenues from contracts with customers	E.13	90,812	125,774
IV. Other current receivables	E.14	14,216	10,399
V. Income tax receivables		1,307	1,433
VI. Cash and cash equivalents	E.15	90,389	55,609
		290,315	287,504
VII. Assets held for sale	E.17	13,360	9,980
		303,675	297,484
		581,504	605,601

EQUITY AND LIABILITIES

in EUR k	Note	31.12.2020	31.12.2019
A. Shareholders' equity			
I. Share capital		22,330	22,330
II. Capital reserves		37,563	37,563
III. Treasury stock		-1,855	-1,855
IV. Retained earnings	D.20	200,383	193,947
V. Other reserves		-14,820	-11,286
		243,601	240,700
VI. Non-controlling interests	D.20	3,885	11,885
	E.18	247,487	252,585
B. Non-current liabilities			
I. Non-current, interest-bearing liabilities	E.20	160,342	194,145
II. Provision for deferred taxes	E.10	1,803	4,275
III. Provisions for employees	E.21	26,899	30,616
IV. Other long-term provisions	E.22	0	1,753
		189,044	230,788
C. Current liabilities			
I. Current interest-bearing liabilities	E.23	37,889	17,454
II. Liabilities on income taxes	E.24	2,080	2,155
III. Trade accounts payable	E.25	52,703	52,908
IV. Liabilities from contracts with customers	E.13	5,365	2,889
V. Other current liabilities	E.26	31,718	29,760
VI. Current provisions	E.27	15,219	17,061
		144,974	122,228
		581,504	605,601

CONSOLIDATED CASH FLOW STATEMENT FOR THE FINANCIAL YEAR 2020

with comparative figures from the previous year

in EUR k	Note	2020	2019
Earnings before tax		7,676	28,847
+ Depreciation on fixed assets		35,324	35,752
- Non-cash income from initial consolidation	E.2/B.1	0	-2,140
- Non-cash income from deconsolidation	B.1	-17,042	0
-(+) Interest result	E.6	3,300	3,801
+(-) Other non-cash expenses and income	F.	-1,041	337
+(-) Increase (decrease) in non-current provisions for employees		-2,526	866
-(+) Profit (loss) from fixed asset disposals	E.2/E.6	173	-5,996
-(+) Increase (decrease) in inventories		-4,866	5,984
-(+) Increase (decrease) in trade and other receivables and contractual revenues		23,168	-25,042
+(-) Increase (decrease) in trade and other payables and contractual liabilities		9,891	-3,010
+(-) Increase (decrease) in current provisions		-3,039	-3,791
= Consolidated cash flow from current activities		51,020	35,607
+ Interest received		168	128
- Interest paid		-3,239	-3,815
- Taxes paid		-2,168	-7,506
= Consolidated cash flow from operating activities		45,781	24,414
- Investments in fixed assets	F.	-14,200	-45,776
-(+) Purchase or disposal of subsidiaries less acquired and relinquished cash and cash equivalents	F.	17,094	-12,910
+ Payments from the disposal of intangible and tangible assets		9,164	10,096
= Consolidated cash flow from investing activities		12,058	-48,590
+ Inflows from loan financing		14,141	0
- Repayments of loan financing		-14,959	-2,900
+ Inflows from promissory note loans		0	28,500
- Outflows from promissory note loans		-15,000	-39,500
+ Equity financing borrowings		0	29,950
+ Inflows from real estate loan borrowings		3,503	5,610
- Repayments of real estate loan borrowings		-3,073	-1,535
- Outflows from leasing agreements		-7,158	-5,193
- Third party dividends		-250	-8,823
+(-) Other equity changes		0	-25
= Consolidated cash flow from financing activities	F.	-22,796	6,084
+(-) Consolidated cash flow from operating activities		45,781	24,414
+(-) Consolidated cash flow from investing activities		12,058	-48,590
+(-) Consolidated cash flow from financing activities		-22,796	6,084
= Change in cash and cash equivalents		35,044	-18,091
+(-) Effect from currency translations		-264	128
+ Opening balance of cash and cash equivalents		55,609	73,572
= Closing balance of cash and cash equivalents		90,389	55,609

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 2020 FINANCIAL YEAR

in EUR k	Note	Share capital	Capital reserves	Treasury stock
As at 1.1.2020		22,330	37,563	-1,855
Comprehensive income after tax		0	0	0
Other result after tax		0	0	0
Comprehensive income		0	0	0
Dividends		0	0	0
Changes due to initial consolidation	B.1	0	0	0
As at 31.12.2020	E.18	22,330	37,563	-1,855

in EUR k	Note	Share capital	Capital reserves	Treasury stock
As at 1.1.2019		22,330	37,563	-1,855
Adaptation pursuant to IAS8	D.20	0	0	0
Adjusted amounts as at 1.1.2019		22,330	37,563	-1,855
Comprehensive income after tax		0	0	0
Other result after tax		0	0	0
Comprehensive income		0	0	0
Dividend		0	0	0
As at 31.12.2019	E.18	22,330	37,563	-1,855

Other reserves						
Retained earnings	Actuarial profit/loss	Reserves from currency translation	Shares of POLYTEC Holding AG stockholders	Non-controlling interests		Total
193,947	-6,496	-4,791	240,700	11,885		252,585
6,435	0	0	6,435	3,039		9,475
0	541	-4,075	-3,535	0		-3,535
6,435	541	-4,075	2,901	3,039		5,941
0	0	0	0	-250		-250
0	0	0	0	-10,789		-10,789
200,383	-5,955	-8,866	243,601	3,885		247,486

Other reserves						
Retained earnings	Actuarial profit/loss	Reserves from currency translation	Shares of POLYTEC Holding AG stockholders	Non-controlling interests		Total
184,204	-4,609	-6,991	230,644	7,362		238,007
-3,825	0	0	-3,825	3,825		0
180,379	-4,609	-6,991	226,819	11,187		238,007
22,391	0	0	22,391	683		23,075
0	-1,888	2,199	311	15		326
22,391	-1,888	2,199	22,702	698		23,401
-8,823	0	0	-8,823	0		-8,823
193,947	-6,496	-4,791	240,700	11,885		252,585

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 2020 FINANCIAL YEAR OF POLYTEC HOLDING AG, HÖRSCHING

A. GENERAL INFORMATION

The POLYTEC GROUP is an Austria-based, internationally active corporation with a focus on the automotive and plastics industries. In the automotive industry field, the group acts as a supplier of components and modules used largely in the engine compartment, or on vehicle exteriors in the high-volume market segment, as well as a provider of original accessories and parts for small and medium volume series. Furthermore, the group manufactures various polyurethane moulded parts for other industries together with the related plant. POLYTEC Holding AG's company address is: Polytec-Strasse 1, 4063 Hörsching, Austria.

The consolidated financial statements of POLYTEC Holding AG (hereinafter referred to as the "group" or "POLYTEC GROUP") for the 2020 financial year were prepared in accordance with the guidelines of the International Financial Reporting Standards (IFRS) and their interpretations in line with the EU standard practice. They also comply with the additional requirements of § 245a Para. 1 UGB (Austrian Commercial Code).

The consolidated financial statements were audited by KPMG Austria GmbH and released by the Board of Directors for transfer to the Supervisory Board on 9 April 2021. The Supervisory Board has the task of examining and stating its approval of the consolidated financial statements as at 31 December 2020. The Supervisory Board has an opportunity to require the alteration of the consolidated financial statements.

POLYTEC Holding AG's headquarters are located in Hörsching, Austria, and the company is listed in the City of Linz Company Register under the number FN 197646 g. The Legal Entity Identifier (LEI) is 529900OVSOBJNXZACW81.

All the standards that were mandatory for the 2020 and 2019 financial years were applied during the preparation of these consolidated financial statements.

The consolidated financial statements are presented in thousands of euros (EUR k). When collating rounded amounts and information given as a percentage, rounding differences

may occur due to the use of automatic calculation systems. The consolidated income statement of the group is prepared in accordance with the total cost accounting method.

Pursuant to § 245a UGB (Austrian Commercial Code), these consolidated financial statements replace the consolidated financial statements which would otherwise have to be prepared in accordance with § 244 et seq. UGB.

EFFECTS OF THE COVID-19 PANDEMIC

During 2020, the global COVID-19 crisis affected virtually every economic area and also had a massive impact upon the automotive industry. Sales slumped dramatically in more or less all of the world's countries and in spite of scattered signs of a recovery, the pandemic and the measures relating to its containment continue to influence the international markets. In the 2020 financial year the POLYTEC GROUP's consolidated sales revenues fell by 16.8% over the preceding year to stand at EUR 522.0 million (2019: EUR 627.1 million).

In the financial year expired, government grants amounting to EUR 14,045 k were recognised in the income statement. This amount was comprised largely of fixed cost funding of EUR 1,156 k and short-time working support totalling EUR 12,889 k, whereby in the meantime the personnel affected have been able to gradually return to full-time employment. During the year, deferrals of social insurance payments, ancillary wage costs and taxes were also utilised, although most of these have already been settled. The governmental fixed cost grants are reported under other operating income and those relating to short-time working are offset from wages and salaries.

Owing to the uncertain overall economic situation, the investment activities of the POLYTEC GROUP were severely restricted and related projects largely postponed.

GOING CONCERN

When drawing up the consolidated financial statements, management must also assess the POLYTEC GROUP's ability to apply the going concern assumption to its financial reporting. If material uncertainties with regard to events or

conditions exist that cast significant doubt in respect of this capability, these concerns must be explained. In the estimation of the management no uncertainties are manifest in relation to the continuation of the POLYTEC GROUP as a going concern. As at 31 December 2020, the group disposed over equity amounting to EUR 247.5 million, which corresponds with an equity ratio of 42.6%. In addition, the group can point to a positive liquidity situation (see the consolidated capital flow statement for the 2020 financial year), as well as cash and cash equivalents of EUR 90.4 million.

1. NEW AND AMENDED STANDARDS FROM THE 2020 FINANCIAL YEAR

The following **new and amended standards** were applicable for the first time in the 2019 financial year:

Standard	Interpretation	Application mandatory according to IASB for financial years from	Adopted by the EU as at 31.12.2020
IFRS 3	Changes to IFRS 3 Business Combinations – definition of a business	1 January 2020	Yes
IAS 1, IAS 8	Changes to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – definition of materiality	1 January 2020	Yes
IFRS 9, IAS 39, IFRS 7	Changes to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures – reform of the reference interest rates	1 January 2020	Yes
Framework concept	Changes to the accounting framework concept	1 January 2020	Yes

There are no material effects upon the POLYTEC GROUP's consolidated financial statements.

2. NEW AND AMENDED STANDARDS FROM THE 2021 FINANCIAL YEAR

The International Accounting Standards Board (IASB) is working on a large number of projects, which will initially affect the financial years commencing on 1 January 2021. The following new, amended or supplemented standards and IFRIC interpretations that have already published by the

IASB, but for which application is partially not yet mandatory, have not been applied prematurely by the POLYTEC GROUP and are consequently irrelevant for these consolidated financial statements:

Standard	Interpretation	Application mandatory according to IASB for financial years from	Adopted by the EU as at 31.12.2020
IAS 39, IFRS 7, IFRS 4, IFRS 16	IBOR reform – Phase 2	1 January 2021	Yes
IFRS 16	COVID-19-related rent concessions	1 June 2020	Yes
IFRS 17	Insurance contracts	1 January 2023	Outstanding
Amendments	Amendments to IFRS 17	1 January 2023	Outstanding
IFRS 3	Updating a reference to the conceptual framework	1 January 2022	Outstanding
IAS 37	Onerous contracts – cost of fulfilling a contract	1 January 2022	Outstanding
Annual Improvements	Annual improvements 2018–2020	1 January 2022	Outstanding
IAS 16	Revenue earned before an asset is ready for its intended use	1 January 2022	Yes

Standard	Interpretation	Application mandatory according to IASB for financial years from	Adopted by the EU as at 31.12.2020
IAS 1	Classification of liabilities as current or non-current	1 January 2023	Outstanding
IFRS 10, IFRS 28	Sale or contribution of assets between an investor and its associate or joint venture	Unknown ¹⁾	Nein
IFRS 4	Extension of the temporary exemption from applying IFRS 9	1 January 2020	No
IFRS 14	Regulatory deferral accounts	1 January 2016	No ²⁾
Amendments to IAS 1	Information regarding accounting methods	1 January 2023	Outstanding
Amendments to IAS 8	Definition of accounting estimates	1 January 2023	Outstanding
Amendments to IFRS 16	Extension of the COVID-19 related relief on rent concessions	1 April 2021	Outstanding

¹⁾ Indefinite deferral of the effective date by the IASB.

²⁾ The European Commission has decided not to propose the endorsement of IFRS 14 in the EU at present.

With regard to the future application of additional standards and interpretations that as yet have not come into effect or been applied by the POLYTEC GROUP, no significant material changes to the reported assets, liabilities or other disclosures in the consolidated financial statements are expected.

B. PRINCIPLES OF CONSOLIDATION

1. SCOPE OF CONSOLIDATION

The scope of consolidation is determined in accordance with the principles of IFRS 10 (Consolidated Financial Statements) and IAS 28 (Investments in Associates). The parent company is POLYTEC Holding AG, Hörsching. The financial statements of POLYTEC Holding AG and the financial statements of the companies controlled by POLYTEC Holding AG as at 31 December of each year are included in the consolidated financial statements by way of full or equity consolidation.

The scope of consolidation of the POLYTEC GROUP currently includes 44 (2019: 46) fully consolidated companies of which 33 (2019: 35) are located outside Austria.

Control exists if the company has the power of decision over important activities, generates variable returns from the subsidiary and can influence these returns through such power of decision.

Accordingly, in addition to the parent company, ten (2019: ten) national and 33 (2019: 35) international subsidiaries were included which are under the control of POLYTEC Holding AG. The six companies (2019: eight) which were

excluded are also immaterial in total. The balance sheet date for all companies included in the consolidated financial statements was 31 December 2020.

An overview of the fully consolidated companies can be found in section G. 6.

As a rule, the annual financial statements of subsidiaries are included in the consolidated financial statements from the date of acquisition until the date of disposal. A subsidiary is first included when control of its assets and business activities is actually assigned to the respective parent company. In the case of materiality, companies that have been founded or closed are included in the consolidated financial statements and where immaterial are excluded.

The scope of consolidation in the financial year was as follows:

As at 31.12.2019	46
Outflow due to company sale	-4
Outflow due to closure	-1
Inclusion due to foundation	3
As at 31.12.2020	44
thereof international companies	33

As in the previous year, in 2020 no interests were included in the consolidated financial statements using the equity method.

COMPANY TRANSACTIONS AND FOUNDATIONS IN 2020

In the fourth quarter of 2020, the POLYTEC GROUP concluded a contract for the sale of its "Industrial" business area, which produced polyurethane moulded parts and coatings, as well as machinery and plant for the processing of plastics

for a variety of applications at locations in Bochum (Germany) and Marchtrenk (Austria). Following antitrust approval, closure of the sale took place at the beginning of December 2020.

The POLYTEC GROUP thus disposed of its “Industrial” business area. Previously POLYTEC Holding AG held a 70% participation in POLYTEC Industrial Plastics GmbH. In an initial step, the operating companies wholly owned by POLYTEC Industrial Plastics GmbH, in which the non-controlling stockholder held a 30% participation, were sold. In a second step, the 70% participation held to date in POLYTEC Industrial Plastics GmbH was sold off. As a result of these two steps, the controlling interest in the “Industrial” business area was surrendered.

POLYTEC Holding AG did not actively pursue the sale of the Industrial Division, even though in recent years a number of potential buyers made repeated approaches in order to express their interest in purchasing this relatively independently managed business unit. At the same time, POLYTEC Holding AG had begun to increasingly focus on its strategy as an all-round supplier of plastics solutions for the automotive industry and complex modules for other industries. The POLYTEC Group manufactures large batches of know-how-intensive products made from injection moulded plastic and fibre composites, and will continue to do so via its Smart Plastic Applications product line, as this production is completely unconnected to the activities of “Industrial”.

The sale has further consolidated POLYTEC GROUP’s already extremely solid financial basis and its management is thus able to concentrate fully on its core business activities. Nonetheless, the POLYTEC GROUP is equally prepared to seize any acquisition opportunities arising from the need for consolidation within the industry, which is anticipated due to the present economic environment.

During the 2020 financial year, production at POLYTEC Industriellackierungen GmbH & Co KG, which was based in Rastatt, Germany had to be closed and an application was made for the opening of insolvency proceedings. The company provided paint jobs for the automotive industry and in particular for truck production.

PUR Immobilien GmbH & Co. KG, Marchtrenk, PUR Immobilien GmbH, Marchtrenk, Austria and POLYTEC Engineering GmbH, Lohne, Germany, were newly founded during the 2020 financial year and included in the POLYTEC GROUP’s scope of consolidation.

In the 2020 financial year, the following companies were deconsolidated:

Company	Equity holding	Deconsolidation date
POLYTEC Industrial Plastics GmbH, Bochum, Germany	70%	30.11.2020
POLYTEC EMC Engineering GmbH, Marchtrenk, Austria	70%	30.11.2020
POLYTEC Thelen GmbH, Bochum, Germany	70%	30.11.2020
POLYTEC Elastoform GmbH, Marchtrenk, Austria	70%	30.11.2020
POLYTEC Industriellackierungen GmbH & Co. KG Rastatt, Germany	100%	13.08.2020

The deconsolidation effect with regard to “Industrial” and POLYTEC Industriellackierungen GmbH & Co. KG is included in the result from deconsolidation, which is reported below.

The contribution of the entire business area to the values reported in the consolidated income statement for 2020 was as follows:

in EUR k	
Sales revenues	28,686
Result after income tax	-3,212

The result from the deconsolidation of the entire business area was determined by the comparison of the net asset outflow with the consideration received, taking into account the non-controlling interest, which was previously reported directly under equity, and the recognition of the goodwill determined to date for the Industrial CGU.

in EUR k	
Consideration received	25,377
Deduction of the net assets of the “Industrial” business area and POLYTEC Industriellackierung GmbH & Co KG	-10,548
Deduction of goodwill	-6,537
Allocation of the result at “Industrial” subgroup level to the non-controlling interests	-2,039
Cumulative non-controlling interests with a neutral result from the loss of control over the affiliate	10,789
Deconsolidation result	17,042

COMPANY TRANSACTIONS, NEW FOUNDATIONS AND RESTRUCTURING IN 2019

During the preceding financial year, within the scope of an asset deal, a company purchase agreement was concluded between the newly founded POLYTEC CAR STYLING Weierbach GmbH and the insolvent Wayand AG, based in Idar-Oberstein, Germany. The date of purchase pursuant to IFRS 3.8 was 3 September 2019. For reasons of simplification, initial consolidation was completed on 1 September 2019. Since the takeover, the business operation in the Weierbach district of Idar-Oberstein has been managed by PCSW, which is a fully owned POLYTEC GROUP company.

On the basis of the preliminary calculated fair values, the purchase price on the date of acquisition was structured as follows:

in EUR k	2019
Purchase price paid in cash	12,910
Purchase price liability	290
Provisionally determined net assets	15,340
Badwill	2,140

The gain from badwill, which is reported under other operating income, emanated from the difference between the newly evaluated net assets and the anticipated burdens from the concluded agreements.

As at 31 December 2018, POLYTEC COMPOSITES South Africa (Pty) Ltd., which was founded in 2018, was excluded from the consolidated financial statements due to continued immateriality. Owing to the commencement of investment activities, the company was subsequently included fully in the scope of consolidation in the consolidated financial statements for 2019.

2. METHODS OF CONSOLIDATION

FULL CONSOLIDATION

IFRS 3 (Business Combinations) was applied to acquisitions. Capital consolidation was therefore carried out on the basis of the revaluation method (recognition of all assets and liabilities at fair value even in the case of non-controlling interests and the complete disclosure of hidden reserves, independent of the amount of the non-controlling interests). The investment carrying amount is counterbalanced by the pro rata, newly evaluated equity of the subsidiary (purchase accounting).

Any remaining differences are capitalised as goodwill. All goodwill is subjected to an annual impairment test. A purchase at below the market value demands, prior to the recognition of a gain, an assessment of whether all the assets and debts have been identified correctly. The remaining badwill is reported under other operating income.

In accordance with IFRS 10, non-controlling interests are disclosed in the consolidated financial statements under group equity. Within the scope of initial consolidation, non-controlling interests are determined on the basis of proportional equity.

All accounts receivable and payables, as well as expenses and earnings resulting from transactions between companies within the scope of consolidation are eliminated while taking the principle of materiality into account. Interim results from internal group deliveries are also eliminated to the extent that they are not immaterial.

3. CURRENCY TRANSLATION

BUSINESS TRANSACTIONS IN FOREIGN CURRENCIES

In the individual group companies, transactions in foreign currencies were valued at the exchange rate on the date of the transaction. Monetary assets and liabilities in foreign currencies are converted at the exchange rate on the balance sheet date. Resulting exchange rate differences are reported in the group's consolidated income statement.

TRANSLATION OF INDIVIDUAL FINANCIAL STATEMENTS IN FOREIGN CURRENCIES

The functional currency of subsidiaries outside the eurozone is the corresponding national currency. Assets and liabilities of international subsidiaries were converted using the reference exchange rate of the European Central Bank on the balance sheet date. Positions in the group's consolidated income statement were converted using the average exchange rates of the financial year under review.

The euro has been determined as the functional currency at POLYTEC COMPOSITES South Africa (Pty) Ltd. This is because the percentage of transactions in EUR at the plant will increase considerably and the currency will be employed for earnings and cost orientation.

Exchange rate differences derived from monetary positions, which from an economic point of view belong to an international company, e.g. long-term receivables and loans, are netted against group equity without an effect upon income and reported under the position "Currency translation".

The following currency exchange rates were used:

	Average exchange rate		Exchange rate on the balance sheet date	
	2020	2019	31.12.2020	31.12.2019
CNY	7.8927	7.7220	8.0257	7.8205
CZK	26.4550	25.6410	26.2467	25.4080
GBP	0.8888	0.8754	0.8990	0.8508
HUF	357.1429	322.5806	370.3704	330.5300
TRY	8.0321	6.3492	9.1158	6.6843
USD	1.1451	1.1192	1.2271	1.1234
ZAR	18.8324	16.1551	18.0180	15.7773

C. FAIR VALUE MEASUREMENT

The POLYTEC GROUP measures financial instruments at either amortised cost or fair value. Fair value is defined through the amount that would be received in an orderly business transaction between market participants on the valuation date for the sale of an asset, or paid for the transfer of a debt. During the measurement of fair value it is assumed that the business transaction in the course of which the asset sale or debt transfer occurs, takes place on the main market for the asset or the debt, or should a main market not exist, on the most advantageous market. The POLYTEC GROUP measures fair value using the assumptions employed by the market participants as a basis for pricing. It is presupposed that the market participants act in their best business interests.

During the measurement of the fair value of a non-financial asset, the ability of the market participant to generate economic advantage through maximum and best asset use is accounted for.

Valuation techniques are employed for the determination of fair value, which are appropriate under the respective conditions and provide sufficient data for fair value measurement, whereby observable input factors are used if possible.

Depending upon the significance of the influential factors included in the valuation, a differentiation is made between three fair value levels, which clarify the extent to which observable market data is available for fair value measurement.

The levels of the fair value hierarchy and their application with regard to assets and liabilities can be described as follows:

Level 1:

Listed market prices for identical assets or liabilities in active markets.

Level 2:

Information other than listed market prices, which are directly (e.g. prices) or indirectly (e.g. extrapolated from prices) observable.

Level 3:

Information regarding assets and liabilities that is not based on observable market data.

D. ACCOUNTING AND VALUATION PRINCIPLES

The principle of standardised accounting and valuation is applied through directives that are valid throughout the entire group. Insubstantial deviations with regard to the individual financial statements of international group companies are retained. All financial statements are based on a going concern principle of the group.

1. INTANGIBLE ASSETS

Acquired intangible assets are valued at the cost of acquisition and subjected to scheduled amortisation on a straight-line basis. The amortisation rates range between 10.0% and 50.0%.

Expenses for research are shown as expenses in the year of their occurrence. Engineering costs also generally represent periodic expenses. These are capitalised when certain conditions can be proved and are cumulatively fulfilled. Among other aspects, it must be verifiable that engineering activities are very likely to result in the future accrual of funds, which not only cover standard costs, but also the related development expenses.

2. GOODWILL

Goodwill is measured at the cost of acquisition less accumulated impairment losses (see also D.10 “Impairment”).

3. TANGIBLE ASSETS

Tangible assets are valued at the cost of acquisition or production less scheduled depreciation. Scheduled depreciation is determined using the straight-line method and takes place either on the basis of fair value, or should this be higher, the utility value.

The following rates are used for the scheduled depreciation on depreciable tangible assets:

Buildings and leasehold improvements	2.5–20.0
Technical equipment and machinery	6.7–50.0
Fixtures, fittings and equipment	10.0–50.0

Interest for borrowed capital was not capitalised, as no material borrowed capital costs for qualified assets accrued.

4. INVENTORIES

Inventories are reported at their acquisition or production costs, or the lower net realisable value on the balance sheet date. The determination of acquisition and production costs is performed for similar assets in accordance with the weighted average cost method, or comparable methods. Production costs only include directly attributable costs and proportionate overhead costs. Interests on borrowed capital are not capitalised, as no substantial borrowing costs are incurred that are directly attributable to qualifying assets. The risk derived from obsolete inventory stocks is accounted for by appropriate reductions in the carrying amount, in order to approximately represent the net sales price.

The costs of engineering services and tooling are reported as inventories where no enforceable contractual claim to reimbursement exists, but nevertheless such expenses can be allocated directly to an ongoing or future series production order. In accordance with IFRS 15 (Costs to Fulfil a Contract) these contractual costs are capitalised and recognised in profit and loss as an expense over the contractual period. In such cases the surcharges imposed upon the component price for development services and tooling production are first recognised as sales revenues upon delivery of the serial products. Impairment is undertaken where the capitalised contractual costs exceed the expected contribution received from the customer.

5. TRADE ACCOUNTS RECEIVABLE

Receivables are capitalised at the transaction price.

Apart from the standard valuation of receivables on the basis of a past analysis and an estimate of future developments, which takes into account default, country risk and existing loan insurance, in the case of an individual impairment, the likelihood of a payment receipt is also evaluated. In particular, experiences with the customers, their creditworthiness, any hedging and the inclusion in the factoring programme with related loan insurance are taken into consideration. Notes regarding value adjustments and corrections resulting from price differences are shown in item E.12.

6. CONTRACT ASSETS/LIABILITIES FROM CONTRACTS WITH CUSTOMERS

The revenue and result realisation of a contract with customers for the production of tooling and engineering services takes place in accordance with the percentage of completion method (period-based sales revenue recognition), to the extent that no possibility for alternative use and a right to payment including an appropriate margin exist. Progress is determined on the closing date on the basis of the ratio on the balance sheet date of the costs incurred to the estimated overall expense of the respective customer contract. Changes to the contractual work, the requirements and performance bonuses are included to the degree that their amount can be determined reliably and legal enforceability is given. The contract assets are reclassified as receivables if the rights become unreserved. As a rule, this occurs when the group presents the customer with an invoice.

Should it not be possible to reliably determine the result of customer contracts, the related income is only reported to the amount of the incurred contractual costs that are probably recoverable. Contractual costs are recognised as an expense in the period in which they occur. If it is anticipated that the entire contractual costs will exceed total contractual income, the anticipated loss is reported immediately as an expense (provision for impending losses).

If on the closing date the contractual costs plus recognised profits and minus recognised losses exceed the partial invoices, then the surplus from the construction contract is to be reported as contract assets. The company expects the recognition of the proceeds from contract assets within a period of 2–5 years. In the case of contracts in which the partial invoices exceed the incurred costs plus recognised gains and minus recognised losses, the surplus is to be reported as

a contract liability. Amounts received prior to the provision of production performance are reported in the consolidated balance sheet as "Contract liabilities". Settled amounts for already completed performance that have not yet been paid by the customer are included in the consolidated balance sheet under the item "Trade accounts receivable" and as a rule are paid within a short deadline.

In the case of series parts which do not offer an alternative possibility for use the criteria for period-based sales revenue recognition are met when an order has already been received.

Amortisation receivables from tooling and engineering projects already accepted by the customer, as well as entry fees, which in the previous year were included in the other receivables, are reported under the contract assets derived from customer contracts. The amount from the preceding year was adjusted by EUR 21,000 k in order to enable the reporting of all contract assets as a single item.

Amortisation receivables from tooling and engineering projects already accepted by the customer and for which customer agreements to the offsetting of claims via a surcharge on the part price exist, are capitalised and paid during the settlement for serial parts.

Entry fees for order obtainment are capitalised and repaid over the duration of the customer contract received.

7. OTHER RECEIVABLES

Where existent, the reported other receivables include any derivative financial assets that show a positive market value and are classified as "measured at fair value through profit or loss".

Non-current receivables are recognised at present value on the basis of an interest rate in line with the market.

8. ASSETS HELD FOR SALE

Assets held for sale are valued at the carrying amount or the lower anticipated sales proceeds less selling costs. The anticipated sales proceeds are determined by means of the monitoring of comparable objects in the market and the initial price indications of interested parties.

9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in hand, cheques and cash at banks.

10. IMPAIRMENT

Goodwill is subject to at least an annual impairment test shortly before the balance sheet date, or when there are event-related indications to close. All other intangible and tangible assets are tested if indications of impairment exist.

For the purpose of impairment testing, POLYTEC GROUP assets that generate independent cash flows are combined on the lowest level (cash-generating units). In particular, these are the Car Styling, Plastics and Composites CGU's and in the past year this also applied to the Industrial CGU. Goodwill (E.8.) is assigned to those cash-generating units which are expected to benefit from synergies and represent the lowest group level in managerial cash flow monitoring.

Impairment is deemed to exist if the recoverable amount of the asset, or of the cash-generating unit is lower than the carrying amount. The recoverable amount is the higher of the value in use and the fair value less selling costs.

The value in use of the asset corresponds with the present value of the estimated future cash flow from its continuing use, subject to a standard market interest rate before taxes and adjusted to the specific risks of the asset. Cash flows derive from the current planning approved by the Board of Directors and the Supervisory Board. The estimation of the future cash flow is based on a three-year planning horizon. A perpetual annuity based on the third year estimates is assumed for the period beyond this planning horizon. The interest rate used for calculating the present value corresponds with the weighted average cost of capital of the cash-generating units.

Impairment expense is disclosed to the amount by which the carrying amount of the individual asset or the cash-generating unit exceeds the recoverable amount. The recoverable amount is the higher of the fair value less selling cost and the value in use. Impairment losses recognised with regard to cash-generating units to which goodwill has been allocated are first applied against the carrying amount of goodwill. Any remaining impairment expenses reduce the carrying amounts of the assets of the cash-generating unit on a pro rata basis.

Should the reasons for impairment cease to exist, corresponding write-ups are performed for tangible and intangible assets up to the amortised costs. Goodwill which has been amortised due to impairment is no longer written up.

Owing to the negative general economic developments in connection with the COVID-19 pandemic, the POLYTEC GROUP applied its accounting and valuation methods and tested the reported goodwill, intangible assets and tangible assets for impairment as at 31 December 2020. During the completion of this assessment, the professional advice regarding the effects of the spread of the coronavirus (COVID-19) was followed, which was published in April 2020 by the Working Group on Business Valuation of the Professional Committee for Business Management of the Austrian Chamber of Public Accountants and Tax Advisers. Consequently, the increase in planning uncertainty was counteracted by the derivation of anticipated values from scenarios to which weighted probabilities were allotted. In the process, the POLYTEC GROUP analysed all of its cash generating units according to three scenarios ("high case", "base case" and "low case"). As expected, owing to the adapted calculations cover was comparatively lower than that on 31 December 2019. For a detailed presentation please see E.8./E.9.

11. OBLIGATIONS TO EMPLOYEES

PROVISIONS FOR SEVERANCE PAYMENTS

Due to statutory obligations, employees of Austrian group companies who joined the company prior to 1 January 2003 are entitled to a one-off severance payment in the event of the termination of their contract, or at the time of retirement. The payment amount depends upon the number of years of service and the relevant remuneration at the severance date. For all employment contracts concluded after 31 December 2002, payments are made to a company pension fund for employees and reported as an expense.

The provisions for severance payments are determined on the balance sheet date using the projected unit credit method, as well as by applying a discount rate of 0.80% (2019: 0.90%) and allowing for future remuneration increases of 1.75% (2019: 2.00%). A discount for employee turnover based on the years of service is included. The assumed uniform retirement age for men and women, taking into account certain temporary arrangements, is unchanged over the preceding year at 62. Service costs are divided over the entire period of service of employees from the date that they join the company until they reach the expected retirement age.

Pursuant to IAS 19, actuarial gains/losses are recognised under other comprehensive income in the year in which they occur. Current and past service costs are reported as personnel expenses in the consolidated income statement, while the interest expense related to provisions for severance payments is reported in the financial result.

PENSION OBLIGATIONS

Pension obligations exist for certain German group company employees. These obligations are reported in accordance with IAS 19. For this purpose, the current value of the defined benefit obligation (DBO) is determined. The pension provisions are calculated using the projected unit credit method, whereby depending upon the distribution of the obligations to entitlements and liquid pensions, and owing to the specific regulations of the individual pension funds, a discount rate of 1.00% (2019: 1.10%), as well as an increase of 1.75% (2019: 2.00%) is applied. The 2018G - Dr. Klaus Heubeck tables are used for the actuarial calculations.

At the two operative Dutch companies, the entitlements of active pension scheme members are dealt with in the form of a defined contribution pension plan. The pension entitlements of former employees and beneficiaries are calculated as a percentage of the annual remuneration during each year of service. These benefits are handled via an insurance company and are indexed on an ongoing basis in line with the specifications of the branch pension fund. The resultant provision for pensions is calculated in accordance with the projected unit credit method using a discount rate of 1.00% (2019: 1.10%) and an increase of 1.75% (2019: 2.00%). The AG2018 mortality tables are employed for the actuarial calculations.

In accordance with IAS 19, actuarial gains/losses are recognised under other comprehensive income in the year in which they occur. Current and past service costs are reported as personnel expenses in the consolidated income statement, while the interest expense related to provisions for pensions is reported in the financial result.

Three POLYTEC GROUP companies in Germany have outsourced their defined benefit pension commitments to a mutual insurance society (pension fund), which is monitored by the Federal Financial Supervisory Authority (BaFin). The pension fund covers retirement, disability and survivor pensions. Other insurance is not concluded. The pension fund insures both active and former employees from 28 company groups of which 26 share joint liability in order to fulfil their benefit obligations. The pension fund invests the paid contributions and secures the fulfilment of benefit commitments. As at 30 June 2016, the POLYTEC GROUP terminated all future contribution payments and will assume future pension payments through internal financing (future services). Previously vested benefits (past services) remain in the pension fund. Owing to insufficient information from the pension fund regarding the status of the pension obligation, in accordance with IAS 19.34ff, the POLYTEC GROUP reports these as defined contribution plans. On the date of its annual financial statements on 31 December 2019, the pension fund disclosed assets of EUR 497 million (2018: EUR 485 million) and obligations of EUR 483 million (2018: EUR 473 million), and therefore equity of EUR 14 million (2018: EUR 12 million). The POLYTEC GROUP holds a roughly 7% share of the net assets of the pension fund (2018: 7%). For further information, see the estimate uncertainties under D.19.

OTHER LONG-TERM OBLIGATIONS TO EMPLOYEES

Owing to collective or other company agreements, employees are entitled to receive a certain bonus in line with their length of service. A provision has been formed for these obligations using the same amounts as those employed for pension obligations (with the exception of the discount for employee turnover).

12. TAXES

Tax receivables are reported as netted against tax liabilities when they relate to the same fiscal authority and a possibility for netting is available.

The income tax expense (the income tax credit) includes both actual and deferred taxes.

The group is unaware of any material tax risks. Moreover, in the course of the determination of the provision for taxes and deferred taxes, individual tax risks are countered by means of a cautious probability balance. In the case of current open tax audits, queries that have been raised but do not represent definitive issues within the context of an overall estimate of the total group tax burden are accounted for in provision for income taxes. As a rule no deduction is made for the detection risk.

The actual taxes for the individual companies are calculated on the basis of the taxable income of the company and the applicable tax rate in the respective country.

In particular, tax deferrals are formed for timing differences between IFRS valuations and the tax balances of individual companies, as well as for consolidation processes. Pursuant to IAS 12, their determination takes place in accordance with the balance sheet liability method. The likely realisable tax advantage emanating from existing loss carryforwards is also included in the calculation. Deferred tax assets are only formed on loss carryforwards when their use can be expected within five years. The calculation of deferred tax is based on the standard rate of national income tax.

13. LIABILITIES

The value of trade accounts payable results from the fair value of the services received at the time of their occurrence. Subsequently, these liabilities are valued at amortised cost. Other liabilities, especially accrued interest-bearing liabilities, are reported with their repayment amount unless there is no substantial difference to fair value. Subsequent valuations are based on amortised costs using the effective interest method.

14. PROVISIONS

Provisions are formed when as a result of past transactions or events, legal or constructive obligations to a third party exist which are likely to lead to an outflow of assets that can be reliably determined. Provisions are reported at the anticipated settlement amount with due regard to all the identifiable risks attached. Within this context, the settlement amount with the highest possible likelihood of occurrence is employed. Non-current provisions are discounted if the discount effect is material and the discounting period can be estimated reliably.

Provisions for contingent losses and potential risks consist of the provisions for contingent losses pursuant to IAS 37 and for disadvantageous contracts in accordance with IFRS 3.

During the measurement of the provisions for disadvantageous contracts pursuant to IFRS 3, the contracts concluded with regard to purchase are analysed with respect to onerous, legal and constructive obligations. An existing burden or disadvantage is accounted for through the formation of a provision.

A provision for restructuring measures is recognised as soon as the group has approved a detailed and formal restructuring plan and the related measures have either commenced or been announced publically. Future operational losses are not accounted for.

15. FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised in the balance sheet should the group become a contractual party in relation to a financial instrument.

Financial assets are derecognised when the contractual rights from the assets expire, or the assets are transferred with all material rights and obligations. Financial liabilities are also derecognised if the contractual obligations have

been settled, deleted or have expired. Purchases and sales of financial instruments subject to customary market conditions are generally reported with the settlement date.

Financial assets are categorised as follows:

- a. Financial assets measured at fair value through profit or loss
- b. Financial assets measured at amortised cost

Financial liabilities are categorised as follows:

- a. Financial liabilities measured at amortised cost
- b. Financial liabilities measured at fair value through profit or loss

Other possible categories pursuant to IFRS 9 are not applied and hedge accounting is also not employed. Financial derivatives are only concluded for the hedging of underlying transactions. Financial derivatives that do not correspond with hedge accounting pursuant to IFRS 9 are classified as assets or liabilities measured at fair value through profit or loss and recognised in the balance sheet at fair value. This corresponds with the current value, should one exist, or is determined using standard valuation methods employing the market data available on the valuation closing date. Fair value mirrors the estimated amount that the POLYTEC GROUP must pay or receive if this transaction were to be completed on the balance sheet date. Changes in value are recognised in the consolidated income statement through profit and loss.

16. REALISATION OF INCOME AND EXPENSES

As far as period-related revenue realisation is concerned, see 6. "Revenues/liabilities from contracts with customers".

Operating expenses are recognised through profit and loss when the service is rendered or the expenses are incurred.

17. FINANCIAL RESULT

The interest result (expenses) includes the interest arising from debt financing and interest equivalent expenses from leasing transactions, as well as the interest components of the change in obligations to employees.

The interest result (revenues) includes the interest, dividends and similar revenues realised from the investment of funds and investment in financial assets. Interest income is realised proportional to time and the effective interest rate of the asset is taken into account. Dividend income is reported with effect from the date of the legal claim.

Gains and losses from the disposal of financial assets, impairment expenses from financial investments, exchange rate profits and losses in connection with financing activities, as well as the results from security transactions are reported in the other financial result.

18. GROUP CASH FLOW STATEMENT

The indirect method was selected for the consolidated cash flow from operating activities disclosed in the presentation of the group cash flow statement. The financial fund corresponds with the cash and cash equivalents and current funding.

19. UNCERTAINTIES WITH REGARD TO ASSESSMENTS AND ASSUMPTIONS

The preparation of the consolidated financial statements requires that the management draws up estimates and assumptions with regard to the application of accounting and valuation principles, as well as potential future developments that might influence the reporting and value of the recognised assets and liabilities, information regarding other obligations on the balance sheet date, and the recognition of income and expenses during the reporting period. The actual amounts to be realised in the future may deviate from these estimations.

In assessing the intrinsic value of goodwill, intangible and tangible assets management prepares estimates and future-related assumptions regarding the surplus inflows expected over the planning periods and the costs of capital of both the POLYTEC GROUP and individual cash-generating units. Such estimates are made in all good faith subject to the assumption that the group is a going concern. They are also based upon experience and take any remaining uncertainty into due account. However, changed assumptions or

circumstances may necessitate corrections. In connection with scenarios, reference should be made to the information contained under D.10.

The revenue and result realisation of a customer contract for the production of tooling and engineering services takes place on the basis on the percentage of completion (period-related revenue realisation). This realisation is based on estimates that incorporate all the information available on the balance sheet date. The realisation of amortisation receivables and entry fees is also founded on estimates that incorporate all the information available on the balance sheet date. Subsequent changes are possible and can lead to asset value adjustments and exert a material influence upon the results from subsequent periods.

In assessing the recoverability of deferred tax assets, the management evaluates the likelihood that all deferred tax assets will be realised. The final realisation of deferred tax assets is dependent upon the generation of future taxable income in those periods during which temporary differences become deductible. If the company is unable to generate sufficient future taxable income, no deferred tax benefits from operating loss carryforwards or temporary differences can be recognised and their value has therefore to be adjusted correspondingly. Assumptions concerning future payment surpluses, as well as future taxable results, are based on the medium-term planning of the group. Should these prove to be incorrect, this can have considerable effects on the assets reported in subsequent years. A sensitivity analysis has shown that, as in the preceding year, in comparison to medium-term planning a 10% reduction in taxable income would not result in any additional value adjustment to the deferred tax assets from loss carryforwards and temporary differences.

The estimation of the useful life of fixed assets is either based on experience values resulting from the operation of comparable plant, or a shorter anticipated product lifecycle. In addition, during the determination of rights of use an estimate regarding periods and any possible termination and prolongation options, as well as the extrapolation of the interest rate is of relevance.

The actuarial assessment of severance, pension and long-service obligations carried out by independent actuaries is based on a method that employs parameters such as the expected discount rate, increases in remuneration payments and pension contributions. In addition to the interest rate risk and the risk of a potential increase in remuneration payments and pension contributions, there is also a longevity risk. If the development of these relevant parameters differs significantly from the original expectations, this may have considerable effects upon the provisions and consequently upon the group's net expenses for severance payments and pension contributions. In order to present the impact of a change in the interest rate used to determine severance payment and pension obligations, a sensitivity analysis was carried out, which is explained in greater detail under E.21 "Obligations to employees".

In view of existing and threatened contingent funding commitments to a pension fund, a provision of EUR 724 k (2019: EUR 611 k) was made in the "Other provisions" in the POLYTEC GROUP's consolidated financial statements. This amount was established on the basis of information provided by the management of the pension fund and relates to probable liquidity outflows prior to the restoration of the independent viability of the pension fund. The anticipated liquidity outflow derives from the restructuring plan drawn up by the pension fund management, which has been approved by the BaFin. Should the restructuring plan fail, as the former employer, the POLYTEC GROUP could be subject to a subsidiary liability. At present, no material indications exist that point to a subsidiary liability becoming effective. In 2020, no payments were made to the pension fund (2019: EUR 369 k).

20. REPORTING AND AMENDMENT PURSUANT TO IAS 8

As compared to the previous year, the reporting of assets and liabilities, expenses and income, equity items and the cash flow in the cash flow statement remained largely unaltered in the 2020 financial year.

With regard to the reporting change concerning the contract assets emanating from contracts with customers and other receivables, we would refer you to D.6.

In the preceding periods, the non-controlling interests of real estate companies were not reported separately. Reporting adjustments were carried out on 1 January 2019 totalling EUR 3,825 k, but these related solely to restructuring within consolidated equity and had no effect upon results, total assets and liabilities.

The effect is shown in a separate line as an adjustment to the opening balance in the development of group equity.

E. NOTES TO THE GROUP'S CONSOLIDATED INCOME STATEMENT, COMPREHENSIVE INCOME STATEMENT AND BALANCE SHEET

1. SALES REVENUES AND SEGMENT REPORTING

Following a comprehensive analysis of the reporting structure, it was concluded that the POLYTEC GROUP is a one-segment group. Therefore, the obligatory operating segment reporting for a single segment in the 2020 and 2019 financial years is limited to inter-segmental disclosures in accordance with IFRS 8.31 ff.

As an automotive industry sub-supplier, the group naturally depends upon a small number of major customers.

The distribution of sales revenues according to customers is as follows:

in EUR k	2020	2019
VW	166,116	206,368
Daimler	105,795	124,071
Jaguar Land Rover	35,894	55,345
Other Automotive	139,210	161,355
Non-Automotive	74,960	79,943
Total	521,976	627,081

In 2020 and 2019, two respective customer groups provided more than 50% of the group's total sales revenues. Due to the extensive range of models and marques of these key accounters, which as a rule operate in the passenger car and commercial vehicle sectors, the customer-supplier relationship in both cases relates to all business areas, although to differing degrees.

The distribution of sales revenues according to market segments is as follows:

in EUR k	2020	2019
Passenger cars & Light Commercial Vehicles	328,746	388,762
Commercial Vehicles	118,269	158,376
Industrial Applications	74,960	79,943
Total	521,976	627,081

The disclosures concerning geographical areas to be made at group level (determined in the sales revenues area in line with the location of customers' business premises) on the balance sheet dates can be summarised as follows:

in EUR k	External sales		Intangible assets, goodwill and fixed assets	
	2020	2019	2020	2019
Austria	22,303	44,403	93,542	93,201
Germany	285,561	329,378	92,404	99,715
UK	43,274	59,220	21,921	32,896
Sweden	24,486	31,555	0	0
Hungary	12,055	25,311	4,277	3,840
Rest of EU	103,695	96,979	31,215	47,089
Other countries	30,603	40,235	24,266	24,004
Group	521,976	627,081	267,625	300,745

Period-related sales revenues are divided according to categories as follows:

in EUR k	2020	2019
Part sales and other revenues	463.811	567.651
Tooling and engineering sales	58.165	59.430
Total	521.976	627.081

2. OTHER OPERATING INCOME

in EUR k	2020	2019
Income from the disposal of and additions to fixed assets excluding financial assets	1,085	6,288
Income from cost reimbursements	292	549
Grants and receivables	1,156	22
Commission	0	14
Income from rents	29	376
Income from the reversal of obsolete provisions	0	200
Income from badwill	0	2,140
Income from pension fund surpluses	2,378	0
Other income	4,031	2,273
Total	8,971	11,862

The income from pension fund surpluses relates to excess payments in past financial years, which were repaid in the 2020 financial year.

In connection with government grants, we would refer you to section A. General information.

3. EXPENSES FOR MATERIAL AND OTHER SERVICES RECEIVED

in EUR k	2020	2019
Material expenses	154,360	225,021
Expenses for services received	103,217	73,167
Total	257,577	298,188

4. PERSONNEL EXPENSES

in EUR k	2020	2019
Wages and salaries	144,433	159,724
Expenses for leasing personnel	12,414	16,757
Statutory social expenses	27,190	30,566
Expenses for severance payments and pensions	9,449	5,562
Other personnel expenses	1,276	3,778
Total	194,761	216,386

The expenses for severance payments and pensions also include expenses for defined contribution plans. For the Austrian companies within the group, these expenses amounted to EUR 319 k (2019: EUR 308 k).

In connection with government grants, we would refer you to A. General information.

The number of employees of the POLYTEC GROUP (including leasing personnel) was as follows:

	2020	2019
Average	3,939	4,344
As at 31 December	3,636	4,406

The number of employees of the POLYTEC GROUP (excluding leasing personnel) was as follows:

	2020	2019
Average	3,683	3,961
As at 31 December	3,228	4,098

The average numbers of POLYTEC HOLDING AG employees (excluding leasing personnel) and of the Austrian subsidiaries of the POLYTEC GROUP were as follows:

	2020	2019
Blue-collar employees	278	298
White-collar employees	212	219
Total	490	517

5. OTHER OPERATING EXPENSES

in EUR k	2020	2019
Maintenance costs	13,639	16,420
Other operating costs	10,407	10,511
Other administrative costs	5,275	5,323
Outgoing freight	5,167	5,385
Rent for property	81	45
Other sales costs	1,677	4,154
Other rent and leasing costs	4,517	5,287
IT and communication costs	4,343	6,184
Legal and consulting costs	3,012	3,979
Taxes and charges not included in income tax	705	961
Risk provisions and damage cases	75	37
Losses from the disposal of fixed assets excluding financial assets	1,258	307
Expense for currency translation differences	74	0
Total	50,229	58,592

The other operating costs also contain the following expenses for the services provided by the group auditors.

in EUR k	2020	2019
Annual and group financial audit	207	195
Other non-auditing services	9	0
Other services	34	19
Total	250	214

6. FINANCIAL RESULT

in EUR k	2020	2019
Interest income and income from securities	168	128
Interest component of pension commitments	-259	-430
Other interest expenses	-2,984	-3,626
Interest derived from leasing liabilities	-281	-83
Other financial expenses/income	-1,931	209
Total	-5,287	-3,801

The interest component from pension commitments is a non-cash item. All other interest expenses or interest income consist largely of cash items.

The net result according to valuation categories is as follows:

In EUR k	Operating result		Financial result		
	Value adjustment	Currency translation	Interest	Result from FV measurement	Net result
31.12.2020					
Financial assets measured at amortised cost	117	0	168	-2,004	-1,719
Financial liabilities measured at amortised cost	0	-74	-2,984	0	-3,058
Fair value through profit and loss (FVPL)	0	0	0	61	61

In EUR k	Operating result		Financial result		
	Value adjustment	Currency translation	Interest	Result from FV measurement	Net result
31.12.2019					
Financial assets measured at amortised cost	684	0	0	0	684
Financial liabilities measured at amortised cost	0	129	-3,626	0	-3,497
Fair value through profit and loss (FVPL)	0	0	0	193	193

7. TAX INCOME/EXPENSES

in EUR k	2020	2019
Expenses for current taxes	1,828	5,935
thereof aperiodic	-1,356	81
Changes in deferred income taxes	-3,627	-163
thereof aperiodic	0	-723
Total	-1,799	5,772
thereof aperiodic	-1,356	-642

The income tax expense for the 2020 financial year amounting to EUR 1,799 k is EUR 3,718 k higher than the calculated income tax expense totalling EUR 1,919 k, which would have resulted from the application of a tax rate of 25% on the result before income tax of EUR 7,676 k.

The reasons for the difference between the calculated and the disclosed group income tax expense can be summarised as follows:

in EUR k	2020	2019
Earnings before income tax	7,676	28,847
thereof 25% calculated income tax expense	1,919	7,212
Tax-free deconsolidation result	-4,261	0
Change in the value adjustment for deferred tax assets	-1,426	626
Participation valuations	363	-2,235
Real estate sale	0	508
Permanent differences and other changes	-255	432
Differences from the discrepancy between the local and consolidated tax rates	365	-129
Tax income/expense for the reporting period	-443	6,414
Aperiodic income tax income	-1,356	-642
Disclosed income tax expense	-1,799	5,772

The aperiodic tax income amounting to EUR 1,356 k (2019: EUR 642 k) for the 2020 financial year resulted mainly from completed company audits and in the past financial year, from past tax losses recognised for the first time.

8. INTANGIBLE ASSETS AND GOODWILL

The classification of the intangible assets shown in the consolidated balance sheet and their development are as follows:

in EUR k	Development costs	Rights	Goodwill	Advance payments made	Total
Acquisition costs					
As at 1.1.2019	801	12,147	45,508	2,622	61,078
Change in the scope of consolidation	0	0	0	0	0
Currency translation differences	1	-2	0	0	-1
Additions	0	751	0	649	1,400
Disposals	-802	-356	0	0	-1,158
Reclassifications	0	1,416	0	-1,943	-527
As at 31.12.2019	0	13,956	45,508	1,328	60,792
As at 1.1.2020	0	13,956	45,508	1,328	60,792
Change in the scope of consolidation	0	-16	-6,537	0	-6,553
Currency translation differences	1	-14	0	0	-13
Additions	0	394	0	1,515	1,909
Disposals	0	-91	0	0	-91
Reclassifications	0	0	0	-104	-104
As at 31.12.2020	1	14,229	38,971	2,739	55,940
Accumulated depreciation					
As at 1.1.2019	801	9,467	26,328	0	36,596
Change in the scope of consolidation	0	0	0	0	0
Currency translation differences	1	0	0	0	1
Scheduled depreciation	0	1,903	0	0	1,903
Impairments	0	0	0	0	0
Disposals	-802	-353	0	0	-1,155
Reclassifications	0	-509	0	0	-509
Additions	0	0	0	0	0
As at 31.12.2019	0	10,508	26,328	0	36,836
As at 1.1.2020	0	10,508	26,328	0	36,836
Change in the scope of consolidation	0	-38	0	0	-38
Currency translation differences	1	-7	0	0	-6
Scheduled depreciation	0	1,443	0	0	1,443
Impairments	0	0	0	0	0
Disposals	0	-57	0	0	-57
Reclassifications	0	0	0	0	0
Additions	0	0	0	0	0
As at 31.12.2020	1	11,850	26,328	0	38,178
Carrying amounts as at 31.12.2019	0	3,448	19,180	1,328	23,956
Carrying amounts as at 31.12.2020	0	2,380	12,643	2,739	17,763

The research and development expenses of the group during the financial year amounted to approximately EUR 15,912 k (2019: EUR 14,848 k).

IMPAIRMENTS

As in the preceding year, the impairment test showed no need for goodwill impairment. This also applies to the other intangible assets.

GOODWILL

Goodwill is allocated to the following cash-generating units (CGUs):

in EUR k	31.12.2020	31.12.2019
CGU Car Styling	12,643	12,643
CGU Industrial	0	6,537
Total	12,643	19,180

As a result of the sale and deconsolidation of "Industrial" during the 2020 financial year, the eliminated goodwill allotted to the Industrial CGU was recognised in profit and loss.

The recoverable amount for the CGUs, to which goodwill has been allocated, is determined on the basis of a discounted cash flow method. The respective amounts represent value in use. The underlying methods and assumptions employed are explained under D.10.

The impairment tests were based on the following assumptions:

	31.12.2020	31.12.2019
Cash flow planning period	3 Years	3 Years
Long-term perpetuity growth rate	0%	0%
Discount rate (WACC) before taxes (EUR) - Car Styling	5.74%	9.1%
Discount rate (WACC) before taxes (GBP) - Industrial	n.a.	9.6%

There are no conceivable alterations to material assumptions that could lead to impairment, as should material framework conditions change, the management has a wealth of possibilities to cushion and counterbalance negative effects upon the CGUs. As far as scenarios are concerned, we would refer you to D.10.

9. TANGIBLE ASSETS

The classification of the tangible assets shown in the consolidated balance sheet and their development is as follows:

in EUR k	Land and buildings	Real estate rights of use	Technical equipment and machinery	Machinery rights of use	Fixtures, fittings and equipment	Advance payments made and assets under construction	Total
Costs of acquisition							
As at 1.1.2019	164,376	0	262,764	0	67,638	12,909	507,688
Change in the scope of consolidation	9,790	0	5,102	0	3,000	0	17,892
Initial application of IFRS 16	0	12,156	0	3,431	0	0	15,587
Currency translation differences	474	1	1,392	312	88	21	2,289
Additions	5,356	747	7,585	1,708	6,683	24,755	46,834
Disposals	-3,672	-96	-3,878	-19	-3,010	0	-10,675
Reclassifications purs. to IFRS 5	-8,424	0	-9,071	-91	-1,058	-2,401	-21,045
As at 31.12. 2019	167,900	12,807	263,895	5,341	73,341	35,285	558,569
As at 1.1.2020	167,900	12,807	263,895	5,341	73,341	35,285	558,569
Change in the scope of consolidation	-175	-7,957	-2,869	-37	-1,211	0	-12,249
Currency translation differences	-2,653	-5	-1,957	-278	-134	-72	-5,099
Additions	2,319	0	8,703	9,578	1,740	5,258	27,598
Disposals	-3,987	-3,407	-8,571	-2,264	-3,120	0	-21,350
Reclassifications purs. to IFRS 5	-4,101	0	0	0	0	0	-4,101
As at 31.12.2020	159,303	1,438	259,201	12,341	70,616	40,470	543,369
Accumulated depreciation							
As at 1.1.2019	29,063	0	183,300	0	50,263	0	262,626
Currency translation differences	61	0	468	45	50	0	624
Scheduled depreciation	4,397	2,955	18,788	2,278	4,897	3	33,318
Impairments	0	0	882	0	0	0	882
Disposals	-366	-15	-3,702	-8	-2,448	0	-6,539
Reclassifications purs. to IFRS 5	-1,388	0	-7,060	0	-682	0	-9,130
As at 31.12.2019	31,767	2,939	192,675	2,315	52,081	3	281,781
As at 1.1.2020	31,767	2,939	192,675	2,315	52,081	3	281,781
Change in the scope of consolidation	-105	-3,095	-4	0	-266	0	-3,469
Currency translation differences	-311	0	-845	0	-89	0	-1,245
Scheduled depreciation	6,321	2,301	17,188	3,418	5,169	9	34,406
Disposals	-3,092	-1,119	-8,475	-2,089	-2,471	0	-17,246
Reclassifications purs. to IFRS 5	-707	0	0	0	-14	0	-721
As at 31.12.20	33,873	1,027	200,539	3,644	54,410	12	293,505
Carrying amounts as at 31.12.2019	136,133	9,868	71,219	3,026	21,261	35,281	276,789
Carrying amounts as at 31.12.2020	125,431	411	58,661	8,697	16,206	40,458	249,862

“Land and buildings” contains a real property value of EUR 33,633 k (2019: EUR 37,979 k).

As at 31 December 2020, the obligations relating to unpaid orders for the delivery of fixed assets amounted to EUR 8,405 k (2019: EUR 6,271 k).

Tangible assets with a carrying amount of EUR 92,759 k (2019: EUR 98,075 k) were mortgaged or pledged as a surety for bank and other interest-bearing liabilities totalling EUR 16,339 k (2019: EUR 16,022 k).

In detail, the due dates of the leasing liabilities reported on the balance sheet date are as follows:

in EUR k	31.12.2020	31.12.2019
Within one year	2,655	5,054
Longer than one year and within five years	6,247	7,590
Longer than five years	206	250

In the 2020 financial year, the total cash and cash equivalent outflows emanating from leasing agreements amounted to EUR 6,269 k (2019: EUR 5,717 k). Apart from repayments, this figure includes outflows of cash and cash equivalents relating to short-term leases and leases on low-value assets amounting to EUR 270 k (2019: EUR 1,830 k). The non-cash interest payables for leasing expenses totalled EUR 281 k (2019: EUR 83k).

IMPAIRMENTS IN 2019

As a result of the withdrawal of projects individual assets with a carrying amount of EUR 882 k were obsolete and thus entirely impaired, as their utilisation or further use is improbable. The compensation paid by the customer amounting to EUR 873 k is reported in the sales revenues.

In addition, completed impairment tests showed that there were no impairment requirements for the CGUs.

10. DEFERRED TAX ASSETS/OBLIGATIONS

The discrepancies between the amounts stated in the tax and IFRS balance sheets result from the following differences and take effect on deferred taxes as follows:

in EUR k	31.12.2020		31.12.2019	
	Assets	Liabilities	Assets	Liabilities
Tangible assets	3,280	2,675	2,993	3,287
Loss carryforwards	5,128	0	4,870	0
Trade accounts receivable	0	0	8	0
Contract assets	0	6,448	0	7,160
Other assets	0	389	0	877
Provisions for pensions	3,244	0	3,481	0
Provisions for severance payments	605	0	416	0
Other provisions for personnel	50	0	94	0
Leasing liabilities	0	0	0	0
Contractual liabilities	414	0	437	0
Other provisions	2,842	0	1,905	0
Other liabilities	315	0	91	1
Subtotal	15,878	9,512	14,295	11,325
Offsetting due to identical tax authorities	-7,709	-7,709	-7,050	-7,050
Deferred taxes pursuant to the balance sheet	8,169	1,803	7,245	4,275

In 2020, group companies reported net deferred tax assets on temporary differences and loss carryforwards totalling EUR 8,169 k (2019: EUR 7,245 k). These were regarded as realisable, as on the basis of current medium-term planning it is assumed that these companies will generate taxable profits in future.

As at 31 December 2020, group income tax loss carryforwards totalled EUR 56,176 k (2019: EUR 41,609 k) and demonstrated the following structure:

in EUR k	31.12.2020	31.12.2019
Total	56,176	41,609
of which capitalised loss carryforwards	25,156	28,105
of which applicable for an unlimited period	25,156	28,105
of which non-capitalised loss carryforwards	31,020	13,504

No deferred tax assets were recognised for deductible tax loss carryforwards amounting to EUR 31,020 k (2019: EUR 13,504 k), as a future taxable result against which

unused tax losses can be employed is currently assessed as being insufficiently guaranteed. This equates to deferred tax assets of EUR 6,660 k (2019: EUR 2,450 k).

In accordance with IAS 12.39, no deferred taxes were created for temporary differences in connection with shares in subsidiaries amounting to EUR 32,447 k (2019: EUR 35,802 k), as it could be assumed on 31 December 2020 that the differences between the valuation of investments for tax purposes and the pro rata equity of subsidiaries included in the consolidated financial statements would remain tax-free for the foreseeable future.

The deferred taxes contain tax asset deferrals recognised in equity amounting to EUR 2,672 k (2019: EUR 2,914 k) and deferred tax liabilities recognised in equity amounting to EUR 0 k (2019: EUR 0 k).

11. INVENTORIES

Inventories are structured as follows:

in EUR k	31.12.2020	31.12.2019
Raw materials and supplies	25,903	33,188
Unfinished goods	5,125	1,957
Advance payments received	-2,374	-513
Finished goods and merchandise	4,796	128
Order costs	4,233	5,508
Advance payments made	887	607
Total	38,570	40,875

The unfinished goods and order costs totalling EUR 9,358 k (2019: EUR 7,465 k) relate to contractual costs pursuant to IFRS 15 in connection with engineering services and tooling without a customer agreement. No impairment for contractual costs occurred in the 2020 financial year.

The change (balance from formation and reversal) in the impairment losses on inventories recognised through profit and loss amounted to EUR 638 k in the year under review (2019: EUR -175 k). Inventories that were recognised as material expenses in the reporting period amounted to EUR 230,897 k (2019: EUR 284,248 k).

In the case of inventories with a carrying amount of EUR 2,247 k (2019: EUR 6,274 k), realisation is first anticipated after twelve months.

As in the previous year, no inventories were reclassified as collateral or pledged as a surety for financial liabilities.

12. TRADE ACCOUNTS RECEIVABLE

The existing provisions for impairments to trade accounts receivable developed as follows in the financial year under review:

in EUR k	31.12.2020	31.12.2019
As at 1.1.	1,700	2,810
Use	-45	-427
Release	-117	-814
Allocation	0	130
Foreign exchange rate differences	-8	1
As at 31.12.	1,530	1,700

The impairment provisions contain individual valuation adjustments and price differences (Level 3). Owing to the low loss quotas of the past, further pro rata impairment provisions can be regarded as insignificant. According to estimates made by the management, there are no substantial differences between the carrying amount and the current value of accounts receivable.

FACTORING

Since the 2008 financial year, factoring agreements have existed owing to which banks and factoring companies are obliged to purchase certain POLYTEC GROUP trade accounts receivable with a monthly rotating nominal volume. For the receivables sold, once the purchase has been completed the default risk linked to the receivables (del credere risk) passes without recourse to the purchasing bank or factoring company. As at 31 December 2020, the factoring agreements had a maximum usable nominal volume totalling EUR 65,000 k (2019: EUR 65,000 k). On the balance sheet date, receivables amounting to EUR 34,275 k (2019: EUR 27,413 k) had been sold and derecognised from the consolidated financial statements in accordance with IFRS 9.

As at 31 December 2020, the non-advanced amount of EUR 13,557 k (2019: EUR 9,404 k) was disclosed under "Trade accounts receivable". Owing to the short-term nature and good creditworthiness of the receivables, the carrying amount may be regarded as a reliable approximate figure for fair value.

13. REVENUES/LIABILITIES FROM CONTRACTS WITH CUSTOMERS

Receivables from construction contracts and service transactions, which pursuant to IFRS 15 are subject to period-related revenue recognition, are reported in the balance sheet under the position "Revenues from contracts with customers". In addition the revenues from contracts, entry fees and amortisation receivables also include those unfinished and finished goods, which according to IFRS 15 owing to customised production are also subject to period-related revenue recognition.

The revenues from contracts with customers are thus divided as follows:

in EUR k	31.12.2020	31.12.2019
Unfinished customised goods	9,188	12,930
Finished customised goods	12,180	18,116
Receivables from tooling and engineering sales	69,444	94,728
Revenues from contracts with customers	90,812	125,774

At the latest, the realisation of contract assets containing entry fees and amortisation receivables takes place during the production cycle on which the respective customer contract is based.

The contractual liabilities totalling EUR 5,365 k (2019: EUR 2,889 k) consist of advance payments received with regard to tooling and engineering. In the 2020 financial year, the sum of EUR 2,889 k reported as contractual liabilities at the beginning of the period was recognised as sales revenue.

Owing to the low default quotas of the past, the default risk can be seen as negligible. For details regarding impairment provisions, we would refer you to G. 2 "Risk reporting".

The amount of the impairment of contractual receivables as at 31 December 2020 was influenced by a reduction of EUR 544 k (2019: increase of EUR 1,216 k).

14. OTHER CURRENT RECEIVABLES

Under the other current receivables tax receivables, supplier bonuses and deposits are reported of which EUR 14,216 k (2019: EUR 10,399 k) represent financial receivables.

Owing to the low default quotas of the past, default risk for contractual receivables and other financial receivables can be seen as negligible. No impairments were undertaken. For details regarding impairment provisions, we would refer you to G.2 "Risk reporting".

15. CASH AND CASH EQUIVALENTS

On the balance sheet date, none of the amounts included in this item were subject to restrictions as to their use.

16. FINANCIAL ASSETS

In the valuation categories contained in IAS 9 as at 31 December 2020 and 31 December 2019 respectively, the carrying amount of financial assets disclosed at amortised cost represents a reasonable approximation of fair value. All the fair values of financial assets are allocated to Level 3 of the measurement hierarchy.

Cash and cash equivalents, trade accounts receivable and other financial receivables generally have short residual terms. Therefore, the carrying amounts of these assets correspond approximately with the fair value on the balance sheet date, taking into account the creditworthiness of the contractual parties. The default risk is accounted for by the formation of provisions.

17. ASSETS HELD FOR SALE

The item "Assets held for sale" relates to the closed plants in Turkey and Germany and above all the related real estate awaiting sale. The management has drawn up a disposal plan and the active search for a purchaser has commenced. The closed plants are valued with the carrying amount, as the anticipated proceeds from the sale less sale costs are higher than the carrying amount. No accumulative earnings and expenses in connection with the asset values are contained in the income statement or have flowed into the other result.

18. GROUP EQUITY

On the balance sheet date POLYTEC HOLDING AG share capital amounted to EUR 22,330 k (2019: EUR 22,330 k) divided into 22,329,585 ordinary shares (2019: 22,329,585 ordinary shares) with a nominal value of EUR 1.00 each. The share capital is fully paid in.

The buyback of the 334,041 treasury shares held on the balance sheet date (equates to 1.5% of share capital) at an acquisition value of EUR 1,855 k and a market value on the reporting date of EUR 2,509 k (2019: EUR 2,889 k) took place in its entirety in accordance with the buyback programme approved at the Annual General Meetings held on 16 May 2012 and 14 May 2014.

	Shares	Treasury shares	Shares in circulation
31.12.2019	22,329,585	-334,041	21,995,544
Change in treasury share portfolio	0	0	0
31.12.2020	22,329,585	-334,041	21,995,544

In accordance with a resolution from the 19th Annual General Meeting held on 10 May 2019, until 9 November 2021 the Board of Directors is authorised to purchase treasury shares amounting to a maximum of 10% of share capital at a minimum price of EUR 1,00 and a maximum price that is 10% above the average, unweighted closing market price on the five trading days preceding purchase.

In addition, authorised capital was agreed with the passing of a resolution by the 19th Annual General Meeting held on 10 May 2019. With the consent of the Supervisory Board, at the latest, three years after the entry of the authorised capital in the company register, i.e. up to 4 September 2022, the Board of Directors is empowered to increase share capital by a nominal amount of EUR 6,698,875.00 through the issue of new shares at a minimum price of EUR 1.00 each. The issue of the new shares may also take place subject to the preclusion of the subscription rights of shareholders when share capital is increased in exchange for contributions in kind from companies, operations, part-operations or shares in one or several enterprises. The capital reserves derive from premiums in connection with capital increases and are therefore entirely committed.

NON-CONTROLLING INTERESTS

The following table shows summarised financial information regarding all non-controlling interests prior to intra-group eliminations. For reasons of materiality, it is presented on an aggregate basis for all non-controlling interests.

in EUR k	31.12.2020	31.12.2019 ¹⁾
Non-current assets	101,345	109,650
Current assets	1,205	22,212
Non-current liabilities	0	-627
Current liabilities	-31,016	-36,104
Net assets	71,533	95,131
Share of equity/voting rights without a controlling interest	5.0% bzw. 5.5%	30% bzw. 5.5%
Carrying amount of interests without controlling influence	3,885	11,885
Pro rata gain of interests without controlling influence	3,039	683
Pro rata other result of interests without a controlling influence	0	15
Dividends on interests without a controlling interest	250	0

¹⁾ The figures for the preceding year were adjusted. For information regarding these changes reference should be made to D.20.

INFORMATION CONCERNING CAPITAL MANAGEMENT

POLYTEC GROUP's capital management strategy is aimed at safeguarding business operations, increasing goodwill, creating a solid capital basis to finance a profitable growth course and guaranteeing capital service and attractive dividend payments.

POLYTEC HOLDING AG is subject to the statutory minimum capital requirements of Austrian corporation law. Statutory minimum capital requirements do not apply. Nonetheless, the group considers a solid equity base a key element in insolvency prevention. The ratio between equity capital and total capital can be summarised as follows:

in EUR k	31.12.2020	31.12.2019
Total equity	247,487	252,585
Balance sheet total	581,504	605,601
Equity ratio	42.6%	41.7%

For the POLYTEC GROUP, the term capital management means the control of equity capital and net financial liabilities. The POLYTEC GROUP's net financial liabilities are centrally monitored and steered. The objectives in this regard include securing long-term liquidity, the efficient use of debt financing and the adoption of appropriate measures for financial risk mitigation in tandem with the optimisation of both earnings and costs.

Apart from the equity ratio, the POLYTEC GROUP mainly employs the gearing and return on capital employed (ROCE) parameters for the monitoring of its capital. The entire costs of the capital employed and the risks related to the different types of capital are monitored on a permanent basis.

The POLYTEC GROUP strives to maintain a sustainable equity ratio of more than 30%. A small deviation from this target equity ratio would only be acceptable temporarily in cases of strategically important M&A transactions.

Gearing is defined as the ratio of net financial liabilities (non-current and current financial liabilities less cash and cash equivalents and interest-bearing receivables) to equity capital. Appropriate control instruments consist primarily of the issuance and repayment of financial liabilities, as well as the consolidation of the equity base through the retention of earnings or the adjustment of dividend payments. The POLYTEC GROUP management now regards a gearing ratio of below 1.00 as being lastingly solid.

Gearing developed as follows:

in EUR k	31.12.2020	31.12.2019
Financial liabilities ¹⁾	198,231	211,598
- Non-current interest-bearing receivables	2,000	0
- Cash and cash equivalents	90,389	55,609
Net financial liabilities (-)/assets (+)	-105,842	-155,989
/ Equity carrying amount	247,487	252,585
Gearing	0.43	0.62

¹⁾ Non-current and current interest-bearing liabilities

Net financial liabilities decreased during the year under report due largely to a reduction in working capital and the sale of "Industrial".

ROCE is defined as the ratio between EBIT and the average capital employed. The capital employed includes the non-current operating assets (intangible and tangible assets, goodwill and other non-current receivables) less other non-current operating provisions and net working capital (non-interest-bearing current assets less non-interest-bearing current liabilities).

ROCE represents the most important calculation parameter for the vast majority of the POLYTEC GROUP's executive bonus plans. ROCE developed as follows:

in EUR k	2020	2019
Average capital employed	404,933	400,418
EBIT	12,962	32,648
Return on capital employed (in %)	3.2	8.2

The ROCE target amounts to a minimum of 15% and in 2020 fell well short of this figure. First and foremost, this is explained by the slump in sales revenues and earnings caused by the pandemic.

The POLYTEC GROUP's dividend policy is oriented towards profitability, strategic growth perspectives and the group's capital requirements.

19. EARNINGS PER SHARE AND DIVIDENDS

Pursuant to IAS 33 (Earnings per Share), basic earnings per share result from the division of the net income for the period due to the shareholders (annual net profit of the group after income taxes and non-controlling interests) by the weighted average number of ordinary shares outstanding during the reporting period.

	Unit	2020	2019
Net income after income taxes and after non-controlling interests	EUR k	6,435	22,391
Average number of ordinary shares issued	Shares	22,329,585	22,329,585
Average number of retained treasury shares	Shares	334,041	334,041
Average number of shares in circulation	Shares	21,995,544	21,995,544
Earnings per share	EUR/share	0,29	1,02

The diluted earnings per share equate to the non-diluted earnings per share, as no financial instruments with a dilutive effect are currently in circulation.

In accordance with the provisions of the Austrian Stock Corporation Act, the separate financial statements of POLYTEC HOLDING AG prepared in accordance with the Austrian accounting regulations as at 31 December 2020 provide the basis for the payment of a dividend.

At the 20th Ordinary Annual General Meeting, which was held at the group's address on 7 August 2020, the stockholders and stockholder representatives present unanimously passed a resolution approving the proposal by the Board of Directors for the distribution of profits, to which the Supervisory Board had agreed, to carry forward to new account the net profit reported in the annual financial statements as at 31 December 2019.

The Board of Directors of POLYTEC HOLDING AG will propose to the Annual General Meeting the payment of a dividend of EUR 0.30 per share for the 2020 financial year.

in EUR k	30.09.2021	30.03.2022	07.11.2023	21.01.2024	30.03.2024	07.11.2025	07.11.2028	Total
Fixed	24,000	11,500	19,500	0	1,500	0	0	56,500
Variable	0	9,500	15,500	28,500	7,500	11,000	1,000	73,000
Total	24,000	21,000	35,000	28,500	9,000	11,000	1,000	129,500

In principle, dividends are subject to the deduction of a capital gains tax of 27.5%. For individuals subject to unlimited tax liability, this means that their income tax is settled (final taxation). Corporations subject to unlimited corporate income tax liability which hold at least 10% of share capital are exempt from the capital gains tax. For individuals subject to limited tax liability, all relevant double taxation treaties must be taken into due account.

20. NON-CURRENT INTEREST-BEARING LIABILITIES

This item includes all interest-bearing liabilities with a residual term of more than one year and can be structured as follows:

in EUR k	31.12.2020	31.12.2019
Promissory note loans	105,290	144,215
thereof with a residual term > 5 years	1,000	12,000
Bank loans	46,827	39,748
thereof with a residual term > 5 years	6,494	10,140
thereof with collateral securities	12,364	10,544
Other interest-bearing liabilities	1,772	2,342
thereof with a residual term > 5 years	0	270
Leasing liabilities	6,453	7,841
thereof with a residual term > 5 years	206	250
Non-current interest-bearing financial liabilities	160,342	194,145

The group's expiring non-current and current interest-bearing liabilities to banks exist in the following currencies:

	2020		2019	
	Share %	Average nominal interest	Share %	Average nominal interest
EUR	99.2	1.26	99.2	1.24
GBP	0.8	1.65	0.8	2.15

In the 2014, 2017, 2018 financial years and most recently in 2019, the POLYTEC GROUP issued promissory note loans with the following repayment dates:

In the 2020 financial year, EUR 15,000 k from the 2017 to 2022 variable promissory note tranche were repaid prematurely.

21. OBLIGATIONS TO EMPLOYEES

This position contains all the non-current provisions for obligations to employees:

in EUR k	31.12.2020	31.12.2019
Provisions for severance payments	3,087	3,793
Provisions for pensions		24,134
Provisions for long-service payments	1,719	2,371
Other non-current provisions	0	317
Total	26,899	30,616

The anticipated payments for the obligations to employees in the 2021 financial year amount to EUR 584 k.

PROVISIONS FOR PENSIONS

The present value of the obligations for defined benefit pension plans developed as follows:

in EUR k	2020	2019
Present value of pension obligations (DBO) as at 1.1.	24,134	21,442
Service costs	759	678
Interest expense	258	379
Change in the scope of consolidation	-1,081	0
Pension payments	-1,043	-755
Actuarial gains and losses:		
Due to demographic assumptions	0	385
Due to financial assumptions	340	1,852
Due to experience-based adjustments	-1,272	154
Present value of pension obligations (DBO) as at 31.12.	22,094	24,134

With regard to the most important actuarial parameters and relevant accounting principles, please refer to section D.11.

The pension expenses for the 2020 financial year consist mainly of defined benefit pension plans, whereby service costs are disclosed in the personnel expenses under the item "Expenses for severance payments and pensions" and interest costs are recognised in the financial result under the item

"Interest component defined benefit plans". The actuarial result comprises gains and losses resulting from the changes to demographic, financial and experience-based assumptions.

The average duration of pension obligations amounts to twelve years (2019: twelve years).

in EUR k	31.12.2020	31.12.2019
Service costs	759	678
Interest expense	258	379
Total	1,016	1,057

The actuarial gains/losses recognised under other comprehensive income developed as follows (after taxes):

in EUR k	2020	2019
Actuarial gains (+)/losses (-) as at 1.1.	-6,021	-4,349
Actuarial gains (+)/losses (-) in the financial year	653	-1,671
Actuarial gains (+)/losses (-) as at 31.12.	-5,370	-6,021

A change in interest rates of 25 basis points would have led to an increase in pension obligations of EUR 913 k (2019: EUR 1,755 k), or to a decrease of EUR 857 k (2019: EUR 1,616 k).

PROVISIONS FOR SEVERANCE PAYMENTS

The present value of the obligations for defined benefit plans developed over time as follows:

in EUR k	2020	2019
Present value of severance payments (DBO) as at 1.1.	3,793	3,474
Service costs	66	90
Interest expenses	29	57
Change in the scope of consolidation	-324	0
Severance payments	-626	-95
Actuarial gains and losses:		
Due to demographic assumptions	8	-32
Due to financial assumptions	-41	259
Due to experience-based adjustments	182	41
Present value of severance payments (DBO) as at 31.12.	3,087	3,793

With regard to the most important actuarial parameters and relevant accounting principles, please refer to section D.11.

Total severance costs for the 2020 financial year are divided between defined contributions and defined benefit plans, whereby the service costs included in personnel expenses are reported under the expenses for severance payments and pension provisions and the interest expense are reported in the financial result under interest components. The actuarial result comprises the gains and losses resulting from changes to the demographic, financial and experience-based assumptions.

The average duration of severance payment obligations amounts to nine years (2019: nine years).

in EUR k	2020	2019
Defined contribution plans		
Expense for defined contribution plans	319	308
Defined benefit plans		
Service costs	66	90
Interest expenses	29	57
Expense for defined benefit plans	95	147
Expense for severance payments	414	455

Actuarial gains/losses recognised in other comprehensive income developed as follows (after taxes):

in EUR k	2020	2019
Actuarial gains (+)/losses (-) as at 1.1.	-460	-259
Actuarial gains (+)/losses (-) in the financial year	-112	-201
Actuarial gains (+)/losses (-) as at 31.12.	-572	-460

A change in interest rates of 25 basis points would have led to an increase in severance payment obligations of EUR 71 k (2019: EUR 87 k), or to a decrease of EUR 68 k (2019: EUR 84 k).

PROVISION FOR LONG-SERVICE PAYMENTS

The provision developed over time as follows:

in EUR k	2020	2019
Present value of the defined benefit obligation =		
The provision for long-service payments	1,719	2,371

Total expenses for long-service payments for the financial year amounted to EUR 652 k (2019: EUR 200 k).

22. OTHER NON-CURRENT PROVISIONS

in EUR k	As at 1.1.2020	Reclassifications	Allocations	As at 31.12.2020
Impending losses and risks	1,753	-1,753	0	0

in EUR k	As at 1.1.2019	Reclassifications	Allocations	As at 31.12.2019
Impending losses and risks	4,430	-2,677	0	1,753

23. CURRENT INTEREST-BEARING LIABILITIES

in EUR k	31.12.2020	31.12.2019
Liabilities to banks	141	3,092
Bank loans	8,214	5,749
Other interest-bearing liabilities	2,406	3,054
Liabilities from promissory note loans	24,473	505
Leasing liabilities	2,655	5,054
Interest-bearing current financial liabilities	37,889	17,454

24. LIABILITIES FROM INCOME TAXES

The liabilities from income taxes consist largely of liabilities from corporate and trade income taxes (or comparable taxes) in different states, where group companies have their registered offices. Liabilities developed as follows:

in EUR k	31.12.2020	31.12.2019
As at 1.1. of the financial year	2,155	1,622
Exchange rate differences	3	-1
Use for tax payments	-2,158	-1,621
Addition in the financial year	2,080	2,155
As at 31.12. of the financial year	2,080	2,155

25. LIABILITIES FROM TRADE ACCOUNTS PAYABLE

in EUR k	31.12.2020	31.12.2019
Liabilities from trade accounts payable	52,703	52,908
Financial trade accounts payable liabilities	52,703	52,908

27. CURRENT PROVISIONS

in EUR k	Balance as at 1.1.2020	Change in the scope of consolidation	Currency translation	Reclassification	Utilisation	Release	Assignment	Balance as at 31.12.2020
Provision for impending losses and risks	5,905	0	-5	1,753	1,860	922	523	5,395
Guarantees and warranties	1,018	18	0	0	114	498	839	1,263
Other current provisions	10,138	-458	-76	0	6,877	2,502	8,336	8,561
Total	17,061	-440	-81	1,753	8,851	3,922	9,698	15,219

in EUR k	Balance as at 1.1.2019	Change in the scope of consolidation	Currency translation	Reclassification	Utilisation	Release	Assignment	Balance as at 31.12.2019
Personnel-related accruals	2,880	0	0	0	2,880	0	0	0
Provision for impending losses and risks	3,958	3,600	4	2,677	5,643	316	1,625	5,905
Guarantees and warranties	1,066	0	0	0	382	69	404	1,018
Other current provisions	11,730	0	23	0	6,960	2,162	7,508	10,138
Total	19,634	3,600	27	2,677	15,866	2,548	9,536	17,061

The reclassifications in the financial year relate to the changing recognition of non-current and current provisions.

26. OTHER CURRENT LIABILITIES

in EUR k	31.12.2020	31.12.2019
Liabilities to employees	2,770	3,023
Provision for outstanding incoming invoices	3,656	4,366
Other liabilities	3,307	2,770
Other current financial liabilities	9,733	10,159
Accrual for unclaimed leave	4,322	4,303
Other tax liabilities	10,176	6,568
Social security liabilities	1,078	1,948
Deferred charges	1,674	1,315
Deferral to other personnel expenses	4,735	5,466
Total	31,718	29,760

Amongst the other current provisions are provisions for customer claims totalling EUR 4,961 k (2019: EUR 6,225 k), retirement obligations of EUR 154 k (2019: EUR 1957 k) and legal risks amounting to EUR 670 k (2019: EUR 748 k).

28. FINANCIAL LIABILITIES

In accordance with IFRS 9, the financial liabilities comprise the non-current and current liabilities disclosed in the consolidated balance sheet, as well as interest-bearing current liabilities, trade accounts payable and other current financial liabilities.

Except for derivative financial contracts, the financial liabilities are included in the “financial liabilities measured at amortised cost” valuation category. The derivative financial instruments are classified as “financial liabilities measured at fair value through profit or loss”.

Apart from the derivative financial contracts (Level 2) totalling EUR 89 k (2019: EUR 150 k) disclosed under “Other current liabilities”, all financial liabilities are allocated to the Level 3 measurement category.

The POLYTEC GROUP only determines the fair value for interest-bearing liabilities for disclosures in the notes to the consolidated financial statements. Fair value is established using recognised measurement methods based on the discounted cash flow method. The main input factor is the discount rate, which takes available market data (risk-free interest rates) into account. In the case of financial liabilities, the creditworthiness of the POLYTEC GROUP is considered. On the balance sheet date, the Level 3 non-current financial liabilities showed a fair value of EUR 161,589 k (2019: EUR 196,732 k), as compared to a carrying amount in the balance sheet of EUR 160,342 k (2019: EUR 194,145 k). On 31 December 2020, the current interest-bearing financial liabilities showed a fair value of EUR 39,532 k (2019: EUR 18,044 k), as opposed to a carrying amount in the balance sheet of EUR 37,889 k (2019: EUR 17,454 k). The fair value of the other Level 3 financial liabilities corresponds roughly with the carrying amount in the balance sheet.

Reference should be made to the risk report with regard to the determination of the fair value of derivatives.

F. CASH FLOW STATEMENT

NON-CASH BUSINESS TRANSACTIONS

During the financial year expired, the POLYTEC GROUP undertook the following non-cash investment and financial transactions that are not reported in the cash flow statement. In the cash flow statement, the non-cash effects derived from IFRS 16 additions reduce the investments in fixed assets. Sale proceeds of EUR 25,377 k (of which EUR 23,430 k are recognised as non-cash) are counterbalanced by an outflow of liquid assets totalling EUR 6,336 k.

OTHER NON-CASH EXPENSES AND INCOME

The non-cash expenses and income consist largely of currency translation differences, non-cash interest payments and the write-off of receivables.

CHANGES TO FINANCIAL LIABILITIES

The difference between the change in the carrying amount of the financial liabilities and the payment flows reported under group cash flow from financing activities results largely from foreign currency translation totalling EUR 6,976 k (2019: EUR 1,832 k).

Leasing payments of EUR 7,158 k (2019: EUR 5,193 k) reduced the lease liabilities (current and non-current) from 1 January 2020 amounting to EUR 12,894 k (EUR 15,587 k). New leases totalling EUR 9,848 k (2019: EUR 2,329 k), disposals of EUR 7,363 (2019: EUR 82 k) and currency translation differences of minus EUR 283 k (2019: EUR 253 k) resulted in leasing liabilities as at 31 December 2020 of EUR 9,108 k (2019: EUR 12,894 k).

G. OTHER INFORMATION

1. EVENTS AFTER THE BALANCE SHEET DATE

Events occurring after the balance sheet date which are of significance for the valuation on the balance sheet date such as outstanding legal cases or claims for compensation and other obligations or impending losses, which would have to be reported or disclosed in accordance with IAS 10.19 (Events After the Reporting Period) have been allowed for in these consolidated financial statements and reported under the respective item. There were no non-adjusting events.

2. RISK REPORTING

In the course of its business operations, the POLYTEC GROUP is subject to numerous risks, which are indelibly linked to its entrepreneurial activities. Therefore, for POLYTEC risk management is an integral part of group strategy and all of its business practices. The comprehensive certifications required from an automotive industry supplier (e. g. IATF 16949:2016 and ISO14001: 2015) already specify appropriate regulations, which are also monitored via external audits. In line with the organisational structure of the POLYTEC GROUP, risks are locally managed and monitored close to the market, especially in the course of ongoing business processes. However, group headquarters provides central financial risk management. The following major risk areas can be identified:

SPECIFIC COMPANY RISKS

a. (Sales) market risk

General sales market risk. The automotive industry is currently undergoing fundamental changes. Moreover, owing to repressive constraints upon the combustion engine and the furtherance of e-mobility, which represent the direct driving forces behind this upheaval, as well as the indirect effects of autonomous driving and new mobility concepts, the coming years are also set to be most challenging. The task is therefore to adjust to these changed conditions and establish a clear position in the new markets by means of innovation and a targeted sales strategy. To date, the automotive sub-supply industry was already seen as highly competitive and characterised by consolidation and restructuring amongst its competing players. This phase will now intensify and the POLYTEC GROUP must exploit the resultant opportunities derived from market consolidation.

In addition, current economic and political risks are far more acute than in recent years. The internationalisation of the markets and supply chains has not only created major opportunities, but also increased risks, as demonstrated clearly by the outbreak of the coronavirus. International trade disputes have also resulted in falls in demand and complications within the global supply arrangements and there is a risk that these uncertainties will continue to have a negative impact upon the automotive industry in the next few years.

Volume risk. This emanates from demand volatility and unplanned quantity development. During series production, the sub-supplier is dependent on the sales of the vehicle for which it is supplying components, while being unable to influence this success. The unplanned call-up of quantities can result in two types of problem, one of which is formed by capacity bottlenecks, which may lead to delayed deliveries and hence reputational damage. Conversely, the lack of call-offs can cause capacity utilisation difficulties and a subsequent fixed cost deficit. The POLYTEC GROUP attempts to keep the dependency upon individual delivery relationships to a minimum by means of a balanced customer and order mix.

Owing to the focus of the OEMs on only a few models and engines, sharp reductions and increases in part numbers during series production are becoming increasingly frequent. Moreover, especially in recent months, the visibility of call-offs has deteriorated greatly. For the POLYTEC GROUP this means that the call-off situation and the model development must be monitored extremely closely. Material changes must evoke both a cost-related reaction and justified claims for increased costs, particularly with regard to the undercutting of planned quantities.

b. Procurement market risk

One substantial risk is represented by the fluctuations in raw material prices, which in the case of a plastics processor like the POLYTEC GROUP are due mainly to long-term oil price fluctuations, but can also be caused by changes in refinery capacity. This risk is countered by means of material fluctuation clauses in the disclosed calculations in as far as these are acceptable to the customer. To a certain extent, negotiations involving raw materials and purchased parts take place directly between the POLYTEC GROUP's customers and the suppliers. Where prices are only agreed with the customer on an annual basis, changes in raw material prices are an important parameter for the annual price renegotiations. Furthermore, increased research and development activities are aimed at the use of new raw materials (natural fibres).

c. Investment risk

A considerable investment on the part of the POLYTEC GROUP is necessary in order to guarantee the OEMs a supply capability and this naturally results in a corresponding risk. This investment risk can be defined as the uncertainty related to the advantageousness of an investment. During investment decisions subject to risk, the possibility exists that the future payment surpluses and returns related to an investment project may fluctuate. The volatility of the payment surpluses involves the danger of lower returns.

Meeting the infrastructural needs of the OEMs necessitates large-volume investments by the POLYTEC GROUP many years in advance, irrespective of whether the purchase of machinery and plant, or the building of complete production facilities is involved. Therefore, should planned orders not be received, this results in an undefined prolongation of the amortisation period. Moreover, as investments relate partly to specific products or customers, an alternative possibility for their use is only available to a limited extent. Accordingly, as a rule an appropriate delivery volume is defined with the OEMs, which thus bear a corresponding degree of the investment risk.

d. Production risk

The production risk describes the overall negative deviations to be anticipated during product manufacture. Product risks in the POLYTEC GROUP derive mainly from effects which result in unstable or defective output that in turn can lead to part number fluctuations and customer production line breakdowns. As a consequence, delivery problems may result and damage to the reputation with the customer.

Production risks also encompass quality problems, which can again have a detrimental impact on customer relationships. The POLYTEC GROUP minimises this risk through ongoing improvements to its production processes (POLYTEC Performance Systems, digitalisation offensive, etc.), as well as the continual preparation of organisational measures for enhanced process quality.

FINANCIAL RISKS, THEIR MANAGEMENT AND SENSITIVITY

Credit risk. Owing to its customer structure with roughly 90% of total turnover being generated with OEMs or major systems suppliers, the POLYTEC GROUP is subject to the automotive industry credit risk. However, accounts receivable are monitored meticulously on a permanent basis and the payment of accounts receivable as agreed is secured. In the 2020 financial year, approximately 59% (2019: 61%) of sales revenues were obtained from the group's three major customers. This results in a certain accumulated credit risk, which however has been assessed by the management as being uncritical with regard to potential non-payments. Dependency upon only a few customers is a basic characteristic of the automotive sub-supplier industry. Within this context, the customer is defined as a group of affiliated companies, which can also produce several automotive marques.

The risk of non-payment with regard to cash and cash equivalents is deemed as low.

Despite a credit risk generally classified as limited, the maximum theoretical risk of non-payment corresponds to the carrying amounts of the individual financial assets. The bulk of the trade accounts receivable are covered by credit insurance, which means that in the case of a default, POLYTEC would only be subject to a deductible loss of 10%. As at the reporting date, a credit insurance agreement was in place which insured trade accounts receivable of EUR 54,858 k (2019: EUR 47,549 k). Therefore, the theoretical risk of non-payment amounts to EUR 193,147 k (2019: EUR 196,315 k).

The analysis of the gross carrying values of trade accounts receivable, the contract assets, the non-current interest-bearing and the other financial receivables as at 31 December 2020 can be presented as follows:

31.12.2020	Gross amount	Impairment provisions	Up to 60	60 to 120	120 to 360	Over 360
Trade accounts receivable	56,550	1,530	8,311	1,121	1,590	712
Revenues from contracts with customers	92,889	2,077	0	0	0	0
Non-current interest-bearing receivables	2,000	0	0	0	0	0
Other financial receivables	14,216	0	0	0	0	0

31.12.2019	Gross amount	Impairment provisions	Up to 60	to 120	to 360	Over 360
Trade accounts receivable	55,113	1,700	8,250	1,218	1,391	737
Revenues from contracts with customers	125,774	2,622	0	0	0	0
Other financial receivables	10,399	0	0	0	0	0

The impairment provisions contain individual valuation adjustments and price differences. No doubts exist concerning the collectability of financial assets that are neither overdue nor impaired. There are no significant risk concentrations resulting from the investment of financial assets in only one business partner.

Liquidity risk. The group hedges its liquidity needs by means of the maintenance of a cash reserve and the premature refinancing of mature financial liabilities. Group headquarters undertakes the management of the liquidity risk.

On the basis of the agreements concluded, the group's financial liabilities (excluding derivatives) show the following expected cash flows (including interest payments made at the interest rate on the balance sheet date):

in EUR k	Carrying amount as at 31.12.2020	Total contractual cash flows	thereof within 1 year	thereof over 1 but less than 5 years	thereof more than 5 years
Promissory note loans	129,763	133,986	25,616	107,334	1,036
Bank loans and other interest-bearing liabilities	59,359	60,696	9,754	43,690	7,251
Leasing liability	9,108	9,269	2,702	6,357	210
Trade accounts payable	52,703	52,703	52,703	0	0
Other financial liabilities	9,643	9,643	9,643	0	0
Total	260,577	266,298	100,419	157,382	8,497

in EUR k	Carrying amount as at 31.12.2019	Total contractual cash flows	thereof within 1 year	thereof over 1 but less than 5 years	thereof more than 5 years
Promissory note loans	144,720	150,358	1,749	136,457	12,152
Bank loans and other interest-bearing liabilities	53,984	56,246	12,370	33,429	10,447
Leasing liability	12,894	13,261	5,162	7,841	258
Trade accounts payable	52,908	52,908	52,908	0	0
Other financial liabilities	10,009	10,009	10,009	0	0
Total	274,515	282,782	82,198	177,727	22,857

Bank borrowings on current accounts will continue to be made available to the group until further notice and are therefore adjudged to be current. However, a short-term call-in on the part of the lender banks is not to be expected.

Foreign exchange risk. The vast majority of POLYTEC GROUP sales revenues are invoiced in euros and consequently the foreign exchange risk only affects the group to a limited degree. Moreover, the purchase of preliminary work takes place partially in the same currency as sales, which results in natural hedging. The group is subject to higher foreign exchange risks in those countries in which invoices are written in euros, but preliminary work must be purchased in local currency. For example, such risks apply to the Czech crown, Hungarian forint and the South African rand. In many cases, these risks cannot be transferred to financial instruments, as they are mainly attributable to personnel costs. Owing to the expansion of production activities in the UK and the volatility of the British pound since the Brexit vote, the POLYTEC GROUP is subject to an increased currency risk in this connection. If required it countered this risk through hedging transactions and natural hedge positions.

The financial instruments and financial liabilities reported on the balance sheet date show the following distribution with regard to their currency of origin:

in EUR k	31.12.2020		
	In euros	In foreign currency	Total
Trade accounts receivable	46,470	8,550	55,020
Contract assets from contracts with customers	89,259	1,554	90,812
Other receivables (excluding prepaid expenses and accrued income)	11,005	778	11,784
Non-current interest-bearing receivables	2,000	0	2,000
Cash and cash equivalents	85,333	5,056	90,389
Total	234,067	15,938	250,005

in EUR k	31.12.2020		
	In euros	In foreign currency	Total
Non-current interest-bearing liabilities	157,722	2,620	160,342
Current interest-bearing liabilities	36,857	1,032	37,889
Trade accounts payable (without advance payments)	46,858	5,846	52,703
Other current liabilities	8,684	1,048	9,733
Total	250,120	10,547	260,667

in EUR k	31.12.2019		
	In euros	In foreign currency	Total
Trade accounts receivable	40,694	12,720	53,413
Contract assets from contracts with customers	121,619	4,155	125,774
Other receivables (excluding prepaid expenses and accrued income)	7,718	1,350	9,068
Cash and cash equivalents	48,895	6,714	55,609
Total	218,925	24,939	243,864

in EUR k	31.12.2019		
	In euros	In foreign currency	Total
Non-current interest-bearing liabilities	193,106	1,039	194,145
Current interest-bearing liabilities	5,180	12,273	17,454
Trade accounts payable (without advance payments)	44,300	8,608	52,908
Other current liabilities	8,749	1,410	10,159
Total	251,335	23,331	274,666

The distribution shows that the risk to which the group is subject owing to exchange rate fluctuations is low, as both financial assets held in foreign currency totalling 6.4% (2019: 10.2%) and the corresponding liabilities totalling 4.0% (2019: 8.5%) account for only a minor part of the total volume. Furthermore, a currency fluctuation would equally affect both assets and liabilities and therefore display compensatory effects.

A shift in exchange rates with regard to non-inter-group trade accounts receivable and trade accounts payable of +/-10% would have no material effect upon results or equity.

Interest rate change risk. The POLYTEC GROUP counteracts the interest rate change risk by means of a portfolio of variable and fixed forms of financing that corresponds with the long-term interest rate projection. Long-term financing activities are predominantly subject to variable interest rates. Derivatives were employed in the 2019 and 2020 financial years as an interest rate hedge. The following table shows the fair value, the nominal amounts and the residual contractual periods of the outstanding derivatives at the end of the reporting periods:

31.12.2020	Fair value			Residual period			
	in EUR k	pos.	neg.	Nominal	up to 1 year	1 to 5 years	more than 5 years
Receive floating pay fixed swaps	0	89	8,500	8,500	0	0	0
Interest caps	0	0	0	0	0	0	0
Total	0	89	8,500	8,500	0	0	0

31.12.2019	Fair value			Residual period			
	in EUR k	pos.	neg.	Nominal	up to 1 year	1 to 5 years	more than 5 years
Receive floating pay fixed swaps	0	150	8,500	8,500	0	8,500	0
Interest caps	0	0	0	0	0	0	0
Total	0	150	8,500	8,500	0	8,500	0

The fair values stated in the tables above correspond with the current values at the end of the reporting period. They were determined via banks using current market parameters on the balance sheet date.

The interest swaps are offset quarterly. The variable interest rate of the interest swaps is based on the 6-month EURIBOR. The difference between fixed and variable interest is offset net.

Interest-bearing liabilities show the following structure on the balance sheet date:

in EUR k	31.12.2020	31.12.2019
Promissory note loans	129,763	144,720
thereof with fixed interest	56,763	56,720
thereof with variable interest	73,000	88,000
Bank loans	55,181	48,589
thereof with fixed interest	21,477	11,194
thereof with variable interest	33,704	37,395
Leasing liabilities	9,108	12,894
thereof with fixed interest	9,108	12,894
thereof with variable interest	0	0
Other interest-bearing liabilities	4,178	5,395
thereof with fixed interest	4,178	5,395
thereof with variable interest	0	0
Total	198,231	211,598
thereof with fixed interest	91,526	86,203
thereof with variable interest	106,703	125,395

The bulk of the liabilities bearing variable interest are dependent upon the 6-month EURIBOR. An increase (reduction) in this reference interest rate of 100 basis points would result in an increase (decrease) in the interest expense by some EUR 1,067 k (2019: EUR 1,254 k).

Cash and cash equivalents contain variable interest-bearing financial assets totalling EUR 88,860 k (2019: EUR 53,431 k). An increase/decrease in the interest rate of 100 basis points would result in an increase/decrease in interest income of approximately EUR 889 k (2019: EUR 534 k).

Cyber crime. The POLYTEC GROUP is also subject to an increase in cyber crime attacks, but to date these have been warded off successfully. Nonetheless, the growing professionalism in this regard has come to represent a serious risk area in operative business. The POLYTEC GROUP's internal controls are being continually tightened and employee awareness with regard to this topic is addressed at regular intervals and subjected to ongoing evaluation.

Other risks. The Board of Directors is unaware of any other material risks and obligations exist that have not been appropriately mentioned in these consolidated financial statements or the notes.

3. RELATED PARTIES AND COMPANIES

As at the 31 December 2020 balance sheet date, on the basis of the shares issued, the shareholder structure was as follows:

Huemer Group: 29.04%
 NN Group N.V: 5.35%
 LOYS Investment S.A.: 4.04%
 Treasury shares: 1.50%
 Remaining free float: 60.07%

Apart from the members of the Board of Directors and the Supervisory Board, related parties pursuant to IAS 24 include the Huemer Group. First and foremost, this involves IMC Verwaltungsgesellschaft mbH, Hörsching, Huemer Invest GmbH, Hörsching and Globe Air GmbH, Hörsching. The conditions of business transactions conform to standard market practice.

in EUR k	Huemer Group	
	31.12.2020	31.12.2019
Receivables	50	60
Liabilities	24	50
Rental income	127	133
Other income	45	56
Other expenses	341	414

The other expenses consist mainly of consultancy fees. The rental income derives from the leasing of offices.

Since the beginning of 2019, POLYTEC Holding AG has employed the consulting services of IMC Verwaltungsgesellschaft mbH, Hörsching. This involves an annual flat rate fee of EUR 260 k, which is paid retrospectively on a quarterly, pro rata basis.

In connection with the sale of "Industrial", Fred Duswald, the Chairman of the POLYTEC Holding AG Supervisory Board, and Ulrike Huemer (Huemer Group) are participants in the new ownership structure (PUR Holding GmbH, Marchtrenk). For a transitional period of one to two years, Ulrike Huemer will support the sold-off companies in an executive function. A loan to PUR Holding GmbH, Marchtrenk of EUR 2,000 k exists on which the interest received amounts to EUR 7 k.

No provisions or expenses for doubtful or unrecoverable debts were reported in 2020 or in 2019 in connection with transactions with related parties. Guarantees were neither given nor received.

4. KEY MANAGEMENT

Total remuneration of the members of the Board of Directors in the 2020 financial year amounted to EUR 1,561k (2019: EUR 1,468 k) and as in the previous year was entirely attributable to short-term benefits. The variable component totalled EUR 215 k (2019: EUR 230 k) and as was the case in the preceding year, during the 2020 financial year no payments were made after the termination of the working relationship.

As yet unpaid variable salary components affecting the 2020 business year are reported under other current liabilities.

There are no stock-option plans or similar shareholding-based remuneration pursuant to IFRS 2.

Total expenses for the emoluments to Supervisory Board members in the 2020 financial year amounted to EUR 120 k (2019: EUR 132 k).

There are no loans or advance payments relating to current or former members of company bodies. No former members of the governing bodies of the company receive any kind of salary from the group or one of its affiliated companies.

5. POLYTEC HOLDING AG GOVERNING BODIES

During the year under review and at the time of the preparation of the consolidated financial statements, the **members of the Board of Directors** were as follows:

Markus Huemer, Wallern
(Chairman of the Board of Directors)

Peter Haidenek, Velden a. W.

Heiko Gabbert, Scharnstein

Peter Bernscher, Linz

During the year under review and at the time of the preparation of the consolidated financial statements, the **members of the Supervisory Board** were as follows:

Fred Duswald, Thalheim (Chairman)

Manfred Helmut Trauth, Knittelsheim, Germany
(Deputy Chairman)

Robert Büchelhofer, Starnberg, Germany
(until 7 August 2020)

Viktoria Kickingner, Vienna

Reinhard Schwendtbauer, Leonding

6. GROUP COMPANIES

Company	Company address	Country	Shareholder	2020		2019	
				Direct and indirect holding %	Type of consolidation ¹⁾	Direct and indirect holding %	Type of consolidation ¹⁾
POLYTEC Anlagenfinanzierung GmbH	Hörsching	AUT	POLYTEC Holding AG	100.0	KV	100.0	KV
POLYTEC CAR STYLING Hörsching GmbH	Hörsching	AUT	POLYTEC Holding AG	100.0	KV	100.0	KV
POLYTEC Car Styling UK Ltd.	Bromyard	GBR	POLYTEC Holding AG	100.0	KV	100.0	KV
POLYTEC FOHA CORPORATION	Markham	CAN	POLYTEC Holding AG	100.0	KV	100.0	KV
Polytec Foha Inc.	Warren	USA	POLYTEC Holding AG	100.0	KV	100.0	KV
POLYTEC Car Styling Schoten N.V.	Schoten	BEL	POLYTEC Holding AG	100.0	KV	100.0	KV
POLYTEC CAR STYLING Weierbach GmbH	Idar-Oberstein	GER	POLYTEC Holding AG	100.0	KV	100.0	KV
Polytec Netherlands Holding B.V.	Roosendaal	NED	POLYTEC Holding AG	100.0	KV	100.0	KV
Polytec Composites NL B.V.	Roosendaal	NED	Polytec Netherlands Holding B.V.	100.0	KV	100.0	KV
Polytec Plastics NL B.V.	Putte	NED	Polytec Netherlands Holding B.V.	100.0	KV	100.0	KV
Polytec Hungary Kft.	Komló	HUN	POLYTEC Holding AG	100.0	KV	100.0	KV
Polytec Komló Kft.	Komló	HUN	POLYTEC Hungary Kft.	100.0	KV	100.0	KV
POLYTEC Germany GmbH	Lohne	GER	POLYTEC Holding AG	100.0	KV	100.0	KV
PT Composites GmbH	Gochsheim	GER	POLYTEC Germany GmbH	100.0	KV	100.0	KV
Polytec Holding Deutschland GmbH	Lohne	GER	POLYTEC Germany GmbH	100.0	KV	100.0	KV
Polytec Deutschland Verwaltungs GmbH	Lohne	GER	Polytec Holding Deutschland GmbH	100.0	KO	100.0	KO
Polytec Plastics Germany GmbH & Co KG ²⁾	Lohne	GER	Polytec Holding Deutschland GmbH	100.0	KV	100.0	KV
Polytec Plastics Idstein GmbH & Co KG ²⁾	Idstein	GER	Polytec Holding Deutschland GmbH	100.0	KV	100.0	KV
POLYTEC Plastics Ebensee GmbH	Ebensee	AUT	POLYTEC Holding AG	100.0	KV	100.0	KV
Polytec Interior Zaragoza S.L. i.L.	Zaragoza	ESP	POLYTEC Holding AG	100.0	KO	100.0	KO
POLYTEC AUTO PARTS Tianjin Co., Ltd	Tianjin	CHN	POLYTEC Holding AG	100.0	KV	100.0	KV
PT Beteiligungs GmbH	Hörsching	AUT	POLYTEC Holding AG	100.0	KV	100.0	KV
POLYTEC Composites Beteiligungs GmbH	Gochsheim	GER	PT Composites GmbH	100.0	KV	100.0	KV
POLYTEC Composites Verwaltungs GmbH	Gochsheim	GER	PT Beteiligungs GmbH	100.0	KO	100.0	KO
POLYTEC Composites Germany GmbH & Co KG ²⁾	Gochsheim	GER	POLYTEC Composites Beteiligungs GmbH	100.0	KV	100.0	KV
POLYTEC Compounds GmbH & Co. KG ²⁾	Gochsheim	GER	POLYTEC Composites Beteiligungs GmbH	100.0	KV	100.0	KV
POLYTEC Compounds Verwaltungs GmbH	Gochsheim	GER	POLYTEC Composites Beteiligungs GmbH	100.0	KO	100.0	KO
POLYTEC Industrielackierungen GmbH & Co. KG ²⁾	Rastatt	GER	POLYTEC Composites Beteiligungs GmbH	-		100.0	KV
POLYTEC Industrielackierungen Verwaltungs GmbH	Rastatt	GER	POLYTEC Composites Beteiligungs GmbH	100.0	KO	100.0	KO
POLYTEC Composites Slovakia s.r.o.	Sladkovicovo	SVK	PT Beteiligungs GmbH	100.0	KV	100.0	KV
PT Plastik Ürünleri Sanayi ve Ticaret A.S. Aksaray	TUR	TUR	PT Beteiligungs GmbH	100.0	KV	100.0	KV
Polytec Composites Bohemia s.r.o.	Chodová Planá	CZE	PT Beteiligungs GmbH	100.0	KV	100.0	KV
POLYTEC Composites Weiden GmbH	Weiden	GER	POLYTEC Composites Beteiligungs GmbH	100.0	KV	100.0	KV
POLYTEC Engineering GmbH	Lohne	GER	POLYTEC Holding AG	100.0	KV		

Company	Company address	Country	Shareholder	2020		2019	
				Direct and indirect holding %	Type of consolidation ¹⁾	Direct and indirect holding %	Type of consolidation ¹⁾
Newplastics, S.A.	Lissabon	POR	POLYTEC Composites Germany GmbH & Co KG	2.0		2.0	
Ljungby Komposit AB	Ljungby	SWE	PT Beteiligungs GmbH	0.0		25.0	KOE
POLYTEC Industrielackierung Weiden GmbH	Waldnaab	GER	POLYTEC Composites Beteiligungs GmbH	100.0	KV	100.0	KV
POLYTEC COMPOSITES South Africa (Pty) Ltd.	East London	RSA	PT Beteiligungs GmbH	100.0	KV	100.0	KV
POLYTEC Industrial Plastics GmbH	Bochum	GER	POLYTEC Holding AG	-		70.0	KV
POLYTEC Elastoform GmbH	Marchtrenk	AUT	POLYTEC Industrial Plastics GmbH	-		70.0	KV
POLYTEC EMC Engineering GmbH	Marchtrenk	AUT	POLYTEC Industrial Plastics GmbH	-		70.0	KV
POLYTEC THELEN GmbH	Bochum	GER	POLYTEC Industrial Plastics GmbH	-		70.0	KV
POLYTEC Immobilien Holding GmbH	Hörsching	AUT	POLYTEC Holding AG	100.0	KV	100.0	KV
PT Immobilien GmbH	Hörsching	AUT	POLYTEC Immobilien Holding GmbH	100.0	KV	100.0	KV
POLYTEC Immobilien GmbH	Hörsching	AUT	PT Immobilien GmbH	94.5	KV	94.5	KV
POLYTEC Composites Immobilien GmbH	Kraichtal	GER	POLYTEC Immobilien Holding GmbH	94.5	KV	94.5	KV
PPI Immobilien GmbH	Ebensee	AUT	POLYTEC Immobilien Holding GmbH	95.0	KV	95.0	KV
POLYTEC Immobilien Deutschland GmbH	Lohne	GER	POLYTEC Immobilien Holding GmbH	94.5	KV	94.5	KV
POLYTEC Real Estate Gayrimenkul Limited Sirteki	Aksaray	TUR	POLYTEC Immobilien Holding GmbH	100.0	KV	100.0	KV
POLYTEC Estates Slovakia s.r.o.	Sladkovicovo	SVK	POLYTEC Immobilien Holding GmbH	100.0	KV	100.0	KV
POLYTEC Estates Belgium N.V.	Schoten	BEL	POLYTEC Immobilien Holding GmbH	100.0	KV	100.0	KV
SPELAG s.r.o.	Chodová Planá	CZE	POLYTEC Immobilien Holding GmbH	100.0	KO	100.0	KO
POLYTEC ESTATES Bohemia k.s.	Chodová Planá	CZE	POLYTEC Immobilien Holding GmbH	100.0	KV	100.0	KV
POLYTEC ESTATES UK Ltd.	Bromyard	GBR	POLYTEC Holding AG	100.0	KV	100.0	KV
PUR Immobilien GmbH & Co KG	Marchtrenk	AUT	POLYTEC Immobilien Holding GmbH	100.0	KV	0.0	
PUR Immobilien GmbH	Marchtrenk	AUT	POLYTEC Immobilien Holding GmbH	100.0	KV	0.0	

¹⁾ KV = fully consolidated companies
KE = companies consolidated at equity
KO = companies excluded due to lack of materiality
KOE = no at equity valuation due to immateriality

²⁾ Pursuant to §264 b of the German Commercial Code, the companies are released from an obligation to prepare, audit and publish annual financial statements and a management report in accordance with the current regulations applicable to corporations.

Hörsching, 9 April 2021

The Board of Directors of POLYTEC Holding AG

Markus Huemer
Chairman of the Board of Directors – CEO

Heiko Gabbert
Member of the Board of Directors – COO

Peter Haidenek
Member of the Board of Directors – CFO

Peter Bernscher
Member of the Board of Directors – CSO

POLYTEC HOLDING AG GROUP MANAGEMENT REPORT FOR THE 2020 FINANCIAL YEAR

BUSINESS DEVELOPMENT AND ECONOMIC SITUATION

1. AUTOMOTIVE INDUSTRY DEVELOPMENT 2020

REGISTRATIONS OF NEW CARS IN THE MAJOR INTERNATIONAL MARKETS

in units	2020	Share	2019	Share	Change
China	19,790,000	42.8%	21,045,000	39.1%	-6.0%
USA	14,463,900	31.3%	16,965,200	31.5%	-14.7%
Europe (EU, EFTA and UK)	11,961,200	25.9%	15,805,700	29.4%	-24.3%
Total three major markets	46,215,100	100%	53,815,900	100%	-14.1%
Other selected countries					
Japan	3,810,000		4,301,100		-11.4%
India	2,435,100		2,962,100		-17.8%
Brazil	1,954,800		2,665,600		-26.7%
Russia	1,598,800		1,759,500		-9.1%

During 2020, the COVID-19 crisis affected virtually every area of the global economy and also had a massive impact upon the automotive industry. Sales declined dramatically in almost all of the world's nations and in spite of scattered positive signs of a recovery, the pandemic and the measures adopted to contain it continue to shape international markets.

In three main markets of the automotive industry, China, the USA and Europe (EU, EFTA and UK), registrations of new cars in 2020 shrank by a total of 7.6 million units or 14.1% to around 46.2 million (2019: 53.8 million). Of these sales regions, Europe (EU, EFTA and UK) recorded the sharpest fall with a decline of around a quarter, while at around 10 percentage points the downturn in the USA was less severe. China, which is the world's largest single market, recovered comparatively quickly in the course of the year, but from an overall 12-month perspective nevertheless remained below the level of 2019.

In Japan, 3.8 million new cars were sold, which was 11.4% fewer than in 2019. Moreover, this was the first time since 2011 that Japanese sales dipped below the four-million mark. India also demonstrated a double-digit minus of 17.8%

and thus fell to a 10-year low. Consequently, although the Indian passenger car market partially showed strong growth in some areas in the second half of the year, the losses during the lockdown months could not be recouped. In Brazil, the pandemic brought a three-year recovery phase to a grinding halt and the market for light vehicles registered a fall of 26.7%. In addition, the Russian car market showed a 9.1% slide and fell to 1.6 million new car registrations.

Only single-digit decline in the Chinese car market

The People's Republic of China was able to largely overcome the COVID-19 pandemic and its serious consequences for car sales. Following the problematic first three months of the year, the Chinese government stimulated the demand for cars by means of subsidies and tax breaks with the result that as compared to the same period of the preceding year, in the eight months from May to December 2020 there was actually a respective, monthly upturn. In December alone, 2.3 million cars were sold, which represented a growth of 7.0% compared to December 2019 and owing to this rapid recovery, the 2020 downturn was finally reduced to 6.0% (2019: -9.5%). Compared to 2019, the volume in the Chinese market for new cars declined by roughly 1.3 million to approximately 19.8 million new vehicles. This means that in

spite of the powerful revival in the second half of the year, the world's largest car market shrank for the third time in a row.

Registrations in the USA fall by 14.7%

During 2020, the US light vehicle market (cars and light trucks) registered sales of around 14.5 million vehicles. This was the first time since 2012 that the market failed to hit the 15-million mark for new registrations and by comparison with 2019, its volume shrank by 2.5 million units or 14.7%

(2019: -1.5%). Sales of limousines slumped by 28% and the demand for off-roaders and pick-ups also declined by 10%. In 2020, the light truck segment already accounted for a 76% share of the entire US market and in absolute terms, with over 2.5 million units, the registration figures again exceeded those in Europe (EU, EFTA and UK).

REGISTRATIONS OF NEW CARS IN EUROPE (EU, EFTA AND UK)

in units	2020	Share	2019	Share	Change
Germany	2,917,700	24.4%	3,607,300	22.8%	-19.1%
France	1,650,100	13.8%	2,214,300	14.0%	-25.5%
United Kingdom	1,631,100	13.6%	2,311,100	14.6%	-29.4%
Italy	1,381,500	11.6%	1,916,900	12.1%	-27.9%
Spain	851,200	7.1%	1,258,200	8.0%	-32.3%
Other European countries	3,529,600	29.5%	4,497,900	28.5%	-21.5%
EUROPE (EU, EFTA and UK)	11,961,200	100%	15,805,700	100%	-24.3%

Car market in Europe contracts by a massive 24.3%

In Europe (EU, EFTA and UK), a total of roughly 12.0 million cars were newly registered in 2020. This figure represented a fall of 3.8 million units, or 24.3%, as compared to the previous year (15.8 million) and corona thus put an abrupt end to a six-year upward trend with regard to new registrations. All of the European nations recorded double-digit falls in new car registrations with the single exception of Norway, which

showed a minus of 0.7% and therefore remained at approximately at the same level as 2019. A review of the five main European markets shows that Spain demonstrated the largest decline in new registrations (-32.3%), followed by the United Kingdom (-29.4%), Italy (-27.9%) and France (-25.5%). In Germany, new registrations were down by roughly a fifth, but with a fall of 19.1% it was the only country of the "Big Five" to stay below the minus 20 mark.

NEW CAR REGISTRATIONS IN EUROPE (EU, EFTA AND UK) BY DRIVE TECHNOLOGY

in units	2020	Share	2019	Share	Change
Petrol-driven cars	5,749,500	48.4%	9,216,000	58.4%	-37.6%
Diesel-driven cars	3,106,400	26.1%	4,794,400	30.4%	-35.2%
Battery electric vehicles (BEV)	745,700	6.3%	360,200	2.3%	107.0%
Plug-in hybrid electric vehicles (PHEV)	619,100	5.2%	199,700	1.2%	210.0%
Hybrid electric vehicles (HEV)	1,448,000	12.2%	956,800	6.1%	51.3%
Alternatively-powered vehicles (APV)	209,000	1.8%	255,600	1.6%	-18.2%
European Union	11,877,700	100%	15,782,700	100%	-24.7%

New registrations of e-powered cars in Europe gather speed

Among the three main global markets, in 2020 Europe (EU, EFTA and UK) developed into the main driving force behind e-mobility. For although more than one million full electric and some 250,000 plug-in hybrid electric vehicles were sold in China, its growth rates were markedly lower than those in Europe. Moreover, in the USA demand for e-vehicles actually dwindled with sales of battery electric vehicles falling by

2.0% compared to 2019 and those of plug-in hybrids even dropping by 19.0%.

In Europe (EU, EFTA and UK), on the other hand, vehicles employing drive technologies that are not entirely dependent upon petrol- or diesel-fuelled combustion engines, emerged as the winners of the 2020 crisis year. Numerous national funding programmes in the form of direct payments or tax incentives, as well as purchase inducements on the part of

manufacturers and dealers, motivated consumers who were buying new vehicles to switch to models with alternative drive systems.

As compared to 2019, new registrations of alternatively powered vehicles (APV) rose overall by 70.5%, while petrol-driven car registrations were down by 37.5% and those of diesel-fuelled models fell by 35.2%. In all European countries the shrinkage in both new registration categories was in the high double-digit range with the Netherlands leading the way in the diesel segment with a minus of 60.3% and Iceland heading the falls in the petrol engine bracket with minus 57.0%.

According to a statistic from the European Automobile Manufacturers Association (ACEA), only 48.4% of all new car registrations still related to petrol engine cars in 2020. Although in 2019 these demonstrated a slight increase in registrations owing to the shift in demand away from diesel, in terms of an annual comparison, the share of petrol-fuelled cars in total registrations during 2020 fell by exactly ten percentage points. Moreover, the quota of newly registered diesel-powered cars declined further from 30.4% to 26.1%.

During 2020, 25.4% of new registrations throughout Europe related to vehicles other than those powered exclusively by petrol or diesel (2019: 11.2%). These registrations were divided up between battery electric vehicles (BEV) with 6.3% (2019: 2.3%), plug-in hybrid electric vehicles (PHEV) with 5.2% (2019: 1.2%), hybrid electric vehicles (HEV) with 12.2% (2019: 6.1%) and cars using alternative drives (APV; powered with liquid gas, ethanol or other fuels) with 1.8% (2019: 1.6%). The largest growth was demonstrated by the group of electric chargeable vehicles (ECV) (+210% plug-in hybrid electric vehicles (PHEV) and +107% battery electric vehicles (BEV).

If total APV registrations during 2020 are viewed in terms of the individual European markets, the following picture emerges: with 736,000 units (+131.7%) Germany was the country with the highest absolute number of registration of vehicles with alternative drive technologies. 406,900 vehicles (+35.1%) were registered in Italy, while in the United Kingdom the figure was 394,700 (+59.8%). France ranked fourth amongst the five major markets with 371,500 vehicles (+110.0%), followed by Spain with 191,700 (+26.7%). The Netherlands, Sweden and Norway also moved up into the six-digit category.

REGISTRATIONS OF NEW COMMERCIAL VEHICLES IN EUROPE (EU, EFTA AND UK)

in units	2020	Share	2019	Share	Change
Light commercial vehicles ≤3.5t	1,793,400	84.3%	2,187,000	82.9%	-18.0%
Medium commercial vehicles >3.5t to ≤16t	63,300	3.0%	79,100	3.0%	-20.0%
Heavy commercial vehicles >16t	233,200	11.0%	325,200	12.3%	-28.3%
Medium and heavy buses and coaches >3.5t	35,800	1.7%	46,300	1.8%	-22.7%
EUROPE (EU, EFTA and UK)	2,125,700	100%	2,637,600	100%	-19.4%

In the wake of the corona crisis, new registrations of commercial vehicles also fell sharply in Europe during 2020. Although there were slight recoveries in some months of the second half of the year, the total minus at the end of 2020 was 512,000 units. This corresponded with a downturn of 19.4%. In contrast, in 2019 the market had grown by 2.5%. Every European country showed double-digit falls in the number of registrations with the sole exception of Denmark, where with 9.2%, shrinkage narrowly remained in the single-digit range.

While in both 2018 and 2019, the registrations of light trucks with weights of up to 3.5 t exceeded the two-million mark, in 2020 new registrations in this vehicle class, which in terms of quantity is the most important one, were below this round threshold value. Furthermore, in spite of satisfactory growth rates in December, sales of heavy trucks weighing over 16 t suffered most in 2020 and were down by 28.3% overall.

Sources: German Automotive Industry Association (VDA), the European Automobile Manufacturers Association (ACEA) and "Automobilwoche"

2. GROUP BUSINESS DEVELOPMENT AND STATUS

SALES REVENUES

During the 2020 financial year, consolidated POLYTEC GROUP sales revenues amounted to EUR 522.0 million and thus corresponded with the 12-month outlook already communicated in the 2020 half-year report.

In the course of the 2020 financial year, the POLYTEC GROUP was subject to the negative economic developments caused by the COVID-19 pandemic. Although business improved in the third and fourth quarters of 2020, the massive sales revenues losses of the first half-year, which were due primarily to the effects of the corona crisis and the lockdown, could not be compensated for and a fall in sales revenues of 16.8% or EUR 105.1 million resulted.

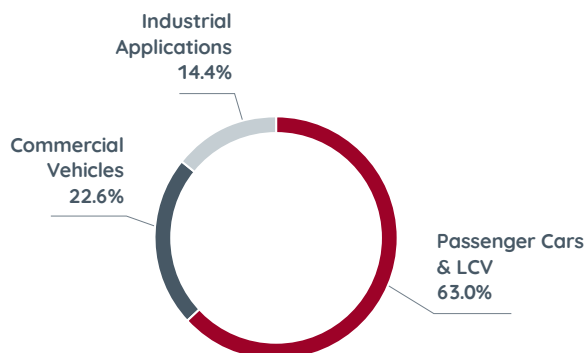
The succession of crisis measures and curfews ordered by national governments from mid-March 2020 with the aim of halting the pandemic had massive negative consequences in virtually every economic sector and the automotive industry was no exception. The POLYTEC GROUP was also subject to these global repercussions.

At the end of March, important group customers initiated a halt to production at their plants and POLYTEC was also forced to cease manufacturing at a sizeable number of its locations. During April in particular, this led to huge losses of revenues and sales revenues in May were also negatively affected by the very gradual plant restart. Sales revenues first began to recover slightly in June, but overall the entire second quarter of 2020 was extremely hard hit by the lockdown and its consequences.

During the two months in which the plants of POLYTEC GROUP customers were closed for the summer holidays, sales revenues remained at a low level, but the situation improved in the period from September to December.

SALES REVENUES BY MARKET AREA

In EUR m	2020	Share	2019	2018
Passenger Cars & Light Commercial Vehicles (LCV)	328.7	63.0%	388.8	387.9
Commercial Vehicles	118.3	22.6%	158.4	174.7
Industrial Applications	75.0	14.4%	79.9	73.8
POLYTEC GROUP	522.0	100%	627.1	636.4



All three market areas registered falls in sales revenues due to corona, whereby Commercial Vehicles and Passenger Cars & Light Commercial Vehicles (LCV) were worst affected.

In the Passenger Cars & Light Commercial Vehicles market area, which with 63.0% (2019: 62.0%) is the strongest sales revenues area within the POLYTEC GROUP, sales revenues fell by 15.5% as compared to the previous year to stand at EUR 328.7 million (2019: EUR 388.8 million).

As compared to the preceding year, the Commercial Vehicle market area accounted for 22.6% of sales revenues (2019: 25.3%) and thus showed the sharpest fall overall with a 25.3% downturn from EUR 158.4 million to EUR 118.3 million.

Sales revenues from truck components were already in decline in the second half of 2019 and this trend continued in the first quarter of 2020. The Turkish truck market came to a virtual standstill and as a result the POLYTEC plant in Turkey had to be closed in the first quarter of the year. Moreover, owing to the worsening of the general economic situation call-offs in the second quarter continued to fall and in view of the reduced sales revenues from truck components, at the beginning of 2020 the POLYTEC GROUP management initiated additional plant closures. In addition, because of further effects of the corona pandemic and the forecast of a long-term fall in sales, in late summer it was decided to shut down another plant. Nevertheless, in con-

trast to truck-related sales, demand in the agricultural machinery area was positive throughout the whole of 2020.

In terms of an annual comparison, the share of the Industrial Applications business area in the POLYTEC GROUP's consolidated sales revenues rose by 1.7 percentage points to 14.4% (2019: 12.7%). However, in spite of the sales revenues from the production of logistics boxes for the food industry, which were also generated in the months negatively impacted by COVID-19, sales in the non-automotive segment during 2020 overall fell by 6.1% to EUR 75.0 million (2019: EUR 79.9 million). One cause of this decline was the effect of the sale at the beginning of December 2020 of the "Industrial" business area, which mainly manufactured non-automotive parts.

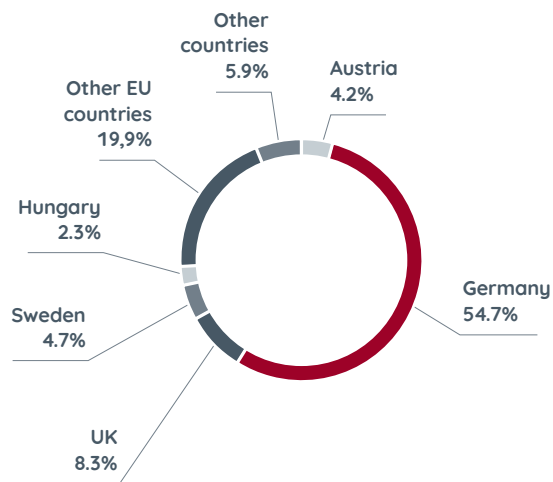
SALES REVENUES BY CATEGORY

In EUR m	2020	Share	2019	2018
Parts and other sales	463.8	88.9%	567.7	571.7
Tooling and other engineering sales	58.2	11.1%	59.4	64.7
POLYTEC GROUP	522.0	100%	627.1	636.4

As compared to the preceding year, in the series production area the POLYTEC GROUP recorded a fall of 18.3% to EUR 463.8 million. Tooling and other engineering sales revenues amounted to EUR 58.2 million and were thus maintained at a level just below that of 2019.

SALES REVENUES BY REGION

In EUR m	2020	Share	2019	2018
Austria	22.3	4.2%	44.4	26.4
Germany	285.6	54.7%	329.4	360.3
UK	43.3	8.3%	59.2	49.8
Sweden	24.5	4.7%	31.6	34.8
Hungary	12.0	2.3%	25.3	21.2
Other EU countries	103.7	19.9%	97.0	102.5
Other countries	30.6	5.9%	40.2	41.4
POLYTEC GROUP	522.0	100%	627.1	636.4

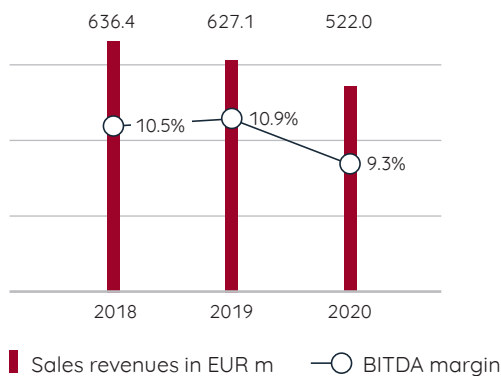


EARNINGS DEVELOPMENT

GROUP EARNINGS FIGURES

	Unit	2020	Change	2019	2018
Sales revenues	EUR m	522.0	-16.8%	627.1	636.4
EBITDA	EUR m	48.3	-29.4%	68.4	67.1
EBITDA margin (EBITDA/sales revenues)	%	9.3	-1.6%-pts.	10.9	10.5
EBIT	EUR m	13.0	-60.3%	32.6	40.1
EBIT margin (EBIT/sales revenues)	%	2.5	-2.7%-pts.	5.2	6.3
Result after income tax	EUR m	9.5	-58.9%	23.1	30.0
Average capital employed	EUR m	404.9	1.1%	400.4	341.8
ROCE before tax (EBIT/average capital employed)	%	3.2	-5.0%-pts.	8.2	11.7
Earnings per share	EUR	0.29	-71.6%	1.02	1.32
Dividend per share (proposal to the AGM)	EUR	0.30	N/A	0.00	0.40

SALES REVENUES AND EBITDA MARGIN DEVELOPMENT



MATERIAL EXPENSES

In line with the sharp fall in sales revenue, during the 2020 financial year the material expenses of the POLYTEC GROUP declined by EUR 40.6 million, or 13.6%, to EUR 257.6 million. In spite of relatively favourable material prices, owing to the changed product mix and the low level of series sales revenues, the material ratio (material expense/sales revenues) rose by 1.7 percentage points to 49.3%.

PERSONNEL EXPENSES

In 2020, the group's personnel expenses fell by EUR 21.6 million from EUR 216.4 million to EUR 194.8 million. Conversely, in spite of capacity adjustments, leave reduction measures and effects derived from the utilisation of the short-time working regulations, due largely to one-off social plan expenses and residual personnel costs in combination with lower sales revenues, the group's personnel ratio (personnel expense/sales revenues) rose by 2.8 percentage points to 37.3% (2019: 34.5%).

EBITDA

In the 2020 financial year, POLYTEC GROUP EBITDA totalled EUR 48.3 million (2019: EUR 68.4 million). First and foremost, this fall can be traced back to the COVID-19-related demand losses. However, the EUR 17.0 million emanating from the de-consolidation of the "Industrial" business area and POLYTEC Industrielackierungen GmbH & Co. KG had a positive effect on EBITDA. As compared to the previous year, the EBITDA margin fell by 1.6 percentage points from 10.9% to 9.3%.

AMORTISATION AND DEPRECIATION

During the period under review, amortisation and depreciation amounted to EUR 35.3 million and thus remained at the level of the preceding year (2019: 35.8 million).

EBIT

Group EBIT in 2020 totalled EUR 13.0 million (2019: EUR 32.6 million). In comparison with 2019, the EBIT margin fell by 2.7 percentage points from 5.2% to 2.5%.

FINANCIAL AND GROUP RESULT

The financial result stood at minus EUR 5.3 million (2019: EUR -3.8 million). Of this amount, minus EUR 2.0 million related to the depreciation of financial receivables. Without this one-off special effect, as compared to the preceding year the financial result showed an improvement of EUR 0.5 million, which above all can be traced to a reduction in interest-bearing liabilities. Tax income resulted from the capitalisation of tax deferrals on loss carryforwards and tax credits from past periods. The result after income tax amounted to EUR 9.5 million (2019: EUR 23.1 million). This corresponds with earnings per share of EUR 0.29 (2019: EUR 1.02).

ASSETS AND FINANCIAL STATUS

INVESTMENTS

In EUR m	2020	Change	2019	2018
Investments in tangible assets	14.2	-69.0%	45.8	42.6

During the 2020 financial year, investments in tangible assets fell by EUR 31.6 million to EUR 14.2 million. Apart from a few important measures, in the wake of the COVID-19 lockdown investment activity was limited or postponed to subsequent periods. In particular, spending focused on the construction of a new production plant in South Africa's East London Industrial Development Zone.

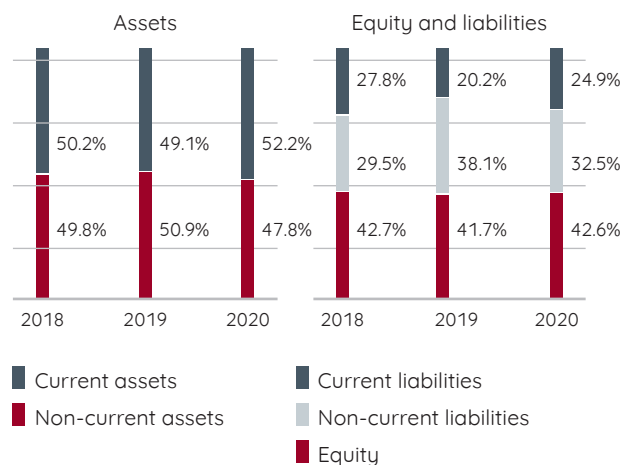
KEY GROUP BALANCE SHEET AND FINANCIAL FIGURES

In EUR m	31.12. 2020	Change	31.12. 2019	31.12. 2018
Equity	247.5	-2.0%	252.6	238.0
Equity ratio (equity/total assets)	42.6	0.9%-pts.	41.7	42.7
Total assets	581.5	-4.0%	605.6	557.6
Net working capital ¹⁾	92.8	-25.9%	125.4	95.2
Net working capital/sales revenues in %	17.8	-2.2%-pts.	20.0	15.0

¹⁾ Net working capital = current assets less current liabilities

In 2020, total group assets fell by EUR 24.1 million to EUR 581.5 million. As at 31 December 2020, the equity ratio amounted to 42.6%, which was 0.9 of a percentage point higher than on the balance sheet date of the previous year and continues to indicate a healthy position. Active working capital management resulted in a marked reduction of the net working capital as compared to the 31 December 2019 balance sheet date of EUR 32.5 million, or 25.9%, to EUR 92.8 million.

BALANCE SHEET STRUCTURE OF THE POLYTEC GROUP



	Unit	2020	Change	2019	2018
Net debt (+)/assets (-)	EUR m	105.8	-32.2%	156.0	101.8
Net debt (+)/assets (-)/EBITDA	-	2.19	-4.0%	2.28	1.52
Gearing (net debt (+)/assets (-)/equity)	-	0.43	-30.7%	0.62	0.43

As opposed to the 31 December 2019 balance sheet date, net debt was approximately one-third, or EUR 50.2 million, lower at EUR 105.8 million. This was due to both the improvement in working capital and the sale of the "Industrial" business area. Consequently, the key figure for fictitious debt repayment duration improved from 2.28 to 2.19. The gearing ratio was also markedly lower as compared to the previous year, falling from 0.62 to 0.43.

CASH FLOW

In EUR m	2020	2019	2018
Cash flow from operating activities	45.8	24.4	30.9
Cash flow from investing activities	12.1	-48.6	-39.4
Cash flow from financing activities	-22.8	6.1	25.2
Change in cash and cash equivalents	35.0	-18.1	16.7
Final cash and cash equivalent balance	90.4	55.6	73.6

In the 2020 financial year, the cash flow from operating activities increased by EUR 24.4 million to EUR 45.8 million. This was largely the result of the fall in trade accounts receivable and other receivables and contractual assets of EUR 23.2 million, which was in contrast to the EUR 25.0 million increase in these items of the previous year.

The cash flow from investing activities reversed from minus 48.6 million to EUR 12.1 million. The main reason for this change was the effect emanating from the sale of the “Industrial” business area. In addition, capacity adjustments including the sale of plant also contributed to this turnaround and moreover, the investments planned for the 2020 financial year were delayed owing to the corona pandemic.

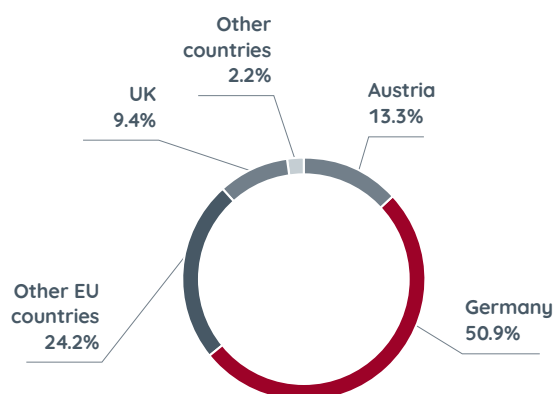
The cash flow from financing activities amounted to minus EUR 24.5 million (2019: EUR 6.1 million). This figure included the early repayment of a promissory note loan tranche of EUR 15.0 million.

As compared to the 31 December 2019 balance sheet date, the POLYTEC GROUP was able to raise the level of its cash and cash equivalents by 62.5% and as at 31 December 2020 thus disposed over cash and cash equivalents of EUR 90.4 million. As a result of proactive cash flow management, the payment flows could be flexibly adjusted and optimised to meet both internal and external requirements at any time. As a consequence of the high level of cash and cash equivalents and the constant monitoring of liquidity development, the POLYTEC GROUP sees itself as being in a robust position.

EMPLOYEES

During the past three years the average numbers of POLYTEC GROUP employees (including leasing personnel) and their geographic spread were as follows. No short-time working effects are accounted for in the personnel data (in full-time equivalents - FTE):

in FTE	2020	Share	2019	2018
Austria	522	13.3%	554	566
Germany	2,006	50.9%	2,089	2,158
Other EU countries	955	24.2%	1,034	1,080
UK	369	9.4%	474	461
Other countries	87	2.2%	193	200
POLYTEC GROUP	3,939	100%	4,344	4,465
Sales revenues per employee in EUR k	132.5		144.4	142.5



On the basis of an annual comparison, average group workforce numbers (including leasing personnel) fell by 405 (FTE), or 9.3%, from 4,344 to 3,939. The average leasing personnel quota totalled 6.5% (2019: 8.8%). At EUR 132.5 k, sales revenues per employee (including leasing personnel) were lower than in the previous year.

On the 31 December 2020 balance sheet date, the POLYTEC GROUP workforce (excluding leasing personnel) numbered 3,228. In comparison with the 2019 balance sheet date (4,098 employees), this represented a reduction of 870 employees (FTE) or 21.2% due to plant closures and the sale of the “Industrial” business area.

3. REPORT ON PROBABLE GROUP DEVELOPMENT AND RISKS

DEVELOPMENT IN THE AUTOMOTIVE INDUSTRY OUTLOOK

In 2021, the international car markets are expected to grow again. A sales revival is also awaited in the commercial vehicle segment although the pre-COVID levels in both categories are unlikely to be reached during the year 2021.

The global economy and hence the automotive industry continue to struggle with the consequences of the corona crisis, which already entered its second year in 2021. In Europe (EU, EFTA and UK), the high values of the previous year led to the expectation of lower registration figures for the beginning of 2021. However, the drop in the numbers of new passenger car registrations in January 2021 was far worse than anticipated and as compared to the same month of the previous year. Registrations dwindled from 1.13 million to 0.84 million vehicles, a fall of 25.7%. This meant that in 2021 the January figure for new registrations was the lowest ever recorded and furthermore, in comparison with 2020, February registrations also fell sharply.

In addition, since the beginning of the year, sizeable increases in the prices for a large number of raw materials could be noted. Experts estimate that this trend could continue throughout 2021. Innumerable force majeure reports from a diversity of raw material suppliers have already resulted in considerable shortages and supply chain disruptions. Indeed, from a current perspective, interruptions to supplies such as those related to the greatly reduced availability of semiconductor chips cannot be entirely excluded.

At the start of the year, analysts and automobile association representatives made confident predictions as far as overall developments in 2021 are concerned. The German Automotive Industry Association (VDA) assumes that particularly during the second half of the year a slow improvement in the market situation will set in. However, a prerequisite in this regard is major progress in vaccinations so that there will be clear indications in daily life that the pandemic has been contained. However, the declines of the past year cannot be fully compensated for in 2021. For Europe, the VDA expects a growth of 12.0% to 13.4 million cars. In the USA, light vehicles sales should rise by 9.0% to 15.8 million and the Chinese car market is set to already surpass its pre-corona level with sales of 21.4 million units (+8.0%).

The VDA also expects a global sales recovery in the commercial vehicles market, although in this scenario China will be an exception. The People's Republic not only numbers among the world's largest car markets, but also has a clear lead in the sales of heavy commercial vehicles. However, owing to an extensive governmental programme for fleet renewal, in 2020 truck registrations rose by more than a third. In fact, during the past year the Chinese market accounted for every second truck sold and in view of this effect a fall of around 25% is anticipated for 2021. As far as the other large markets are concerned, experts forecast an increase in new heavy truck registrations totalling 19.0%. In addition, the VDA also assumes an across-the-board increase of 15.0% in sales in all commercial vehicle categories in both the USA and Europe. Nonetheless, despite growth in Brazil and India, in 2021 the global truck market is expected to shrink by 4.0% overall.

Sources: German Automotive Industry Association (VDA) and "Automobilwoche"

OUTLOOK FOR GROUP RESULT DEVELOPMENT

Subject to the assumption that its business environment recovers, in general the POLYTEC GROUP management anticipates consolidated sales revenues of about EUR 575 million. Moreover, on the basis of the restructuring completed in the preceding year, which saw the closure of four production plants and a resultant lasting reduction in personnel and structural costs, EBIT should improve to about EUR 35 million.

Nonetheless, the realisation of this outlook is prone to a number of significant uncertainties, which continue to limit business development visibility and could lead to a volatile course of business. In particular, the possibility of disruptions to production owing to considerable increases in prices and partial shortages with regard to raw materials makes forecasting problematic. In addition, the course of the corona pandemic continues to threaten negative effects upon consolidated sales revenues and the operative result in the current year.

4. RISK REPORTING AND FINANCIAL INSTRUMENTS

For a number of years, the effects of the diesel crisis, stricter climate protection regulations, the structural transformation in the direction of e-mobility and other risk-bearing influences have been a source of concern for the automotive industry. This ongoing transition will continue to pose economic challenges to both manufacturers and their suppliers. As a consequence company decision-makers will have to pay even closer attention to costs and lend their organisations structures that enable them to respond flexibly and quickly to a constantly changing environment, or to act proactively.

However, even if the appropriate organisational basis is created and the best possible preparations are made, this cannot guard against every conceivable risk such as the spontaneous occurrence of a health crisis of global dimensions.

2020 was a year characterised by the COVID-19 virus and the resultant pandemic, which had a negative impact worldwide on virtually every aspect of life. Economic researchers have stated that the effects on the global economy are the most serious since the end of the Second World War and nations are endeavouring to safeguard both their citizens and their economies with immense amounts of finance and measures against growing unemployment such as short-time working models, etc.

In the course of its business operations, the POLYTEC GROUP is subject to numerous risks, which are indelibly linked to its entrepreneurial activities. Therefore, for POLYTEC risk management is an integral part of group strategy and all of its business practices. In the retrospective, it can be stated that the POLYTEC GROUP has implemented target-oriented risk management.

In March 2020 the POLYTEC GROUP management responded immediately to the prevailing circumstances with the creation of a crisis committee, which was in permanent session over several months, partially from home offices, and dealt speedily with the continual changes in general conditions. The measures stipulated by the national authorities for the protection of both employees and the public were implemented rapidly and systematically.

At the end of March 2020, important POLYTEC customers in the automotive industry closed their plants both in Europe and overseas. In consultation with its customers, POLYTEC also wound down its own production and, where required, implemented short-time working at the affected locations.

Apart from the abrupt shutdown and the subsequent restart of the plants, which was even more demanding and complicated, the most important objective of the management was the retention of liquidity. By means of proactive cash flow management, the payment flows could be flexibly adjusted and optimised to meet both internal and external requirements at any time and apart from the utilisation of short-time working models, the POLYTEC GROUP made selective use of the support offered by individual national governments.

Throughout the 2020 financial year, the global automotive industry battled with the consequences of the corona crisis and the lockdown, which in the first half-year brought the industry to a virtual standstill. Following a notable fall in the number of COVID-19 infections during the summer, in autumn the whole of Western Europe saw another sharp rise and the arrival of a second wave, which was of considerably larger dimensions than that at the beginning of the pandemic. Consequently, from November onwards numerous countries again imposed lockdowns in a variety of forms. However, with the announcement of the successful approval of effective vaccines and the start of the first inoculation campaigns at the end of 2020, optimism returned that some form of "normality" might return during the summer of 2021.

At present, it is impossible to offer a comprehensive assessment of how the corona pandemic will develop and the influence that it will exert upon the development of the POLYTEC GROUP's sales revenues and income. Accordingly, the management continues to monitor events extremely closely.

As far as detailed risk reporting is concerned and in particular sales market, volume, sourcing market, investment and production risks, as well as financial risks such as loan, liquidity, currency and interest rate fluctuation risks, in order to avoid redundant text, we would refer you to the information contained under G.2 in the group notes.

5. RESEARCH AND DEVELOPMENT REPORT

During the 2020 financial year, the POLYTEC GROUP employed some EUR 15.9 million for research and development activities (2019: EUR 14.8 million). The research cost ratio (R&D costs/sales revenues) rose to 3.0% (2019: 2.4%).

The development of new products and applications, primarily for the automotive industry, constitutes one of the POLYTEC GROUP's key competences. As a strategic cornerstone, it is an integral part of the group's foundations and over the past decades has made a major contribution to its success. Moreover, the requirements of the group's long-term customers represent the constant focal point of the numerous and labour-intensive, new and further developments.

The POLYTEC GROUP endeavours to impress its customers proactively at any early stage with innovative applications and technology combinations, as well as complete product and manufacturing concepts, which are also aimed at strengthening the group's competitiveness. In this connection, the group does not think in terms of technologies, but rather solutions and thus convinces during the engineering phase with an imposing depth of value added that extends from material production and concept development to simulation. At POLYTEC, almost 200 engineers develop and plan innovative solutions in a diversity of plastic technology areas on the basis of comprehensive experience and profound specialist knowledge.

In combination with the latest production know-how, an enormous diversity of materials and processes ranging from injection moulding and various fibre composites to polyurethane applications enables the POLYTEC GROUP to supply its customers with tailor-made solutions that offer top quality at an attractive price-performance ratio. Apart from the integration of an increasing number of functions in plastic parts and the ongoing expansion of the possibilities for the substitution of metals, the development of new materials and processes aimed at making plastic parts still lighter and more stable represents one of the POLYTEC GROUP's core activities.

The experience gathered by POLYTEC during the manufacture of highly complex vehicle parts and systems can also be utilised in the Smart Plastic & Industrial Applications area. Not merely development, material and production know-how is involved in this connection, but also logistics, product complexity and operational excellence. Above all, this makes POLYTEC's capabilities interesting for customers seeking solutions for products subject to stringent demands regarding surfaces or strict technological requirements, as well as multi-stage production processes and complex logistical

problems. In this connection, the POLYTEC GROUP possesses both the necessary competence and the required resources.

The topic of e-mobility offers clear-cut opportunities for the POLYTEC GROUP and in recent years, its development engineers have placed a special focus on the question as to which components in an e-vehicle can be manufactured from lightweight materials. This is because in view of the heavy batteries required for the drive system, e-powered vehicles should weigh as little as possible in every other regard.

In many cases, plastic components such as vehicle underbodies, battery boxes and complex acoustic solutions meet this demand for lightness to perfection. Conversely, the trend towards e-mobility also confronts POLYTEC with fresh challenges, as the components for e-vehicles partly require utterly different solutions to those needed by vehicles with conventional drive systems. This is exemplified by the Acoustic Solutions area, in which over the years the POLYTEC GROUP has established a strong position with regard to combustion engines. However, in e-vehicles the focus is no longer on engine noise attenuation, but rather the minimisation of exterior and road noise. Therefore, concepts have to be newly evolved and developed.

6. KEY FEATURES OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM WITH REGARD TO THE ACCOUNTING PROCESS

The Board of Directors is responsible for implementing an appropriate internal control and risk management system for the accounting process and financial reporting. Suitable organisational measures and controls ensure that all the relevant legal requirements necessary for complete, correct, timely and orderly entries in the books and other records are met.

The entire process, from procurement to payment, is subject to strict regulations and group-wide guidelines that are intended to prevent any related risks such as CEO fraud scenarios. These measures and rules include, among others, the separation of functions, signature directives and signatory powers for payment authorisations on an exclusively collective basis that are restricted to a small number of employees, as well as system-supported checks by the software employed.

The most important management control instrument is the planning and reporting system, which has been implemented across the group. In particular, this includes medium-term planning with a three-year horizon, annual budget planning and monthly reporting. The promptly issued monthly financial reports, which are drawn up by POLYTEC GROUP Financial Services, show the current development of all group companies. The content of these reports has been standardised throughout the group and apart from an income statement and balance sheet, also contains the main extrapolated key indicators and a deviation analysis.

The Board of Directors is constantly kept up to speed regarding all relevant issues and risks by means of the uniform, group-wide financial reporting system and ad hoc reports on major events. At its meetings, which are held at least once a quarter, the Supervisory Board is informed about current business developments, operative planning and medium-term group strategy. In special cases the Supervisory Board is also provided with direct and immediate information. Among other topics, the audit committee meetings consider the internal control and risk management.

7. DISCLOSURES REGARDING CAPITAL, SHARE, VOTING AND CONTROL RIGHTS, AND ANY RELATED OBLIGATIONS PURSUANT TO § 243A OF THE AUSTRIAN COMMERCIAL CODE

As at the balance sheet date of 31 December 2020, the share capital of POLYTEC Holding AG remained unchanged at EUR 22.3 million divided into 22,329,585 bearer shares. The group has no other types of shares. All shares have been admitted to trading in the prime market segment of the Vienna Stock Exchange.

On the 31 December 2020 balance sheet date, the Huemer Group was the only investor owning more than 10.0% of share capital. The Huemer Group holds 29.04% (16.00% Huemer Holding GmbH and 13.04% Huemer Invest GmbH) of POLYTEC Holding AG share capital. Apart from the aforementioned, on the balance sheet date the Board of Directors knew of no stockholders with an interest in excess of 10.0% of share capital. No stockholder disposes over special control rights.

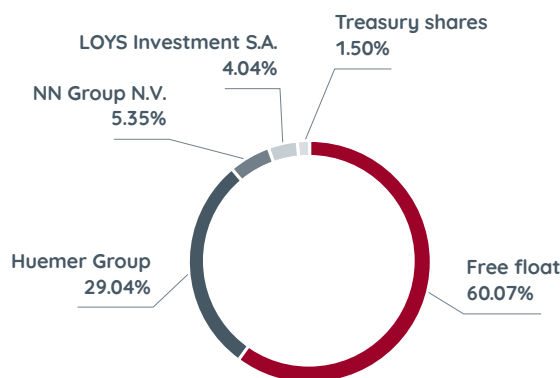
VOTING RIGHT NOTIFICATIONS - STOCKHOLDER STRUCTURE

POLYTEC Holding AG received four voting right notifications in accordance with § 130 of the 2018 Austrian Stock Exchange Act which affected the 2020 financial year. These are shown in the table below:

Personages required to provide notification	Address/State	Date	Reason	Absolute voting rights	Relative voting rights
LOYS Investment S.A.	Munsbach/Luxembourg	12.10.2020	Purchase	895,688	4.01%
LOYS Investment S.A.	Munsbach/Luxembourg	11.12.2020	Disposal	857,272	3.84%
LOYS Investment S.A.	Munsbach/Luxembourg	29.12.2020	Purchase	901,202	4.04%
NN Group N.V.	Amsterdam/Netherlands	31.12.2020	Other	1,195,351	5.35%

Every change in material participations about which POLYTEC Holding AG was informed after the balance sheet date can be called up from the Investor Relations, News - Participation Reports section of the company's website www.polytec-group.com.

As at 31 December 2020, on the basis of the 22,329,585 issued shares, the stockholder structure of POLYTEC Holding AG had the following form:



The current composition of the stockholder structure can be called up from the Investor Relations, Share section of the company website www.polytec-group.com.

MANAGERS' TRANSACTIONS

In mid-December 2020, POLYTEC Holding AG was informed that on 14 December 2020, Reinhard Schwendtbauer, a member of the POLYTEC Holding AG Supervisory Board, purchased 7,000 POLYTEC shares at an aggregate price of EUR 7,402 each. In accordance with Article 19 MAR, POLYTEC Holding AG provided a punctual report of this managers' transaction.

Apart from this occurrence, during the 2020 financial year POLYTEC Holding AG received no further reports regarding managers' transactions pursuant to Article 19 MAR from persons discharging managerial responsibilities within POLYTEC Holding AG, or persons with whom they have an arm's length relationship (natural or legal).

An overview of managers' transactions, including those that took place after the balance sheet date can be called up from the Market Data, Statistics, Managers' Transactions section of the website of the Vienna Stock Exchange www.wienerborse.at.

TREASURY SHARES

During the 2020 financial year, the company did not purchase or sell any treasury shares. On the balance sheet date of 31 December 2020, POLYTEC Holding AG held an unchanged total of 334,041 treasury shares, which represented a holding of roughly 1.5% of share capital. The stock market value of these shares on the balance sheet date amounted to around EUR 2.5 million (2019: EUR 2.9 million) and their acquisition value to approximately EUR 1.9 million. The authorisation of the Board of Directors to purchase treasury shares, which is based on a resolution passed by the 19th Ordinary Annual General Meeting on 10 May 2019, remains valid until 9 November 2021.

AUTHORISED CAPITAL

The resolution for the renewed creation of authorised capital (§ 169 Corporation Act) within a maximum of three years following entry into the company register and thus up to 4 September 2022, for the purpose of an increase in cash or capital in kind up to a nominal amount of EUR 6,698,875.00 with the possibility of the exclusion of subscription rights if

share capital be raised by a contribution in kind from companies, operations, part operations or participations in one or several domestic or foreign companies, was approved together with the corresponding amendment to the Articles of Association by the 19th Ordinary Annual General Meeting on 10 May 2019 with the required majority.

OTHER INFORMATION

No indemnification agreements exist between the company and the members of the Board of Directors in the eventuality of a change in control. Equally, there are no indemnification agreements for the Supervisory Board members and employees or any other major agreements which would be affected by a change in control or a public takeover bid. There are no provisions in the Articles of Association that go beyond the statutory provisions for the appointment of members of the Board of Directors and the Supervisory Board, or are intended for amending the Articles of Association. The POLYTEC HOLDING AG website is entered in the company register under: www.polytec-group.com

8. NON-FINANCIAL DECLARATION PURSUANT TO § 267A AUSTRIAN COMMERCIAL CODE

Non-financial declaration pursuant to § 267a of the Austrian Commercial Code and reporting with regard to the Austrian Sustainability and Diversity Improvement Act (NaDiVeG).

BUSINESS MODEL

Founded in 1986, the POLYTEC GROUP is a leading developer and manufacturer of high-quality plastic components and is present on four continents with around 3,600 employees. The Austria-based company now offers its customers 35 years of experience and know-how, not only as a full-range supplier in the field of injection moulding, but also a specialist for fibre-reinforced plastics and a producer of original accessories made from plastic.

POLYTEC numbers globally renowned brands from the car and commercial vehicle industry among its customers, but is also increasingly supplying markets outside this sector. In both cases, the most important criteria for success are innovative technologies, resource-protective processing methods, perfect quality and absolute punctuality of delivery in combination with competitive prices. In both the automotive and non-automotive fields, POLYTEC provides outstanding value added depth in all segments. This entails design and

project development, as well as the production of tools and semi-finished products for fibre composites, component simulation and examination, as well as numerous plastics processing technologies. Furthermore, POLYTEC convinces through excellent performance with regard to downstream processes such as painting and assembly as well as just-in-time or just-in-sequence delivery.

MATERIALITY

POLYTEC GROUP stakeholders are personages or groups who have a justifiable interest in the development of the company. The prompt recognition of their interests and expectations leads to important insights into opportunities and risks. This information plays a significant role in the actions of the POLYTEC management.

POLYTEC has identified the following external and internal stakeholders as being of relevance to group activities:

CUSTOMERS

- OEMs
- Tier 1 suppliers
- Industrial manufacturers

EMPLOYEES

- Members of the Board of Directors, managing directors and executive managers
- Blue- and white-collar employees (including leasing personnel)
- Employee representatives
- Recruitment market applicants

SUPPLIERS

- Suppliers of raw materials, materials, energy, etc.
- Subcontractors, sub-suppliers for production (e.g. tooling)
- Plant and machinery manufacturers
- Services suppliers and consultants (maintenance, IT, legal matters, further education bodies)

PUBLIC SECTOR

- Legislators on a European Union, Republic of Austria, federal province and district level
- Agencies and authorities (especially for anti-trust and competition law, commerce, labour inspection, finance and taxation, financial market supervision)

CAPITAL MARKET

- Investors – the founding family Huemer
- Investors – institutional and private
- Debt capital markets
- Stock exchanges, banks and insurance companies, auditors, credit protection associations
- Analysts, proxy advisors and rating agencies
- Financial market media

OTHER STAKEHOLDERS

- Members of the Supervisory Board
- Media (specialist and social)
- NGOs (environmental, social), consumer protection
- Politicians, industry associations, trades unions, other interest group representatives
- Competitors and other market participants
- Universities, research bodies and schools
- Neighbours

IDENTIFIED MATERIAL ISSUES

A list of relevant issues was drawn up on the basis of the POLYTEC GROUP's corporate strategy (relevance from a the company's point of view) taking into consideration the interests and expectations of internal and external stakeholders identified from ongoing communications. This list was then supplemented with the topics pinpointed by means of a benchmark analysis of selected competitors, customers and suppliers with the result that the following issues were defined and prioritised according to their materiality:

- Long-term economic success and value increase
- Customer benefit and satisfaction
- Enhanced cost efficiency and value added generation
- Production of top quality, innovative plastic products
- Continuous dividend policy
- Compliance
- Work safety and occupational health protection
- Employee advancement
- Optimisation and digitalisation of company processes
- Climate and environmental protection measures (e.g. emission minimisation)
- Efficient use of energy
- Resource conservation through the efficient use of raw and other materials
- Waste avoidance and reduction

Information regarding these topics is contained in this and other sections of the Management Report. Issues not dealt with are currently the object of concept preparation.

RISK REPORTING

Within the scope of its business activities, the POLYTEC GROUP is subject to a variety of risks, which relate directly to entrepreneurial transactions. Risk management is an integral part of POLYTEC's strategy and all of its business processes. The comprehensive certifications required from an automotive industry supplier (e.g. TS ISO/16949:2016) already specify appropriate regulations, compliance of which is also monitored by external audits. In line with the organisational structure of the POLYTEC GROUP, risks are managed and monitored decentrally and close to the market, particularly in the course of ongoing business processes. However, financial risks are mainly managed by the Group headquarters.

In the risk reporting, the interaction between the crisis caused by COVID-19 and the omnipresent cyber-crime risk will be discussed in more detail.

IT SECURITY AND USER BENEFITS IN THE COVID-19 CRISIS

Like many other enterprises, the POLYTEC GROUP is also subject to the increasing threat of cyber crime attacks, but to date all such intrusions have been repulsed successfully. Nonetheless, the criminal professionalism in this regard has come to represent a serious threat to operative business. Therefore, both technical and economic protection mechanisms have been examined with risk minimisation in view. In addition, the POLYTEC GROUP's internal controls are continually tightened and employee awareness with regard to this topic is strengthened and evaluated at regular intervals.

Together with the group-wide IT team the Chief Information Security Officer (CISO), a position which was newly created in 2019, ensures confidentiality, availability and protection of data. This enables potential risks to be identified at an early stage and counteracted. In addition, the main assignments of the CISO also include the safeguarding of POLYTEC against the potential damage caused by the misuse or unauthorised publication of data and the reduction of such risks to a minimum.

The POLYTEC GROUP's existing information Security Management System (ISMS) is subject to constant enlargement and is being gradually rolled out across the entire group. It is closely oriented towards the Trusted Information Security Assessment Exchange (TISAX) standard, which is a data security norm defined by the automotive industry. In turn, TISAX relates to the international industry standard ISO/IEC 27001, which is employed by car manufacturers and sub-suppliers to the German automotive industry.

In particular, the corona pandemic, which has now been ongoing for more than a year has made it clear that new and unpredictable risks, which can have a massive impact upon production stability and continuity of supply, as well as the financial and earnings situation of a company, must be expected any time. In mid-March 2020 the POLYTEC GROUP management responded directly to the changed circumstances resulting from the spread of the coronavirus with the activation of a crisis committee. As a result, the measures stipulated by the national authorities for the protection of both employees and the public were implemented in timely and systematic fashion.

The COVID-19 crisis and the related increased necessity for home office solutions underlined the great importance of a comprehensive and secure IT infrastructure. For especially in a crisis situation, this infrastructure fulfils tasks that are of major significance for the operations of an organisation and under some circumstances can even be essential for its survival. The extensive investments of past years in group-wide digitalisation and the established preventive measures for data security already proved their worth for POLYTEC during the initial lockdown in March 2020 and ensured functioning crisis communications throughout the group.

The measures taken allow white-collar employees of POLYTEC to complete part of their assignments outside the office. In addition, they have produced a decisive optimisation of the inter-locational communications within the POLYTEC GROUP.

The continued expansion of safe IT infrastructure across the group will make POLYTEC as a whole less susceptible to the negative effects of unforeseeable, exceptional circumstances like those created by the COVID-19 pandemic.

FURTHER DETAILS REGARDING RISK REPORTING

In order to avoid redundant text, as far as detailed risk reporting is concerned and in particular that relating to sales market, volume, sourcing market, investment and production, as well as financial risks such as those appertaining to loans, liquidity, currency and exchange rate shifts, we would refer to the information provided under Item G. 2 of the notes to the consolidated financial statements.

THE POLYTEC GROUP MISSION STATEMENT

The targets, culture and self-perception of the group are formulated in a corporate mission statement, which, taking into account three strategic pillars, defines the main areas of activity of a management programme for the individual business units. Employees of POLYTEC GROUP participate either directly or indirectly in the concretisation of the actions to be taken within the framework of this management programme and are thus able to make their individual contributions to the realisation of the group's vision.

The new mission statement, which literally describes POLYTEC's "DNA" word for word, has been in force since the beginning of 2016. It provides orientation for the entire workforce and serves as a binding guideline for conduct with respect to many major issues, ranging from quality and environmental targets to activities, decisions and strategies. In particular, with its mission statement POLYTEC commits itself to constantly adhere to legal statutes, maintain an open dialogue with its customers, suppliers, authorities and the general public, and to conserve natural resources. These basic principles are intended to guide the POLYTEC GROUP towards a successful future.

OUR VISION

We are European industry's first point of address and preferred supplier with regard to trendsetting plastics solutions. Our special focus is on the automotive sector.

OUR MISSION

The enthusiastic POLYTEC team creates sustained value for both our group and its customers. We develop carefully conceived solutions with a high degree of system knowledge, which extends along the entire chain of value added activities from the initial idea to just-in-sequence delivery and thus regularly surpass customer expectations. We fulfil individual requirements in optimum fashion through the use of numerous plastics technologies in line with specific applications. We also achieve a competitive price level and the lasting appreciation of our customers by means of an efficient cost structure, coordinated procedures and best-in-class production and service processes.

As an international player, we combine uncompromising financial transparency with a strong sense of responsibility towards our entire business environment.

OUR VALUES

Passion ...

Our desire to achieve ideal solutions inculcates every working phase.

... creates ...

- Our solution competence derives from people. Therefore, we ensure that we always have the right persons in the right places and support and challenge them accordingly.
- We are open-minded and cultivate the exchange of ideas. In this way we use the synergies within the POLYTEC GROUP to the full and thereby create top products and technologies with an optimum price-performance ratio.
- We accept responsibility and only act in accordance with ethical principles. This is because we also feel bound by conscience to the agreements made with our customers and partners.

... innovation

We are a competent development partner for our customers. We act with esprit, reliability and purpose.

CODE OF CONDUCT

In our Code of Conduct we describe our mission statement, the values that we share and how we wish to work together. The code provides us with a clear goal for the application of ethical standards such as integrity, openness, honesty and compliance with the law. Adherence to all the mandatory regulations and internal rules that apply to POLYTEC Holding AG and its subsidiaries forms the basis of our employees' cooperation with shareholders, owners, authorities, the public, customers, suppliers, service providers, colleagues, competitors and other stakeholders.

The Code of Conduct provides the foundation for the morally, ethically and legally correct conduct of all POLYTEC GROUP employees and business partners, and is therefore a significant part of our corporate culture.

Regulations of the Code of Conduct

Behaviour in the business environment: compliance with the law, fair and free competition, relationships with customers, competitors and suppliers, avoidance of conflicts of interest and prevention of money laundering.

Behaviour towards colleagues and fellow-employees: equal treatment and non-discrimination, observance of human and employee rights, as well as health and safety.

Behaviour in society: sustainable environmental and climate protection, and public appearance.

Handling of information: reporting, confidential company information, dealing with insider information and information of capital market relevance, as well as data protection and information security.

All POLYTEC GROUP employees are expected to examine their conduct in the light of the directives established in this Code of Conduct and ensure adherence to them. Infringements and evidence can be reported via a specially established channel. Access to such information is accessible only to the responsible employees and all reports are carefully examined and handled with complete confidentiality.

With regard to detailed information concerning the Code of Conduct, we would refer to a document that is available for download on the POLYTEC GROUP website, www.polytec-group.com.

RESPECT FOR HUMAN RIGHTS

The POLYTEC GROUP has committed itself to the preservation and protection of human rights as the fundamental values in accordance with the European Convention on Human Rights. This commitment is also an important part of our Code of Conduct, which constitutes the basis for morally, ethically and legally compliant behaviour of all of the POLYTEC GROUP's employees and business partners and is thus a key element of the corporate culture.

In the course of business activities, no risks of reporting relevance were identified with regard to the observance of human rights. As the majority of production takes place in Austria, Germany and other EU countries where high standards and requirements in connection with human and employee rights already apply, no significant risk was determined.

COMPLIANCE - COMBATting CORRUPTION

For POLYTEC, conducting business in accordance with the law and high ethical standards represents a matter of course. For the group, compliance means far more than the implementation of current rules and regulations. Instead, it is a matter of corporate culture. Therefore, in addition to the content of capital market compliance, POLYTEC Group holds regular coaching sessions with regard to anti-corruption and anti-trust laws. On the one hand employees are made aware of issues of relevance to both competition and anti-trust leg-

islation and, and on the other hand, of the correct handling of gifts and invitations. Furthermore, the training courses also deal with the issues of corruption, conflicts of interest, bribery and the acceptance of gifts, as well as the expectations relating to all POLYTEC GROUP personnel and the consequences of misconduct. The aim is to protect both POLYTEC and its employees from infringements of the law, to allocate even greater significance to the topic of combatting corruption measures and to provide practical support in the application of relevant regulations.

Apart from the Articles of Association, at present the existing authorisation and delegation guidelines are currently under review and will subsequently be adapted to the new organisational and legal framework conditions. The aim is to ensure that the rights, obligations and responsibilities of the respective persons involved are clearly defined and limited and that these restrictions are communicated in transparent fashion. As a result, employees will be subject to a binding obligation to observe correct conduct.

No breaches of compliance were determined during the period under review.

ENVIRONMENTAL PROTECTION

As a sub-supplier to the automotive industry, the POLYTEC GROUP provides key solutions for the optimisation of new vehicle generations. Moreover, owing to its innovative strength and flexibility, in the course of its more than 30-year existence POLYTEC has established an excellent reputation in the automotive sector. By means of comprehensive research and development activities, POLYTEC makes a significant contribution to the ongoing improvement of the products of its customers, which ultimately also has a positive effect upon the environment. For example, the overall weight of vehicles is lightened through material substitution and as compared to steel, for some components weight savings of up to 60% are possible. This lowers fuel consumption markedly and leads to a transitive cut in CO₂ emissions.

Systematic analyses of the ecological impact represent an integral feature of POLYTEC's product development process and are carried out by the group's technicians in close coordination with the customers. In combination with perfect quality and absolute punctuality of delivery, continual optimisation successes in areas such as weight reduction, material substitution and savings, noise and sound abatement, etc. constitute the main strength of the POLYTEC Group and are highly valued by its customers.

However, POLYTEC not only constantly upgrades the products and services supplied to its customers, but on the basis of a coordinated environmental, quality and lean management system, the group also regularly analyses and upgrades internal production processes with the aim of cutting in-house material and energy consumption. The processing of plastics demands large quantities of resources and hence the careful employment of production materials constitutes both an ecological and an economic necessity. Individual, in-group production phases are therefore continually optimised with a view to saving energy and reducing raw material consumption. Furthermore, process water and various cleaning solutions are almost exclusively utilised in closed cycles. As far as the use of paints is concerned, POLYTEC fulfils stringent indoor and waste air standards, which serve to protect employees and the environment to an equal extent.

The majority of the parts, top-quality component modules and multifunctional plastics systems designed by POLYTEC are manufactured in accordance with certified development and production processes. All business units of the POLYTEC Group are now certified according to the IATF 16949 quality management and the ISO 14001 environmental management standards. In addition, the majority of POLYTEC's production sites are also certified in accordance with the internationally recognised ISO 50001 environmental management standard, and furthermore must also comply with numerous customer-specific standards. These are facts that clearly underline the long-term commitment and successes to which POLYTEC can refer in the environmental protection field.

As part of the POLYTEC GROUP's digitalisation offensive, software for the improved control of specific customer requirements in connection with IATF 16949 has been implemented and tested successfully at the site in Hörsching. The software, which enables special customer demands to be met through the systematic allocation of processes and responsible personnel, will now be rolled out and made available to all other POLYTEC GROUP locations. The currentness of the data is ensured by the regular questioning of customer portals and a related check on any changes of customer requirements. These can then be passed on to POLYTEC suppliers in order to secure comprehensive adherence along the entire supply chain. The rollout of the software thus ensures a valid group-wide standard and a consistent process.

STRATEGIC OBJECTIVES

Environmental and climate protection form an essential and increasingly important part of POLYTEC's business processes. In 2020, a review and redefinition of the group's environmental objectives were completed with the aim of anchoring the concept of sustainability even more firmly within the

group. The intention is that the resulting diverse measures are to be implemented continually during the coming years as part of POLYTEC's environmental and energy management. The main focus points in POLYTEC's environmental strategy determined in the course of this process are:

1. Resource conservation. With this strategic objective, POLYTEC wishes to place a greater emphasis upon a holistic approach with the intention of ensuring that the group considers the protective use of all raw materials and intensified recycling along the entire production process in order to secure the conservation and optimum employment of the resources available. This also incorporates both the consumption of both natural resources such as water and the savings achieved by POLYTEC through the lightweight design or the functional integration of its components. In addition, the group also reduces its raw material consumption further by the greater use of regranulates, modern dosing systems, improved reject ratios and the modified chemical composition of materials.

In spite of the economical handling of raw materials, the creation of waste cannot be prevented entirely. Therefore it is all the more important to separate unavoidable waste in the best possible way and thus transfer to useful recycling whenever this is feasible. POLYTEC supports its personnel during correct waste classification by means of a uniform colour coding system. This not only reduces residual waste, but also the cost of its disposal.

2. Enhanced energy efficiency. At POLYTEC a particularly important resource and thus cost factor is formed by energy. Therefore, the pursuit of maximum energy efficiency is not only worthwhile from an ecological perspective, but also an economic standpoint. In recent years, different projects have resulted in the optimisation of important energy consumers across various locations and hence the achievement of sizeable savings. These are exemplified by the transition from heating oil to natural gas-fired systems with markedly higher efficiency levels, as well as building insulation, the use of more efficient control systems for compressed air compressors and similar other measures. Using energy management systems, POLYTEC examines individual production phases with regard to their energy efficiency and, if necessary, extrapolates improvement measures from the findings. Heat recovery projects have already been concluded successfully and further projects for a comprehensive switch to LED lighting technology are being progressively completed.

3. Reduced environmental emissions. In order to place a more intensive spotlight upon the concept of sustainability, POLYTEC has adopted the reduction of environmental emissions as a strategic goal. Environmental protection now plays a central role in the production processes in order to achieve the continual reduction of harmful emissions. Accordingly, for the first time in 2020 the volumes of CO₂ (Scope 1 and Scope 2) emitted by the POLYTEC GROUP were the object of intensified, broadly based logging and evaluation. The statistics thus gathered will subsequently lead to emission reduction measures, the results of which will then be measured. In addition, the group is expanding its current programmes for waste prevention and a reduction in substances that constitute both a health and environmental hazard.

Following successful trials, the various pilot tests launched in past years at POLYTEC GROUP plants in connection with these focal points have been and will be implemented successively at other group locations.

POLYTEC is well aware of its responsibilities as an industrial enterprise and via the aforementioned measures continually and systematically initiates further steps aimed at making its production processes more sustainable and resource-efficient.

SELECTED ENVIRONMENTAL PROTECTION PROJECTS UNDERGOING PLANNING OR IMPLEMENTATION

Photovoltaic systems

It is planned to install large-scale photovoltaic systems on the roofs of production halls at up to ten POLYTEC GROUP locations. The project is currently in the advanced planning phase during which the prerequisites and suitability of the individual locations are being evaluated by means of static and technical checks. Subject to a positive assessment, step-by-step system installation will commence in the course of 2021. The aim of this ambitious project is to be able to cover a major part of in-group energy consumption from renewable sources. Furthermore, the expansion of electricity generation from solar power will make a significant contribution to a reduction in POLYTEC's CO₂ emissions.

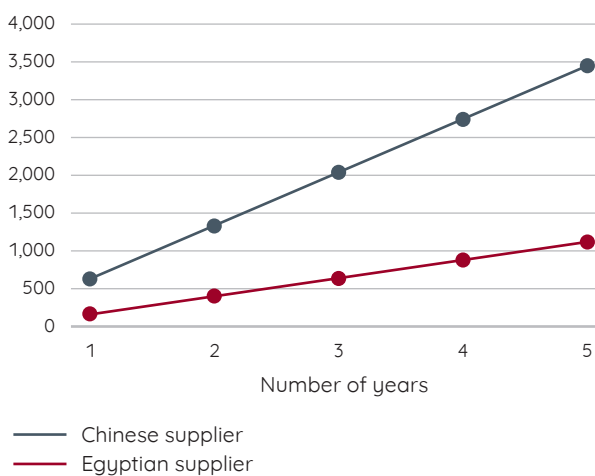
SELECTED ENVIRONMENTAL PROTECTION PROJECTS ALREADY COMPLETED

CO₂ savings due to shortened transport distances

Considerable savings and improvements are not only achieved through the realisation of highly complex and cost-intensive projects, but can also partially be achieved through simpler measures. POLYTEC constantly examines its supply chain in the search for possible savings and optimisation potential. Moreover, this search not only relates to economic considerations, but also equally to environmental aspects.

Most recently, for example, the Gochsheim location in Germany changed its glass fibre supplier. Since this alteration, the raw material required is no longer obtained from China, but instead from a new supplier in Egypt. Every year, the plant processes about 4,500 t of glass fibres, which were ordered in an average of 7.5 orders per year each involving transports from China of approximately 10,200 km by sea. Transportation from Egypt cuts the distance of one route by 6,800 km to 3,400 km and as the average CO₂ emissions on the maritime route amount to roughly 15.1 g/t/km, the deliveries from China caused CO₂ emissions of 693.1 t/y. All deliveries from Egypt result in a total of 231.0 t of CO₂ annually and therefore by means of this change on average POLYTEC achieves savings of 462.1 t CO₂ per year.

Comparison of CO₂ emissions per year (in tonnes)



This example demonstrates how pollutants can be saved and contributions to environment protection can be made in a variety of ways.

Certification of all production plants according to ISO 14001

Today, all of the POLYTEC GROUP's production plants possess ISO 14001 certification and thus fulfil the key demands for an environmental management system. An operational environmental policy and concrete environmental goals were defined for each production location and a corresponding management system was then installed. Ongoing improvement is ensured through regular audits of the environmental objectives set. In 2020, one significant innovation was achieved with the allocation of ISO 14001 and ISO 50001 environmental and energy certificates to the holding company and thus centrally for almost all the group's locations within the framework of a central organisation and a central audit. Only the sites in the UK and Belgium still possess independent certification.

Electricity savings through a new central chilling plant

At the Sládkovicovo location in Slovakia, high temperatures are generated during the processing of duro- and thermoplastics (SMC, LFT) and therefore large amounts of cooling water are required in order to safeguard the hydraulic presses and other tools against overheating. In 2020, a new and highly modern central cooling system was installed at the plant, which provides water cooling in combination in an energy-saving way. Despite high investment costs, this plant modernisation is not only worthwhile from a financial standpoint, but also contributes to energy savings and hence to environmental protection. This plant alone saves up to 300,000 kWh of electricity per year.

Installation of superordinated compressor controls

At the Gochsheim location in Germany, a new, superordinated compressor control system has been installed to increase the efficiency of compressed air production. Using the load data provided for the individual compressors by an energy data logging system, the superordinated controls could be optimally adjusted to the compressed air consumption at the location. The existing compressors are switched on and off as required and in line with their optimum degrees of efficiency. As a result of these settings, efficiency was improved by 18.3%, which has resulted in annual electricity savings of around 80,000 kWh.

Electricity savings through the identification of additional consumers during plant closures

The corona-related restrictions and lockdowns led to supply chain interruptions, which also forced POLYTEC to temporarily close some of its own plants. However, in order to extract something useful from this situation, separate shutdown plans were prepared for the affected locations. In this connection, those plants already possessing an energy data management system had major advantages, as after the shutdown additional power consumers could be identified. Consequently, at the Lohne location for example, the switching-off of additional electricity consumers meant that during the plant closure over 18,000 kWh could be saved.

Ongoing transition to LED technology

In 2020, systematic progress continued with regard to the uniform planning specifications and installation of efficient lighting through the use of energy-saving LED lamps. This holistic planning approach not only facilitates the inter-group transition to more economical lighting, but also offers financial benefits. Once again in 2020, a number of production plants switched from conventional lighting to LED lamps and these measures resulted in a further reduction in power consumption of some 140,000 kWh per year compared to conventional lighting.

CO₂ savings through the installation of shredders

During 2020, a shredder system was installed at the Roosendaal location in the Netherlands, which now assists the recycling of the polypropylene (PP) scrap emanating from component production. In the past the waste was transported to an external treatment company in Germany, which then delivered the shredded and reprocessed material back to Roosendaal for further processing. Owing to the installation of the shredder system, the material is now dealt with directly at the production site and then returned to the production loop. Consequently, unnecessary transportation has ceased entirely with the result that over 6,300 l of diesel and roughly 16.5 t of CO₂ are saved annually.



REVISED ENERGY AND ENVIRONMENTAL TARGETS

In 2020, the group's objectives with regard to energy and the environment were completely revised, redrafted and

allotted with individual targets. POLYTEC is now pursuing the following cross-plant goals:

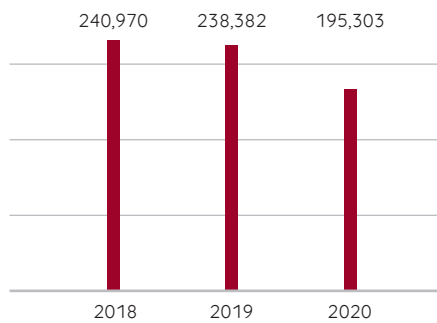
Target definition	Dimension	Key indicator	Basis
Strategic objective: resource protection			
Reduction of raw material consumption through an improvement in the reject ratio	15% by 2023	kg/kg	Materials for blank production (excluding painting and component finishing)
Increase in the recycling share through project realisation	At least two projects per year up to 2023 Increase share	Number of completed projects kg/kg	Number of recyclable plastics in ratio to the number of plastics used
Strategic target: increased energy efficiency			
Reduction in energy consumption (base load)	20% by 2025	kWh/EUR k	Group energy consumption (gas, electricity, oil)/sales revenues
Reduction in electricity consumption due to compressed air leakages	50% by 2025	kWh/EUR k	Group energy consumption (gas, electricity, oil)/sales revenues
Equipping of all plants with energy monitoring (including reporting and active control processes)	Realisation by 2025	Number of plants	Basic equipment (main electricity and gas meters) energy monitoring in all plants
Strategic target: environmental emission minimisation			
Establishment of monitoring for Scope 1 and 2 carbon footprint (CFP) and CFP reduction (reduction of CO ₂ emissions)	20% by 2025	%	Preparation of targets for Scope 1 and 2 using the available data basis
Reduction in waste quantities through improvement of the reject ratio	15% by 2025	%	Waste quantity/Material input
Increase in the share of recyclable waste through improved waste sorting	0.75%/year and 8% by 2025	%	Specific waste in ratio to total waste amount
Reduction or substitution of auxiliary materials that represent an environmental or health hazard	10% by 2023	%	Yearly check on the number of materials in use that represent an environmental or health hazard
Uniform hazardous material management	Realisation by 2022		
Development of innovative products (e.g. lightweight design), which through their use reduce environmental emissions	At least two projects per year	Number of completed projects	Lightweight design, metal substitution, combination of differing production technologies

KEY INDICATORS

The listed key indicators incorporate the plants of all the fully consolidated companies. The plants in Marchtrenk (Austria) und Bochum (Germany) were sold in the course of an M&A transaction. This was finalised on 7 December 2020 with the result that up to the closing date, the key indicators of both plants have been taken into account for the last time on a pro rata basis. The partly sizeable fluctuations in the key indicators as compared to the values of the past year relate largely to the current COVID-19 pandemic and the resultant economic effects such as supply disruptions and temporary plant closures.

Energy use

in MWh	2020	Share	2019	2018
Electricity	113,215	58.0%	134,915	133,337
Natural gas/oil	76,856	39.3%	97,948	104,842
Heating	2,571	1.3%	2,708	1,708
Other	2,661	1.4%	2,811	1,083
POLYTEC GROUP	195,303	100%	238,382	240,970

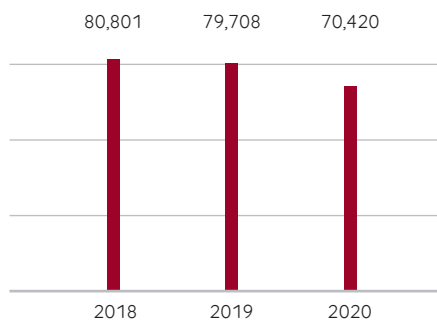


Energy use in MWh

In comparison to the preceding year, energy consumption throughout the group fell by approximately 18.1% or 43,079 MWh to 195,303 MWh during the 2020 financial year. In relation to sales revenues, the ratio declined slightly by around 0.6 percentage points to 37.4%. Apart from the temporary plant closures owing to the corona pandemic, this fall can be traced primarily to the shutdown of the location in Weiden (Germany) in 2019 and of the plants in Aksaray (Turkey), Putte (Netherlands), Rastatt and Idstein (both in Germany) in 2020.

Material use

in t	2020	Share	2019	2018
PP – polypropylene	29,998	42.6%	25,851	23,414
PA – polyamide	6,696	9.5%	8,892	9,929
ABS – acrylonitrile butadiene styrene	1,157	1.6%	1,763	2,848
PUR – polyurethane	3,440	4.9%	4,613	1,995
Glass fibres	6,212	8.8%	7,498	8,384
Resins	5,070	7.2%	4,462	4,959
Paints	678	1.0%	1,493	1,004
Others	17,169	24.4%	25,136	28,268
POLYTEC GROUP	70,420	100%	79,708	80,801

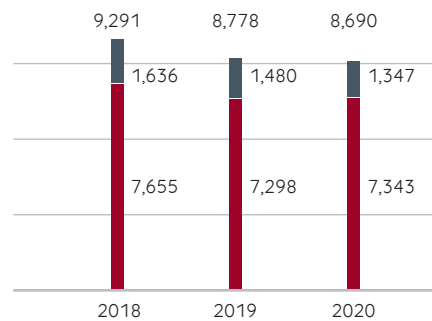


Material use in t

As compared to the preceding year, the use of materials throughout the group fell by approximately 11.7% or 9,288 t to 70,420 t during the 2020 financial year. In relation to sales revenues, the ratio rose by around 0.8 percentage points to 13.5%. This rise was primarily due to the increase in the production of plastic boxes for the food industry at the Ebensee location, which continued to operate at full capacity during the corona crisis.

Waste volumes

in t	2020	Share	2019	2018
Non-hazardous waste	7,343	84.5%	7,298	7,655
Hazardous waste	1,347	15.5%	1,480	1,636
POLYTEC GROUP	8,690	100%	8,778	9,291



Hazardous waste in t
Non-hazardous waste in t

Despite increased waste volumes once incurred due to the plant closures, the volume of hazardous and non-hazardous waste produced by the POLYTEC GROUP in the 2020 financial year was at 8,690 t and therefore 1.0% or 88 t lower than in the previous year. In relation to sales revenues, the ratio rose marginally by 0.3 percentage points to 1.7%.

CO₂ emissions

in t	2020
POLYTEC GROUP	46,537

During 2020, CO₂ emissions in the POLYTEC GROUP were measured for the first time on an inter-group basis and the existing key indicators were converted into CO₂ equivalents. In terms of CO₂ equivalents, greenhouse emissions in the 2020 financial year totalled 46,537 t. This figure will serve as a reference point for comparisons and savings potential in subsequent years.

POLYTEC PERFORMANCE SYSTEM

The POLYTEC Performance System (PPS) is employed to improve the group's internal production and administrative processes. Concrete PPS measures consist of the consistent analysis and identification of optimisation potential as well as the reduction or elimination of waste and inefficiencies. PPS is part of the POLYTEC GROUP's comprehensive lean management programme, which has the objective of streamlining everyday working and achieving a long-term increase in productivity.

In 2020, PPS focused on the following issues and projects:

Shop floor management 2.0. POLYTEC's standardised shop floor management (SFM) is intended to analyse process performance and identify anomalies and upgrading potential on the basis of specific key indicators from standardised processes and sequences in production, logistics and maintenance. This allows measures aimed directly at raising efficiency to be initiated immediately and directly on the spot. In addition, within the SFM framework, employees are encouraged to implement process improvements on their own initiative.

Group-wide standards for set-up time optimisation. In 2020, a project was implemented at the Ebensee, Gochsheim and Lohne locations for the group-wide definition of standards for a significant reduction in set-up times. In the course of the project, the set-up times for individual systems were cut by as much as 60%. On the basis of the findings thus obtained, comparable measures are now being rolled out throughout the group.

Systematic improvement of maintenance activities. This project is aimed at the systematic upgrading of maintenance activities through the avoidance or reduction of plant standstills by means of autonomous servicing. In 2020, the focus was placed on the personal responsibility of employees (machine operators) with regard to cleaning, maintenance and inspection tasks. Autonomous maintenance consists of seven steps at the end of which there are employees who will put this independent system into practice.

Internal launch of the POLYTEC PERFORMANCE SYSTEM. 2020 was the official Intranet launch of the POLYTEC PERFORMANCE SYSTEM (PPS). This internal website serves as the main communications channel for all PPS activities within the POLYTEC GROUP and is intended to facilitate the dissemination of information within the organisation and improve teamwork. The website will serve as a communications platform for the further development of current as well as the introduction of new initiatives and projects. It will furnish its users with an overview of system and process upgrades and

optimisation, and also acquaints employees with what PPS has to offer.

PPS peer groups. 2020 witnessed the initiation of the peer group concept. This involves individual employees from the group-wide PPS teams to form groups for certain purposes with the aim of exchanging information more quickly in informal surroundings and free of company structures. Accelerated feedback on the implemented methods and standards is thus assured and for example, peer groups were already formed for the rollout of shop floor management. As the individual plants are at differing stages with regard to implementation progress, these groups encourage the mutual transfers of information and experience.

PPS road map. The PPS road map is an important instrument for the guidance of the POLYTEC GROUP's lean initiatives. It facilitates far-reaching insights into PPS activities at the group's main plants and documents their progress. The road map is intended to assist the transfer of solutions that have resulted in success at individual locations to the POLYTEC Group as a whole and hence engender a full-coverage effect. The PPS road map is a management tool which supports plant managers during the realisation of internal projects and the assessment of their success. This enhanced the efficiency of the realisation of important undertakings such as the streamlining of the material and empties provision process during pallet formation or the automation of tool cleaning.

Lean Management Academy. Only trained personnel are capable of successfully implementing the various PPS measures. Therefore, the objective of the Lean Management Academy is to instruct employees with regard to PPS methodology and principles. At present, POLYTEC personnel have a choice of various teaching modules in different languages at their disposal, which are designed for both managers and the personnel manning plant and machinery. Because of the corona pandemic, presence teaching could only be held to a limited extent in 2020. Since then the comprehensive PPS system is being imparted via intensified online trainings and workshops for the employees.

EMPLOYEES

Owing to the internationality of the POLYTEC GROUP, diversity, respect, equality of opportunity and the integration of employees from differing cultures represent integral elements within the corporate culture. Any form of personal discrimination whether due to origin, gender, skin colour, age, religion, sexual orientation or disability is strictly rejected. During recruitment for vacant positions, a focus is placed on performance orientation, knowledge and skills, equal opportunity and equal treatment. Candidates are selected primarily on the basis of the best possible qualifications and experience which they can contribute to the POLYTEC GROUP as new team members.

The 2020 financial year was dominated by the COVID-19 pandemic. This meant that numerous planned activities could not take place in the intended form, or had to be cancelled, postponed or adapted to match the new circumstances. Moreover, overcoming the crisis also demanded a whole raft of measures.

Career fairs were initially cancelled and then took place in autumn in digital form. Personnel marketing activities were also greatly reduced and only resumed on a selective basis in late autumn. Therefore, it was all the more pleasing that POLYTEC won second place and hence the “Silver Quality Seal” in the automotive/motor vehicle branch category of the BEST RECRUITERS survey. Overall, POLYTEC came in 33rd amongst the more than 500 companies tested.

At locations in Austria and Germany, the POLYTEC Group provides the possibilities to learn one of more than 20 differing technical or commercial professions. POLYTEC also supplements this offer with the support of professional and personal development through further specialist training, team building events, joint workshops and excursions. Qualified trainers are on hand to lend the young trainees advice and active assistance.

POLYTEC encourages the continuous further training and personal development of its employees. Accordingly, in view of the severe curtailment of coaching offers caused by COVID-19, wherever possible a switch to digital learning was made and the content quickly focused, supplemented or adapted to match current needs. As a result, irrespective of the pandemic, the POLYTEC Leadership Academy took place in a new form and with an emphasis on crisis and transformation management in order to provide the managers with the best possible support precisely in difficult times.

In 2019, POLYTEC launched the P3 POLYPERSPECTIVE PROGRAMME (P3) and in cooperation with the LIMAK Austrian Business School offered its participants a tailor-made, general management training course, which was concluded at the beginning of 2020, albeit in abbreviated form due to COVID-19.

WORK SAFETY TARGETS

Selected plant-superordinated occupational safety targets are:

Target definition	Dimension	Basis	Key indicator
Reduction in the frequency and severity of work accidents subject to mandatory reporting	Yearly by 5%	Number of work days lost due to working accidents in hours	Number
Reduction in the amounts of hazardous materials (toxic or CMR substances)	Yearly by 10%	Number of toxic and CMR substances	Number
Increase in the number of ergonomically designed work stations	Yearly by 10%	Number of ergonomically optimised work stations in ratio to the total number of workplaces	%

Reduction in the frequency and seriousness of work accidents

In 2020, the number of work accidents subject to mandatory reporting in the POLYTEC Group was 16.0% lower than in the preceding year, whereby the average length of accident-related sick leave shortened to 18.9 days. In order to prevent accidents at work, POLYTEC focusses on raising awareness levels of the topics of Health, Safety & Environment (HSE) and on requirements relating to Personal Protection Equipment (PPE). Accordingly, reports on safety matters are televised repeatedly via the POLYTEC Information TV monitors and regular training measures are implemented as well.

Numerous technical improvements such as better waste air extractors for the protection of the airways, improved working area lighting to ease the burden on the eyes and many other measures have all raised the general level of safety in the workplace throughout the group. The overall increase in production process automation has also reduced the dangers that can occur during manual work and therefore also prevents work accidents.

Hazardous material reduction

Further projects for the reduction of hazardous substances were completed successfully in the course of 2020. One such project took place at a German plant where the starting products for the processing of plastic compounds are produced using to date a substance which was classified as hazardous. Following intensive scrutiny this has now been eliminated and replaced by a harmless substitute. Comparable projects have also already been started in order to exclude other hazardous substances from the production area.

During a rear spoiler production project, the use of a primer (bonding agent) that was categorised as hazardous was also examined. During the bonding of different materials, which in this case consisted of a plastic part and a zinc/zinc coated sheet metal component, it is essential that the surfaces involved are extremely clean in order that reliable adhesion is ensured after bonding. During adhesion testing in the product development phase, it was proven that the primer was unnecessary when other non-hazardous pre-treatments were employed during the production sequence.

This production process improvement means that around 1.6 ml of primer are no longer required for each part. At first glance this may appear to be a tiny amount, but in terms of the total approximately seven-year period of the project, over 500 l of dangerous substances will now be avoided. In addition, the emissions in the working area caused by the application of the primer have also been reduced considerably, which in turn has led to a positive effect with regard to employee health and safety.

Ergonomically designed workstations

The renewal and redesign of workstations in the offices of the administration and in the plant halls is an ongoing process that is being implemented in the course of replacement investments. Owing to the COVID-19 crisis, a number of these investments, which were originally planned for 2020, could either not be completed, or only to a lesser extent. Nonetheless, some projects were carried out in their original form.

For example, in Lohne, which is the largest plant in the POLYTEC GROUP, all the workplaces in the maintenance department were completely renovated in 2020. The purchase of new office furniture ensures that the chairs and tables meet the latest ergonomic standards, especially as height-adjustable tables, which also support work in a standing position, are now the norm. Lifting platforms and tables for the movement of heavy loads are also part of the basic equipment, but it is equally important that employees are trained with regard to their correct use and the proper positioning of the

fittings. Moreover, this process must be repeated regularly, in order to use the health benefits to the full and prevent incorrect malpositioning.

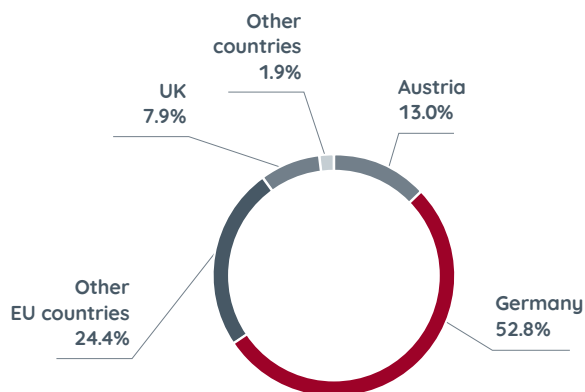


KEY EMPLOYEE INDICATORS

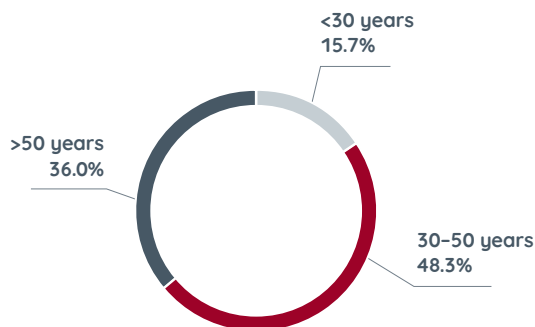
Employees excluding leasing personnel	Unit	2020	2019	2018
Key indicators by geography (as at 31.12.)				
Austria	FTE	421	521	509
Germany	FTE	1,703	2,092	1,943
Other EU countries	FTE	789	897	911
UK	FTE	255	412	410
Other countries	FTE	60	176	192
POLYTEC GROUP	FTE	3,228	4,098	3,965
Gender (as at 31.12.)				
Men	%	76.6	78.8	78.7
Women	%	23.4	21.2	21.3
Age (as at 31.12.)				
<30 years	%	15.7	15.7	15.5
30–50 years	%	48.3	49.2	48.7
>50 years	%	36.0	35.1	35.8
Fluctuation rate (annual average)	%	37.9	17.0	15.0
Work safety (annual figures)				
Work accidents subject to reporting	Number	84	100	112
Average accident-related sick leave	Days	18.9	19.2	14.6
Fatal work accidents	Number	0	1	0

The key indicators shown in the table refer to employees excluding temporary workers. If the temporary workers are included, the POLYTEC GROUP employed a total of 3,636 people as of the 2020 balance sheet date. Due to several plant closures and restructuring measures, the number of employees decreased by 17.5% or 770 employees (FTE; full-time equivalents) compared to the previous year.

GEOGRAPHIC STRUCTURE AS AT 31 DECEMBER 2020



AGE STRUCTURE AS AT 31 DECEMBER 2020



The group-wide fluctuation rate is calculated by dividing the number of leavers (terminations of employment by employees and employer, arrangements by mutual consent, as well as the expiry of short-term employment contracts) by the average number of the total POLYTEC GROUP workforce. Owing to plant shutdowns, the sale of the “Industrial” business area and restructuring measures, the fluctuation rate in 2020 amounted to approximately 37.9% (2019: 17.0%).

The workforce in the automotive sub-supply industry is still predominately male, as this sector continues to be primarily technically oriented. As at 31 December 2020, the quota of female employees in the POLYTEC GROUP (excluding leasing personnel) amounted to 23.4%, which was 2.2 percentage points higher than the figure for the previous year. As far as the age group structure is concerned, roughly half of the group workforce is in the 30 to 50 category.

Hörsching, 9 April 2021

The POLYTEC Holding AG Board of Directors

Markus Huemer
Chairman of the Board of Directors – CEO

Peter Haidenek
Member of the Board of Directors – CFO

Heiko Gabbert
Member of the Board of Directors – COO

Peter Bernscher
Member of the Board of Directors – CSO

DECLARATION OF ALL LEGAL REPRESENTATIVES

PURSUANT TO § 124 (1) 3 OF THE 2018 AUSTRIAN STOCK EXCHANGE ACT

We confirm that, to the best of our knowledge, the consolidated financial statements prepared in accordance with the applicable accounting standards, give a true and fair view of the assets, financial and earnings position of the group, that the group management report gives a true and fair view of the business performance, result and position of the group, with the consequence that a true and fair view of the assets, financial position and earnings of the group is created, and moreover that the management report provides a description of the principal risks and uncertainties that the group faces.

We confirm that, to the best of our knowledge, the financial statements of the parent company prepared in accordance with the applicable accounting standards, give a true and fair view of its assets, financial and earnings position, that the management report gives a true and fair view of the company's business performance, result and position, with the consequence that a true and fair view of the assets, financial position and earnings of the company is created, and moreover that the management report provides a description of the principal risks and uncertainties that the company faces.

Hörsching, 9 April 2021

The Board of Directors of POLYTEC Holding AG

Markus Huemer

Chairman of the Board of Directors – CEO

Responsibilities: M&A, investment management, corporate strategy, corporate communications, purchasing, IT, legal affairs, human resources

Peter Haidenek

Member of the Board of Directors – CFO

Responsibilities: Finance, controlling, accounting, investor relations, internal audit

Heiko Gabbert

Member of the Board of Directors – COO

Responsibilities: Operations, innovation, industrial engineering

Peter Bernscher

Member of the Board of Directors – CSO

Responsibilities: Sales, engineering, marketing

AUDIT CERTIFICATE

(This is a translation of the original German version for information purposes without liability; the German version takes precedence.)

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

AUDIT OPINION

We have examined the consolidated financial statements of

POLYTEC Holding AG,
Hörsching,

and its subsidiaries (the group), which consist of the consolidated balance sheet, the consolidated income statement and consolidated statement of comprehensive income as at 31 December 2020, the consolidated cash flow statement and the consolidated statement of changes in equity for the financial year then ended, and the notes to the consolidated financial statements.

In our opinion, the consolidated financial statements comply with the mandatory regulations and give a true and fair view of the consolidated financial position of the group as at 31 December 2020, as well as its consolidated financial performance and consolidated cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU, and the additional requirements pursuant to § 245a UGB (Austrian Commercial Code).

BASIS FOR THE AUDIT OPINION

We conducted our audit in accordance with EU Regulation (EU) 537/2014 (subsequently referred to as the EU regulation) and with Austrian auditing standards. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISA). Our responsibilities pursuant to these rules and standards are described in the "Auditors' responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the audited entity as prescribed by Austrian commercial law and professional regulations, and have fulfilled our other responsibilities in line with these relevant ethical

requirements. We believe that the audit evidence we obtained up to the date of this opinion is sufficient and appropriate to provide a basis for our audit opinion on this date.

KEY AUDIT MATTERS

Key audit matters are those facts that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year. Our audit procedures relating to these matters were designed within the context of our audit of the consolidated financial statements as a whole and therefore no separate opinion is provided. We have identified the following as a key audit matter:

THE IMPAIRMENT OF NON-CURRENT ASSETS (INCLUDING GOODWILL)

See notes, items D.10, D.19, E.8, E.9.

Risk for the financial statements

Goodwill is subjected to impairment testing at least once a year. However, during the 2020 financial year POLYTEC Holding AG identified additional indications of an impairment of non-current assets. The recoverable amounts determined (impairment test of the affected cash-generating units) showed sufficient coverage of the carrying amounts. For the purpose of impairment testing, valuation takes place on the basis of the discounted net cash inflows, which are dependent upon future result expectations, using discount rates extrapolated from market data.

These valuations are subject to significant estimation uncertainties with regard to long-term planning assumptions and market insecurity. The consolidated financial statements are therefore open to the risk of non-current asset overvaluation (including goodwill).

Our approach for auditing

We adjudged the impairment of non-current assets (including goodwill) as follows:

- In order to be able to assess the appropriateness of the planning, we gained an understanding of the planning process and compared the assumptions employed with past development. We juxtaposed both the expected results underlying the evaluation and investments with the budget prepared by the Board of Directors and approved by the Supervisory Board, and the medium-term planning. We also held discussions with the management regarding these assumptions, in the course of which we obtained an understanding of how past experience influences managerial planning.
- We determined the internal controls for the identification and assessment of the indications for an impairment or value increase and evaluated these with regard to their form and implementation.
- In addition, we assessed the appropriateness of the determined discount rates and the impairment test evaluation model. We made a critical appraisal of whether the long-term development of the level of profitability during the income phase appeared to be plausible and consistent with results achieved in the past, medium-term planning development and a specific business area peer group. We undertook these auditing activities in consultation with our evaluation specialists.
- Furthermore, we completed an examination in order to ascertain if the required information in the notes provided all the necessary explanations and if the material estimate uncertainties were described appropriately.

OTHER INFORMATION

The company management is responsible for other information. This includes of all the information contained in the annual report, with the exception of the consolidated financial statements, the group management report, and the auditors' report thereon. It is probable that we will be provided with the annual report after the date of of the audit certificate.

Our opinion regarding the consolidated financial statements does not extend to such other information for which we offer no type of guarantee.

In connection with our audit, it is our responsibility to read this other information as soon as it is available and to assess whether, in view of the knowledge gained during our audit, it contains any material inconsistencies with regard to the consolidated financial statements, or any apparent material misstatement.

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

The management is responsible for the preparation of these consolidated financial statements and that in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code) they provide a true and fair view of the group's asset, financial and earnings position. In addition, the management is also responsible for such internal controls as it deems necessary in order to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

When drawing up the consolidated financial statements, management is also responsible for assessing the group's ability to continue as a going concern, and, where appropriate, to disclose matters that are relevant to the group's ability to continue as a going concern, and to apply the going concern assumption in its financial reporting, except under circumstances in which the management intends to liquidate the group, cease operations, or has no realistic alternative to such measures.

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance as to if the consolidated financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance represents a high degree of assurance, but provides no guarantee that an audit conducted in accordance with the EU regulation and Austrian auditing standards, which require the audit to be performed in accordance with ISA, will always detect a material misstatement should it exist. Misstatements may result from fraud or error

and are considered material if they could, individually or in total, 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 EU regulation and the Austrian auditing standards, which require the audit to be performed in accordance with ISA, we exercise professional judgment and maintain a critical, professional approach throughout the audit.

In addition:

- We identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, plan and perform procedures to address such risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk that material misstatements due to fraud remain undetected is higher than that of material misstatements due to error, since fraud may include collusion, forgery, intentional omissions and misleading representation, or the overriding of internal controls.
- We obtain an understanding of the internal control system of relevance 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 entity's internal control system.
- We evaluate the appropriateness of the accounting policies employed and the reasonableness of both the accounting estimates and related disclosures made by management.
- We prepare conclusions on the appropriateness of management's use of the going concern assumption and, based on the audit evidence obtained, whether a material uncertainty exists in relation to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. Should we conclude that there is a material uncertainty about the entity's ability to continue as a going concern, we are obliged to draw attention to the respective note in the consolidated financial statements in our audit report or, should such disclosures be inappropriate, to modify our audit opinion. We base our conclusions on the audit evidence obtained up to the date of our audit report. However, future events or conditions may result in the group's departing from the going concern assumption.
- 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 the fairest possible presentation.
- We obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the group in order to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We bear sole responsibility for our audit opinion.
- We confer with the audit committee regarding, among other matters, the planned scope and timing of our audit, as well as important findings that include any significant deficiencies in the internal control system, which we identify in the course of our audit.
- We also provide the audit committee with a declaration that we have complied with the relevant professional requirements in respect of our independence and report on any relationships and other events that may reasonably be thought to affect our independence and, where applicable, the related safeguards.
- From the matters discussed with the audit committee, we determine those that were of greatest significance in the audit of the consolidated financial statements of the financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless laws or regulations preclude public disclosure about such matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so could reasonably be expected to outweigh the public interest benefits of such communication.

OTHER STATUTORY AND LEGAL REQUIREMENTS**REPORT ON THE GROUP MANAGEMENT REPORT**

In accordance with the Austrian Commercial Code the group management report is to be audited as to whether it is consistent with the consolidated financial statements and if it has been prepared in accordance with legal requirements.

As far as the non-financial declaration in the group management report is concerned, we are responsible for ensuring it has been prepared, its reading and an assessment as to whether it materially contradicts the consolidated financial statements, or appears to contain material misstatement.

Management is responsible for the preparation of the group management report in accordance with the Austrian Commercial Code.

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

Opinion

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

Statement

In view of the knowledge gained in the course of the audit of the consolidated financial statements and the understanding of the group and its environment thus obtained, we did not determine any material misstatements in the group management report.

ADDITIONAL INFORMATION IN ACCORDANCE WITH ARTICLE 10 EU REGULATION

We were selected as the group auditors at the Ordinary Annual General Meeting on 7 August 2020 and on 30 September 2020 were commissioned by the Supervisory Board with the audit of the consolidated financial statements of POLYTEC Holding AG for the financial year ending on 31 December 2020.

We have served without interruption as the company auditors since the consolidated financial statements as at 31 December 2017.

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 of the EU regulation.

We declare that we have not provided any prohibited non-audit services (Article 5 Paragraph 1 of the EU regulation) and that we have ensured our independence of the members of the group throughout the course of the audit.

RESPONSIBLE AUDITOR

The auditor responsible for the audit contract is Dr. Elisabeth Rebhan-Briewasser.

Linz, 12 April 2021

KPMG Austria GmbH

Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Qualified electronic signature
Dr. Elisabeth Rebhan-Briewasser
Auditor

This document bears a qualified electronic signature and is only valid in this version. The publication or dissemination of the consolidated financial statements with our auditors' report may only take place in our approved version. This auditors' report relates solely to the German language version of the complete consolidated financial statements including the management report. For other versions, the regulations contained in §281 Para 2 of the Austrian Commercial Code are to be observed.

CORPORATE GOVERNANCE

1. COMMITMENT TO THE AUSTRIAN CORPORATE GOVERNANCE CODE

The key elements in an active corporate governance culture consist of a high degree of transparency for all stakeholders and a long-term and sustainable increase in corporate value. Their realisation necessitates efficient teamwork between the company's governing bodies, the protection of shareholders' interests and open corporate communications.

Since its IPO, POLYTEC Holding AG has committed itself to compliance with the Austrian Corporate Governance Code in its respective current form. The information and statements provided in this report pursuant to § 243c and 267b of the Austrian Commercial Code (UGB) are based on this edition. The complete text of the Austrian Corporate Governance Code can be accessed on the website of the Austrian Working Group for Corporate Governance (www.corporate-governance).

During the 2020 financial year, POLYTEC Holding AG complied with all the compulsory "L-Rules" (Legal Requirements) and all the "C-Rules" (Comply or Explain) contained in the Austrian Corporate Governance Code with the exception of C-Rule 62 and C-Rule 83. According to C-Rule 62, the company should allow the regular evaluation of adherence to the C-Rules of the code by an external institution at least every three years and to date this has not taken place. In addition, C-Rule 83 states that on the basis of the documentation presented, the auditors should adjudge risk management functionality and report their findings to the Board of Directors. The company justifies the failure to implement these two rules with the related high costs, but is nonetheless convinced that adherence to the C-Rules and transparency are secured through internal audits and measures. The Corporate Governance Report for the 2020 financial year is publicly available on POLYTEC Holding AG's corporate website (www.polytec-group.com), which is entered in the Austrian Company Register.

2. POLYTEC HOLDING AG GOVERNING BODIES

BOARD OF DIRECTORS

ORGANISATION AND WORKING METHODS

In accordance with the Articles of Association, the Board of Directors of POLYTEC Holding AG consists of one, two, three, four or five members. The Supervisory Board appoints the members of the Board of Directors. The Board of Directors conducts the business of the company in accordance with the relevant laws, the Articles of Association and the internal rules of procedure, which are subject to Supervisory Board approval. In addition to other items, the internal rules of procedure regulate the collaboration and distribution of responsibilities amongst the members of the Board of Directors, as well as business transactions requiring approval. Details concerning the competences of the individual board members are provided in their functional descriptions.

The members of the Board of Directors are in constant, close exchange with each other in order to assess information of the corporate progress and take any necessary decisions in a timely manner. As a rule, the POLYTEC Holding AG Board of Directors meets every two weeks in order to discuss current developments of the POLYTEC GROUP. On a regular basis, at least once a quarter, the Board of Directors provides the Supervisory Board with assessments of the course of business including the risk situation and risk management as well as the status of the company within the context of future group development. The Chairman of the Supervisory Board is informed immediately of significant events and is also in regular contact with the Chairman of the Board of Directors. Ongoing discussions are also held regarding strategy, business development and risk management of the company.

All of the serving members of the Board of Directors in 2019 were granted a unanimous discharge at the 20th Ordinary Annual General Meeting held on 7 August 2020. The 20th Ordinary Annual General Meeting, which was originally scheduled for 18 May 2020 had to be postponed until 7 August 2020 owing to the COVID-19 pandemic.

MEMBERS OF THE POLYTEC HOLDING AG BOARD OF DIRECTORS

Markus Huemer (CEO)



- Born: 1981
- Chairman of the Board of Directors
- Date of initial appointment: 1 January 2014
- End of current term of office: 31 December 2022
- Areas of responsibility: M&A, investment management, corporate strategy, corporate communications, purchasing, IT, legal affairs, human resources
- Supervisory Board mandates: GlobeAir AG

Peter Haidenek (CFO)



- Born: 1965
- Member of the Board of Directors
- Date of initial appointment: 1 February 2011
- End of current term of office: 31 December 2022
- Areas of responsibility: finance, controlling, accounting, investor relations, internal auditing
- Supervisory Board mandates: none

Heiko Gabbert (COO)



- Born: 1968
- Member of the Board of Directors
- Date of initial appointment: 1 January 2019
- End of current term of office: 31 December 2022
- Areas of responsibility: operations, innovation, industrial engineering
- Supervisory Board mandates: none

Peter Bernscher (CSO)



- Born: 1968
- Member of the Board of Directors
- Date of initial appointment: 1 August 2018
- End of current term of office: 31 December 2022
- Areas of responsibility: sales, engineering, marketing
- Supervisory Board mandates: none

SUPERVISORY BOARD

ORGANISATION AND WORKING METHODS

The Supervisory Board advises the Board of Directors with regard to its strategic planning and projects. It has the task of supervising the Board of Directors in regards to the management of the company. The laws and regulations that apply to listed companies in Austria, in particular the Austrian Stock Corporation Act and the Austrian Stock Exchange Act, govern the Supervisory Board's scope of activities. In addition, the Supervisory Board is obliged to comply with the rules of the Austrian Corporate Governance Code. As far as

internal company regulations are concerned, the Articles of Association and the rules of internal procedure are of primary importance. In accordance with the POLYTEC Holding AG Articles of Association, the Supervisory Board consists of at least three and no more than six members, elected by the Annual General Meeting. The members of the Supervisory Board are obliged to conduct an annual self-assessment of their activities.

All five serving members of the Supervisory Board in the 2019 financial year were granted a unanimous discharge at the 20th Ordinary Annual General Meeting on 7 August 2020.

MEMBERS OF THE POLYTEC HOLDING AG SUPERVISORY BOARD

Fred Duswald



- Born: 1967
- Chairman of the Supervisory Board
- Year of initial appointment: 2006
- End of current term of office: Annual General Meeting regarding the 2024 financial year
- Other Supervisory Board mandates: none
- Independent

Manfred Trauth



- Born: 1948
- Deputy Chairman of the Supervisory Board
- Year of initial appointment: 2007
- End of current term of office: Annual General Meeting regarding the 2024 financial year
- Other Supervisory Board mandates: none
- Independent

Viktoria Kickinger



- Born: 1952
- Member of the Supervisory Board
- Year of initial appointment: 2006
- End of current term of office: Annual General Meeting regarding the 2024 financial year
- Other Supervisory Board mandates: none
- Independent

Reinhard Schwendtbauer



- Born: 1972
- Member of the Supervisory Board
- Year of initial appointment: 2010
- End of current term of office: Annual General Meeting regarding the 2024 financial year
- Other Supervisory Board mandates: none
- Independent

In the 2020 financial year, the following changes took place with regard to the Supervisory Board:

With the end of the 20th Ordinary Annual General Meeting on 7 August 2020, the mandates of Viktoria Kickinger, Fred Duswald, Manfred Trauth, Robert Büchelhofer and Reinhard Schwendtbauer expired. As Robert Büchelhofer had passed the age limit of 75, owing to the POLYTEC Holding AG Articles of Association, his re-election to the Supervisory Board was no longer possible. Therefore, with the end of the 20th Ordinary Annual General Meeting on 7 August 2020, Robert Büchelhofer stood down from the POLYTEC Holding AG Supervisory Board. Together with POLYTEC Holding AG's Board of Directors, the stockholders and stockholder representatives present at the Annual General Meeting thanked Robert Büchelhofer for his decisive contribution to the stra-

tegic further development of the POLYTEC GROUP, upon which he exerted a major influence during his 15 years of Supervisory Board activities.

The proposed resolution of the Supervisory Board, which was based on the recommendation of the nominations committee and the requirements of the Austrian Corporate Governance Code and foresaw the re-election of Viktoria Kickinger, Fred Duswald, Manfred Trauth and Reinhard Schwendtbauer to the Supervisory Board was approved by the 20th Ordinary Annual General Meeting on 7 August 2020 with the necessary majority by the stockholders and stockholder representatives present. All four members of the Supervisory Board were re-elected for the period until the end of the General Meeting that decides upon the discharge for the 2024 financial year.

INDEPENDENCE OF THE SUPERVISORY BOARD

The members of the Supervisory Board are deemed to be independent if they have no business or personal relationship with the company or its Board of Directors that could result in a material conflict of interest and thus influence the members' conduct. One member of the Supervisory Board is also a member of the Executive Board of a bank with which the group has a business relationship in the form of deposits and loan transactions. The members of the POLYTEC Holding AG Supervisory Board have committed themselves to compliance with the criteria of independence pursuant to C-Rule 53 of the Austrian Corporate Governance Code and have declared their independence. The requirements of C-Rule 54 of the Code are fulfilled.

BUSINESS TRANSACTIONS OF THE SUPERVISORY BOARD MEMBERS REQUIRING PRIOR APPROVAL

During the 2020 financial year, the members of the Supervisory Board undertook no transactions that required prior consent pursuant to L-Rule 48.

SUPERVISORY BOARD COMMITTEES

In accordance with the Austrian Stock Corporation Act, the POLYTEC Holding AG Supervisory Board has established an audit committee, which carries out the scheduled controlling and monitoring functions. The chairperson of the audit committee disposes over the appropriate knowledge and practical experience with regard to finance, accounting and reporting (financial expert). Apart from the supervision of

the accounting process as well as the auditing process for both the financial statements and the consolidated financial statements, the proposal for the distribution of profits, and the planning of the audit of financial statements, in particular the effectiveness of the internal control and risk management systems was monitored. Moreover, consultations were held regarding the strategic focal points of the audits and the procedures of the committee in the light of new legal stipulations. Last, but not least, the committee is required to examine the Corporate Governance Report and reporting with regard to the Austrian Sustainability and Diversity Improvement Act.

During the 2020 financial year, the audit committee convened twice, whereby at both these meetings the (group) auditor was present. During this period the Supervisory Board held four meetings and owing to the corona pandemic, twice received supplementary information via telecommunications. Five decisions were taken in the course of a circular procedure. No Supervisory Board member was absent from more than half of the meetings.

In addition to the mandatory establishment of the audit committee, a nomination committee and a risk management committee have been formed.

The areas of responsibility of the individual Supervisory Board members in the respective committees are shown in the following table:

COMPOSITION OF THE COMMITTEES

Committee	Chairperson	Members
Audit committee	Reinhard Schwendtbauer	Viktoria Kickingner, Fred Duswald
Nomination committee	Fred Duswald	Manfred Trauth, Viktoria Kickingner
Risk management committee	Viktoria Kickingner	Manfred Trauth, Fred Duswald

3. OTHER INFORMATION

REMUNERATION OF THE SUPERVISORY BOARD AND THE BOARD OF DIRECTORS

Owing to the coming into force of the 2019 Austrian Stock Corporation Amendment Act, in January 2021 the Austrian Corporate Governance Code was adapted in line with the new regulations regarding remuneration policy and reporting. In this Corporate Governance Report for 2020, the presentation of the remuneration of corporate body members used to date is omitted.

The Supervisory Board and the Board of Directors drew up a new remuneration policy, which was approved by the 20th Ordinary Annual General Meeting on 7 August 2020 with the necessary majority. In accordance with § 78b Para. 1 in conjunction with § 98a Austrian Stock Corporation Act, the remuneration policy must be presented to the Annual General Meeting for approval at least in every fourth financial year.

Reporting of the remuneration of the Supervisory Board and the Board of Directors in the 2020 financial year takes place in the Remuneration Report prepared in accordance with § 78c and § 98a Austrian Stock Corporation Act. The Remuneration Report will first be presented to the 21st Ordinary Annual General Meeting of POLYTEC Holding AG for approval and will subsequently be available for perusal in the Investor Relations section of the company website www.polytec-group.com.

CODE OF CONDUCT AND COMPLIANCE

For the POLYTEC GROUP, conduct in accordance with the law and strict ethical standards represents a matter of course. However, compliance in this connection means far more than merely the implementation of current rules and regulations. In fact, compliance is a matter of corporate culture. Therefore, the acceptance of responsibility and actions in accordance with ethical principles have been unequivocally integrated into the POLYTEC GROUP's corporate values and mission statement and are also set out in the Code of Conduct, which can be accessed via the group's website.

As a listed stock corporation POLYTEC Holding AG is obliged to fulfil the complete range of stipulations regarding adherence to capital market legislation. In order to prevent insider dealings, employees and other persons acting on behalf of POLYTEC Holding AG are continuously informed about the ban of misuse of insider information, and internal guidelines have been issued for the transfer of information within the

company. Adherence to these guidelines is monitored and suitable organisational measures have been taken in order to prohibit the improper use or transfer on of insider information. The related tasks constitute a major element within the company's compliance organisation. The members of the Supervisory Board and the Board of Directors received comprehensive information regarding compliance activities at regular intervals during the year under report.

In addition to the content of compliance with capital market law, POLYTEC GROUP holds regular coaching sessions regarding data protection, anti-corruption and anti-trust law. The awareness levels of employees are raised with issues relevant to data protection, competition and anti-trust law relevance, as well as correct conduct when dealing with data, gifts and invitations. The aim is to protect both employees and the group against infringements of the law and to offer practice-related support during the application of the relevant regulations. No breaches of compliance were determined during the period under review.

DIVERSITY AND THE PROMOTION OF WOMEN

The POLYTEC GROUP now has around 3,600 employees on four continents. As a result of this internationality, diversity, respect, equal opportunities and the integration of employees from differing cultures represent integral elements within the corporate culture. Any form of personal discrimination whether due to origin, gender, skin colour, age, religion, sexual orientation or disability is strictly rejected.

During recruitment for vacant positions, the focus is placed on performance orientation, knowledge, skills as well as equal opportunities and treatment. New team members are selected primarily on the basis of the best possible qualifications and experience, which the candidates can then contribute to the POLYTEC GROUP.

When electing members of the Supervisory Board, the Annual General Meeting has to account for requirements relating to professional and personal qualifications, as well as the professionally balanced composition of the Supervisory Board. Furthermore, diversity aspects have to be taken into reasonable account with regard to the representation of both genders, age structure and internationality. Newly elected Supervisory Board members must inform themselves appropriately about the structure and activities of the company as well as the tasks and responsibilities of members. The Supervisory Board of POLYTEC Holding AG has had a female member for more than fourteen years and during the 2020 financial year one out of the five Super-

visory Board positions and following the departure of one Supervisory Board member, one out of four positions was occupied by a woman. Accordingly, the share of membership in 2020 initially amounted to 20% and then 25%. L-Rule 52 is thus fulfilled, as at present the POLYTEC Holding Supervisory Board does not consist of at least six persons.

In the 2020 financial year there were no women represented on the POLYTEC Holding AG Board of Directors. On 31 December 2020, the proportion of women of the POLYTEC Holding AG workforce accounted for 46.0% (2019: 43.8%). As at the balance sheet date 31 December 2020, women held 9.2% of the managerial positions (2019: 11.4%) with long-term personnel responsibility at the POLYTEC GROUP's companies. On 31 December 2020, the quota of female employees in the POLYTEC GROUP (excluding leasing personnel) amounted to 23.4% (2019: 21.2%).

D&O INSURANCE POLICY

POLYTEC Holding AG has concluded a directors and officers (D&O) insurance policy for the members of the company's Board of Directors, Supervisory Board and POLYTEC GROUP executive managers. The company or the subsidiaries pay the premiums for this insurance policy.

Hörsching, 9 April 2021

The Board of Directors of POLYTEC Holding AG

Markus Huemer
Chairman - CEO

Peter Haidenek
Member of the Board - CFO

Heiko Gabbert
Member of the Board - COO

Peter Bernscher
Member of the Board - CSO

AUDITOR

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz was recommended by the Supervisory Board as the auditor of POLYTEC Holding AG's financial statements and consolidated financial statements for the 2020 financial year. This proposal was approved with the necessary majority at the 20th Ordinary Annual General Meeting held on 7 August 2020. In 2020, total expenses for auditing services amounted to EUR 250 k (2019: EUR 214 k). A more detailed breakdown of these expenses into the individual fields of activity is presented in the notes to the consolidated financial statements.

CHANGES AFTER THE REPORTING DATE

No changes to matters subject to obligatory reporting occurred between the reporting date and the editorial closing date of the Corporate Governance Report at the end of March 2021.

REPORT OF THE SUPERVISORY BOARD

In the financial year expired, the Board of Directors of POLYTEC Holding AG provided the members of the Supervisory Board and its committees with regular information about the business performance and situation of the company. During both Supervisory Board meetings and informal discussions, communications between the Board of Directors and the Supervisory Board were characterised by a high degree of openness, which allowed the Supervisory Board to comprehensively assess the management of the company at all times and support the Board of Directors with regard to key decisions. The Supervisory Board executed its duties pursuant to the Austrian legal provisions and the company's Articles of Association, as well as in compliance with the Austrian Corporate Governance Code in its current version.

In addition to ongoing oversight and development topics, the Supervisory Board focused on measures regarding the COVID-19 pandemic, the closure of further plants, organisational changes within the POLYTEC GROUP and the preparation of the remuneration policy and the remuneration report.

During the 2020 financial year, the committees formed in accordance with the Austrian Corporate Governance Code (audit, nomination and risk management committees) convened as stipulated. The meetings dealt largely with the discussion of the course of business and resolutions regarding business matters and measures of importance. The Supervisory Board of POLYTEC Holding AG, until 7 August 2020 composed of a five, and after the election at the 20th Ordinary Annual General Meeting four, capital representatives is committed to compliance with the Austrian Corporate Governance Code. All of the Supervisory Board members are deemed to be independent according to the definition contained in the Austrian Corporate Governance Code.

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz, audited the financial statements including the management report, the consolidated financial statements and the group management report of POLYTEC Holding AG in its capacity as the auditors for the 2020 financial year. The auditors granted both the 2020 financial statements and consolidated financial statements of POLYTEC Holding AG an unqualified opinion. On the basis of this audit, apart from the clarification of key auditing matters, among other aspects it was confirmed that the annual financial statements and the consolidated financial statements comply with all legal requirements and provide a true and fair view of the asset and financial situation as at

31 December 2020, as well as the profit situation for the financial year ending on this closing date. Pursuant to the opinion of the auditors, the annual financial statements were prepared in accordance with the stipulations of Austrian commercial law and the consolidated financial statements in line with the International Financial Reporting Standards (IFRS), as applied in the EU and the additional requirements pursuant to § 245a UGB (Austrian Commercial Code).

At its meeting on 15 April 2021, together with the auditors, the audit committee of the Supervisory Board studied in detail the annual financial statements including the management report, the corporate governance report, the consolidated financial statements including the group management report and the auditors' report. Following its own examination, the audit committee endorsed the findings of the auditors' report and informed the Supervisory Board accordingly.

The Supervisory Board examined the annual financial statements, the consolidated financial statements, the management report, the group management report and the corporate governance report and endorsed the result of the audit of the financial statements and consolidated financial statements. The Supervisory Board concurred with the annual financial statements 2020, which are thus adopted pursuant to § 96 Para. 4 of the Austrian Stock Corporation Act. The Supervisory Board also agreed with the recommendation of the audit committee and will propose to the Annual General Meeting that KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz, be appointed as the auditors for the 2021 financial year.

Furthermore, the Supervisory Board concurs with the recommendation of the Board of Directors to distribute a dividend of EUR 0.30 per eligible share for the 2020 financial year.

On behalf of the Supervisory Board, I would like to express my gratitude to the Board of Directors and all the members of the POLYTEC GROUP workforce for their endeavours and great commitment during the 2020 financial year. I would also like to thank the POLYTEC GROUP's shareholders and customers for their trust.

Hörsching, April 2021

Fred Duswald
Chairman of the Supervisory Board

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POLYTEC Holding AG,
Hörsching

Bilanz zum 31. Dezember 2020

mit Gegenüberstellung der Vorjahreszahlen in tausend Euro (TEUR)

	31.12.2020 EUR	31.12.2019 TEUR	31.12.2020 EUR	31.12.2019 TEUR
Aktiva				
A. Anlagevermögen:				
I. Immaterielle Vermögensgegenstände	5.543.356,61	4.863	22.329.585,00	22.330
II. Sachanlagen	2.323.865,00	2.814	-334.041,00	-334
III. Finanzanlagen	269.591.018,99	194.748	21.995.544,00	21.996
	277.458.240,60	202.425	38.869.949,79	38.870
B. Umlaufvermögen:				
I. Forderungen und sonstige Vermögensgegenstände:	49.674,07	61	334.041,00	334
1. Forderungen aus Lieferungen und Leistungen	46.184.497,05	146.769	152.829.856,54	134.297
2. Forderungen gegenüber verbundenen Unternehmen	42.706.278,67	141.316	134.297.257,48	130.199
<i>davon mit einer Restlaufzeit von mehr als einem Jahr</i>	1.713.677,71	1.278	214.029.391,33	195.497
3. Sonstige Forderungen und Vermögensgegenstände	197.800,00	210	132.098,61	315
<i>davon mit einer Restlaufzeit von mehr als einem Jahr</i>	47.947.848,83	148.109	1.623.033,35	2.037
II. Kassenbestand, Guthaben bei Kreditinstituten	53.691.082,91	24.026	1.755.131,96	2.352
	101.638.931,74	172.135	129.972.608,20	145.005
C. Rechnungsabgrenzungsposten	281.011,67	520	24.472.608,20	505
D. Aktive latente Steuern	5.044.367,38	3.771	104.500.000,00	132.500
			1.000.000,00	12.000
			26.904.761,93	29.954
			4.761.905,00	3.092
			19.047.618,93	19.019
			3.095.238,00	7.843
			1.479.125,72	947
			1.479.125,72	947
			9.533.355,76	4.308
			9.533.355,76	4.308
			748.176,49	150
			14.689,61	15
			118.469,34	135
			748.176,49	150
			168.638.028,10	180.363
			40.995.171,17	9.001
			123.547.618,93	151.519
			4.095.238,00	19.843
			0,00	640
D. Rechnungsabgrenzungsposten	384.422.551,39	378.852	384.422.551,39	378.852
			384.422.551,39	378.852
			384.422.551,39	378.852
			384.422.551,39	378.852
			384.422.551,39	378.852
			384.422.551,39	378.852

**POLYTEC Holding AG,
Hörsching**

**Gewinn- und Verlustrechnung
für das Geschäftsjahr 2020**

mit Gegenüberstellung der Vorjahreszahlen in tausend Euro (TEUR)

	EUR	TEUR
1. Umsatzerlöse	14.660.895,89	23.029
2. Sonstige betriebliche Erträge:		
a) Erträge aus dem Abgang vom Anlagevermögen mit Ausnahme der Finanzanlagen	31.183,30	0
b) Übrige	114.630,74	117
	145.814,04	117
3. Personalaufwand:		
a) Gehälter	-6.395.053,77	-6.541
b) Soziale Aufwendungen	-1.382.054,42	-1.477
<i>ba) für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen</i>	27.326,82	-127
<i>bb) für gesetzlich vorgeschriebene Sozialabgaben sowie vom Entgelt abhängige Abgaben und Pflichtbeiträge</i>	-1.381.681,72	-1.342
abzüglich erhaltener COVID-19-Kurzarbeitsbeihilfe	152.326,68	0
	-7.624.781,51	-8.018
4. Abschreibungen auf immaterielle Gegenstände des Anlagevermögens und Sachanlagen	-1.884.252,52	-2.012
5. Sonstige betriebliche Aufwendungen:		
Übrige	-8.313.947,54	-11.292
6. Zwischensumme aus Z 1 bis Z 5 (Betriebsergebnis)	-3.016.271,64	1.824
7. Erträge aus Beteiligungen	2.995.862,38	8.849
<i>davon aus verbundenen Unternehmen</i>	2.995.862,38	8.849
8. Erträge aus anderen Wertpapieren und Ausleihungen des Finanzanlagevermögens	1.259.592,62	407
<i>davon aus verbundenen Unternehmen</i>	1.253.370,40	407
9. Sonstige Zinsen und ähnliche Erträge	2.121.882,32	3.831
<i>davon aus verbundenen Unternehmen</i>	2.049.354,44	2.935
10. Erträge aus dem Abgang von und der Zuschreibung zu Finanzanlagen	19.277.000,00	0
<i>davon aus verbundenen Unternehmen</i>	19.277.000,00	0
11. Aufwendungen aus Finanzanlagen	-4.003.443,00	-8.939
<i>davon Abschreibungen</i>	0,00	-8.939
<i>davon Aufwendungen aus verbundenen Unternehmen</i>	-4.003.443,00	-8.939
12. Zinsen und ähnliche Aufwendungen	-3.019.585,89	-2.493
<i>davon aus verbundenen Unternehmen</i>	-4.255,21	-1
13. Zwischensumme aus Z 7 bis Z 12 (Finanzergebnis)	18.631.308,43	1.654
14. Ergebnis vor Steuern	15.615.036,79	3.478
15. Steuern vom Einkommen	2.917.562,27	620
<i>davon latente Steuern</i>	1.272.884,38	-705
16. Ergebnis nach Steuern = Jahresüberschuss	18.532.599,06	4.098
17. Gewinnvortrag aus dem Vorjahr	134.297.257,48	130.199
18. Bilanzgewinn	152.829.856,54	134.297

Anhang für das Geschäftsjahr 2020 der POLYTEC Holding AG, Hörsching

I. Anwendung der unternehmensrechtlichen Vorschriften

Der vorliegende Jahresabschluss 2020 ist nach den Vorschriften des UGB aufgestellt worden.

Die Gesellschaft ist als große Kapitalgesellschaft gemäß § 221 UGB einzustufen.

Im Interesse einer klaren Darstellung wurden in der Bilanz und in der Gewinn- und Verlustrechnung einzelne Posten zusammengefasst. Diese Posten sind im Anhang gesondert ausgewiesen.

Die Gewinn- und Verlustrechnung ist in Staffelform nach dem Gesamtkostenverfahren aufgestellt.

Die bisherige Form der Darstellung wurde bei der Erstellung des vorliegenden Jahresabschlusses beibehalten.

Soweit es zur Vermittlung eines möglichst getreuen Bildes der Vermögens-, Finanz- und Ertragslage erforderlich ist, wurden im Anhang zusätzliche Angaben gemacht.

II. Bilanzierungs- und Bewertungsmethoden

Der Jahresabschluss wurde unter Beachtung der Grundsätze ordnungsmäßiger Buchführung sowie der Generalnorm, ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage des Unternehmens zu vermitteln, aufgestellt.

Bei der Erstellung des Jahresabschlusses wurde der Grundsatz der Vollständigkeit eingehalten.

Bei der Bewertung wurde von der Fortführung des Unternehmens ausgegangen.

Bei den Vermögensgegenständen und Schulden wurde der Grundsatz der Einzelbewertung angewandt.

Die bisherigen angewandten Bewertungsmethoden wurden beibehalten.

Schätzungen beruhen auf einer umsichtigen Beurteilung. Soweit statistisch ermittelbare Erfahrungen aus gleich gelagerten Sachverhalten vorhanden sind, wurden diese bei Schätzungen berücksichtigt.

Dem Vorsichtsprinzip wurde Rechnung getragen, indem insbesondere nur die am Abschlussstichtag verwirklichten Gewinne ausgewiesen werden.

Alle erkennbaren Risiken und drohenden Verluste wurden berücksichtigt.

Immaterielle Vermögensgegenstände werden, soweit gegen Entgelt erworben, zu Anschaffungskosten aktiviert und in längstens fünf Jahren abgeschrieben.

Sachanlagen werden zu Anschaffungs- oder Herstellungskosten, abzüglich planmäßiger Abschreibungen, bewertet.

Die planmäßigen Abschreibungen werden linear unter Zugrundelegung folgender Nutzungsdauern und Abschreibungssätze berechnet:

	Nutzungs- dauer in Jahren	Abschrei- bungssatz %
Technische Anlagen und Maschinen	3 - 8	12,5 - 33,3
Andere Anlagen, Betriebs- und Geschäftsausstattung	2 - 10	10,0 - 50,0

Von den Zugängen in der ersten Hälfte des Geschäftsjahres wird die volle Jahresabschreibung, von den Zugängen in der zweiten Hälfte wird die halbe Jahresabschreibung verrechnet.

Geringwertige Vermögensgegenstände werden im Jahr der Anschaffung voll abgeschrieben.

Außerplanmäßige Abschreibungen werden vorgenommen, soweit der Ansatz mit einem niedrigeren Wert erforderlich ist.

Zuschreibungen zu Vermögensgegenständen des Anlagevermögens werden vorgenommen, wenn die Gründe für die außerplanmäßige Abschreibung nachhaltig weggefallen sind. Die Zuschreibung erfolgt auf maximal den Nettobuchwert, der sich unter Berücksichtigung der Normalabschreibungen, die inzwischen vorzunehmen gewesen wären, ergibt.

Die Anteile an verbundenen Unternehmen werden zu Anschaffungskosten oder, falls ihnen ein niedrigerer Wert beizulegen ist, mit diesem angesetzt, wenn die Wertminderungen voraussichtlich von Dauer sind.

Die Ausleihungen an verbundenen Unternehmen werden zu Anschaffungskosten oder, falls ihnen ein niedrigerer Zeitwert beizulegen ist, mit diesem angesetzt, wenn die Wertminderungen voraussichtlich von Dauer sind.

Forderungen und sonstige Vermögensgegenstände werden mit dem Nennbetrag angesetzt. Fremdwährungsforderungen werden unter Berücksichtigung des Niederstwertprinzips mit dem Referenzkurs der Europäischen Zentralbank zum Bilanzstichtag bewertet. Für erkennbare Risiken werden Einzelwertberichtigungen gebildet.

Für Anteile an verbundenen Unternehmen wird für den Jahresabschluss beurteilt, ob Anhaltspunkte für einen wesentlich geänderten beizulegenden Wert vorliegen. Die Beurteilung erfolgt grundsätzlich auf Basis einer Gegenüberstellung des Beteiligungsansatzes mit dem anteiligen Eigenkapital zum Stichtag, sowie bei einem Auftreten von externen oder internen Einflussfaktoren die eine erhebliche Wertminderung auslösen können. Sollte keine statische Deckung gegeben sein, wird eine Bewertung auf Basis von abgezinsten Cash-Flows durchgeführt. Die Ableitung der Cash-Flows basiert auf der vom Vorstand und vom Aufsichtsrat bewilligten Planung. Der Zinssatz wird aus aktuellen Marktdaten abgeleitet.

Die Ausleihungen an sowie die finanziellen Forderungen gegenüber verbundenen Unternehmen, die nicht über vorstehend beschriebene Bewertung auf Basis von abgezinsten Cash-Flows abgedeckt sind, werden anhand von Ergebnis- und Cash-Flow-Planungen hinsichtlich der Werthaltigkeit und dem Rückführungspotential analysiert und beurteilt.

Zuschreibungen zu Vermögensgegenständen des Umlaufvermögens werden vorgenommen, wenn die Gründe für die Abschreibung weggefallen sind.

Latente Steuern werden gemäß § 198 Abs 9 und 10 UGB nach dem bilanzorientierten Konzept und ohne Abzinsung auf Basis des aktuellen Körperschaftsteuersatz von 25% gebildet. Dabei werden auch latente Steuern auf steuerliche Verlustvorträge in dem Ausmaß berücksichtigt, soweit überzeugende substantielle Hinweise vorliegen, dass ein ausreichendes zu versteuerndes Ergebnis in Zukunft zur Verfügung stehen wird.

Bei der Bemessung der Rückstellungen werden entsprechend den gesetzlichen Erfordernissen alle erkennbaren Risiken und drohenden Verluste berücksichtigt.

Zum 31.12.2020 wurden die Rückstellungen für Abfertigungen und Jubiläumsgelder nach versicherungsmathematischen Grundsätzen entsprechend den Vorschriften des IAS 19 "Leistungen an Arbeitnehmer", wie er in der EU anzuwenden ist, unter Anwendung der Projected-Unit-Credit-Method (laufendes Einmalprämienverfahren) berechnet. Dabei werden die erwarteten Versorgungsleistungen auf den gesamten Zeitraum der Beschäftigung verteilt. Zukünftige Gehaltssteigerungen sowie Fluktuationsabschläge werden berücksichtigt. Versicherungsmathematische Gewinne und Verluste werden zur Gänze in der Periode angesetzt, in der sie anfallen. Die Aufwendungen aus der Aufzinsung sowie die Zahlungen für beitragsorientierte Verpflichtungen sind im Personalaufwand ausgewiesen.

Annahmen zur Berechnung der erwarteten leistungsorientierten Ansprüche zum 31.12.2020:

	Abfertigungen	Jubiläumsgelder
Diskontierungszinssatz	0,80%	1,00%
Vorjahr	0,90%	1,10%
Gehaltssteigerung	1,75%	1,75%
Vorjahr	2,00%	2,00%

Es kommen die Rechnungsgrundlagen von "AVÖ 2018-P" für die Pensionsversicherung - Pagler & Pagler" sowie ein Pensionsantrittsalter von 62 Jahren unter Beachtung der Übergangsbestimmungen laut "Budgetbegleitgesetz 2011" und des "BVG Altersgrenzen" zur Anwendung.

In den sonstigen Rückstellungen werden unter Beachtung des Vorsichtsprinzips alle zum Zeitpunkt der Bilanzerstellung erkennbaren Risiken und der Höhe sowie dem Grunde nach ungewisse Verbindlichkeiten mit den Beträgen berücksichtigt, die nach vernünftiger unternehmerischer Beurteilung erforderlich sind. Langfristige Rückstellungen werden abgezinst.

Verbindlichkeiten werden mit ihrem Erfüllungsbetrag angesetzt. Fremdwährungsverbindlichkeiten werden unter Berücksichtigung des Höchstwertprinzips mit dem Referenzkurs der Europäischen Zentralbank zum Bilanzstichtag bewertet.

III. Erläuterungen zur Bilanz

Anlagevermögen

Die Aufgliederung des Anlagevermögens und seine Entwicklung im Berichtsjahr sind im Anlagenspiegel angeführt (vergleiche Anlage 1 zum Anhang).

Aus der Nutzung von nicht in der Bilanz ausgewiesenen Sachanlagen besteht auf Grund von langfristigen Mietverträgen für das Geschäftsjahr 2021 eine Verpflichtung von EUR 439.067,27 (Vorjahr: TEUR 314). Der Gesamtbetrag der Verpflichtungen für die nächsten 5 Jahre beträgt EUR 2.239.684,35 (Vorjahr: TEUR 1.618).

Forderungen und sonstige Vermögensgegenstände

Die Forderungen gegenüber verbundenen Unternehmen betreffen mit EUR 1.502.963,00 (Vorjahr: TEUR 3.004) Steuerumlagen, mit EUR 42.706.278,67 (Vorjahr: TEUR 141.316) Konzernfinanzierungen und mit EUR 1.975.255,38 (Vorjahr: TEUR 2.450) sonstige Verrechnungen.

Im Posten "Sonstige Forderungen und Vermögensgegenstände" sind Erträge in Höhe von EUR 197.800,00 (Vorjahr: TEUR 322) enthalten, die erst nach dem Bilanzstichtag zahlungswirksam werden.

Aktive latente Steuern

Die aktiven latenten Steuern wurden auf Unterschiede zwischen dem steuerlichen und unternehmensrechtlichen Wertansatz zum Bilanzstichtag für folgende Posten gebildet:

	31.12.2020 EUR	31.12.2019 TEUR
Anteile an verbundenen Unternehmen	6.384.945,17	7.662
Langfristige Personalrückstellungen	157.483,95	419
Verbindlichkeiten aus Schuldscheindarlehen	205.970,72	285
Aktiviert Verlustvorträge	13.429.069,68	6.719
Stand zum 31.12.2020 (31.12.2019)	20.177.469,52	15.086
Daraus resultierende aktive latente Steuern	5.044.367,38	3.771

Die aktiven latenten Steuern entwickelten sich wie folgt:

	2020 EUR
Stand am 1.1.	3.771.483,00
Erfolgswirksame Veränderung	1.272.884,38
Stand am 31.12.	5.044.367,38

Grundkapital

Das Grundkapital beträgt zum 31.12.2020 EUR 22.329.585,00 und ist in 22.329.585 Stückaktien zum Nennbetrag von je EUR 1,00 zerlegt. Die Aktien lauten auf Inhaber.

Das Grundkapital der Gesellschaft blieb im Geschäftsjahr 2020 unverändert.

Mit Beschluss der Hauptversammlung vom 10.5.2019 wurde ein genehmigtes Kapital beschlossen. Der Vorstand ist berechtigt mit Zustimmung des Aufsichtsrats längstens drei Jahre ab Eintragung des genehmigten Kapitals das Grundkapital um bis zu Nominale EUR 6.698.875,00 durch Ausgabe neuer Aktien zu einem Mindestausgabebetrag von je EUR 1,00 zu erhöhen. Die Ausgabe der neuen Aktien kann auch unter Ausschluss des Bezugsrechts der Aktionäre erfolgen.

Eigene Aktien

Mit Beschluss der 19. ordentlichen Hauptversammlung vom 10.5.2019 wurde der Vorstand für die Dauer von 30 Monaten ab dem Tag der Beschlussfassung ermächtigt, eigene Aktien der Gesellschaft im Ausmaß von bis zu 10 % des Grundkapitals zu erwerben. Der Erwerb kann sowohl über die Börse als auch außerbörslich erfolgen.

Es wurden 334.041 Stk. (31.12.2019: 334.041 Stk.) eigene Aktien zu einem Durchschnittskurs von EUR 5,55 zurück erworben. Das entspricht einem Anteil am Grundkapital von 1,5 % (31.12.2019: 1,5 %) bzw. EUR 334.041,00 (31.12.2019: EUR 334.041,00). Im Geschäftsjahr 2020 wurden keine eigenen Aktien zurück erworben. Der Vorstand ist ermächtigt, die eigenen Aktien zu jedem gesetzlich zulässigen Zweck zu verwenden.

Sonstige Rückstellungen

Die sonstigen Rückstellungen umfassen im Wesentlichen Vorsorgen für nicht konsumierte Urlaube, Erfolgsprämien sowie ausstehende Eingangsrechnungen.

Verbindlichkeiten

Von den Verbindlichkeiten haben EUR 4.095.238,00 (Vorjahr: TEUR 19.843) eine Restlaufzeit von mehr als fünf Jahren.

Die Verbindlichkeiten gegenüber verbundenen Unternehmen betreffen mit EUR 8.126.611,00 (Vorjahr: TEUR 1.901) Veranlagungen bzw. Finanzierungen, mit EUR 1.178.469,40 (Vorjahr: TEUR 192) Steuerumlagen und mit EUR 228.275,36 (Vorjahr: TEUR 2.215) sonstige Verrechnungen.

Im Posten "Sonstige Verbindlichkeiten" sind Aufwendungen in Höhe von EUR 748.176,49 (Vorjahr: TEUR 150) enthalten, die erst nach dem Bilanzstichtag zahlungswirksam werden.

Haftungsverhältnisse

	31.12.2020 EUR	31.12.2019 TEUR
Haftungen gegenüber Kreditinstituten	11.872.128,36	6.473
Haftung für Leasingverpflichtungen	6.779.674,46	3.773
Haftung für Mietkaufverpflichtungen	1.706.479,00	2.747
Sonstige Bürgschaften	3.227.549,00	0
	<u>23.585.830,82</u>	<u>12.993</u>

Die Haftung für Leasingverpflichtungen betrifft die Mithaftung als zweiter Leasingnehmer. Daneben besteht eine Veritätshaftung im Zusammenhang mit Factoringverträgen einzelner Konzernunternehmen. Diese betreffen das Restrisiko einer Inanspruchnahme der Gesellschaft für den Fall, dass an Konzerngesellschaften bevorschusste, jedoch dem Grunde nach nicht gerechtfertigte Forderungen, weder beim Schuldner der Forderung noch bei der Konzerngesellschaft einbringlich sind. Zum 31.12.2020 betrug die Rahmenausnutzung EUR 32.640.837,84 (Vorjahr: TEUR 27.599). Das Delkredererisiko, den Rechtsbestand der Forderung vorausgesetzt, wird von der Factoringgesellschaft getragen.

Sämtliche Haftungsverhältnisse betreffen wie im Vorjahr Risikoübernahmen von verbundenen Unternehmen.

Außerbilanzielle Geschäfte nach § 237 Z 8a UGB aus denen wesentliche Risiken oder Vorteile resultieren könnten, liegen zum Bilanzstichtag nicht vor.

IV. Erläuterungen zur Gewinn- und Verlustrechnung

Umsatzerlöse

	2020 EUR	2019 TEUR
Inland	3.256.744,56	4.975
Ausland	11.404.151,33	18.054
	<u>14.660.895,89</u>	<u>23.029</u>

Die Umsatzerlöse enthalten im Wesentlichen Konzernumlagen sowie weiterverrechnete Aufwendungen.

Sonstige betriebliche Erträge

	2020 EUR	2019 TEUR
Erträge aus dem Abgang vom Anlagevermögen	31.183,30	0
Übrige:		
Kursdifferenzen	48.865,81	45
Sonstige	65.764,93	72
	<u>114.630,74</u>	<u>117</u>
	<u>145.814,04</u>	<u>117</u>

Personalaufwand

	2020 EUR	2019 TEUR
Gehälter	6.395.053,77	6.541
Aufwendungen für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen	-27.326,82	127
Aufwendungen für gesetzlich vorgeschriebene Sozialabgaben sowie vom Entgelt abhängige Abgaben und Pflichtbeiträge	1.381.681,72	1.342
Sonstige Sozialaufwendungen	27.699,52	8
abzüglich erhaltener COVID-19-Kurzarbeitsbeihilfe	-152.326,68	0
	<u>7.624.781,51</u>	<u>8.018</u>

Von den Aufwendungen für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen entfielen im Geschäftsjahr EUR 24.715,57 (Vorjahr: TEUR 25) auf Mitglieder des Vorstands und leitende Angestellte.

Im Posten "Aufwendungen für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen" sind EUR 119.895,88 (Vorjahr: Aufwendungen TEUR 40) Erträge für Abfertigungen enthalten.

Im Posten Gehälter ist eine Auflösung der Rückstellung für Jubiläumsgelder in Höhe von EUR 1.887,22 (Vorjahr: Dotierung TEUR 46) enthalten.

Sonstige betriebliche Aufwendungen

Die übrigen sonstigen betrieblichen Aufwendungen beinhalten wie im Vorjahr im Wesentlichen Versicherungs-, Miet-, Beratungs- und Softwarewartungsaufwendungen. Zusätzlich zum Vorjahr sind Instandhaltungs- und Betriebsaufwendungen enthalten.

Finanzergebnis

Die Erträge aus dem Abgang von Finanzanlagen und Zuschreibungen zu Finanzanlagen betreffen zur Gänze den Gewinn aus dem Verkauf der Anteile an der Polytec Industrial Plastics GmbH.

Von den Aufwendungen aus Finanzanlagen betrafen im Vorjahr die Abschreibung des Beteiligungsansatzes an einer Tochtergesellschaft. Im Geschäftsjahr 2020 wurden Finanzierungsforderungen gegenüber zwei verbundenen Unternehmen abgeschrieben.

Steuern vom Einkommen

	2020 EUR	2019 TEUR
Körperschaftsteuer:		
Laufendes Jahr	-350.976,29	915
Aus Vorperioden	-969.208,00	572
Steuerumlagen Gruppenbesteuerung	-324.493,60	-2.812
Latente Steuern	<u>-1.272.884,38</u>	<u>705</u>
	<u><u>-2.917.562,27</u></u>	<u><u>-620</u></u>

Die Steuerumlagen betreffen inländische verbundene Unternehmen, welche in die Steuergruppe der Gesellschaft einbezogen sind.

Die Steuerumlagen werden nach der sogenannten Belastungsmethode verrechnet, wobei im Fall eines steuerlichen Gewinns das inländische Gruppenmitglied eine Steuerumlage in Höhe von 25 % an den Gruppenträger zu entrichten hat. Im Fall eines steuerlichen Verlustes eines inländischen Gruppenmitglieds hat der Gruppenträger eine Ausgleichszahlung an das Gruppenmitglied zu leisten.

V. Ergänzende Angaben

Die Gesellschaft ist Mutterunternehmen des POLYTEC-Konzerns im Sinn des § 244 UGB. Der von der POLYTEC Holding AG, als oberstes Mutterunternehmen, verpflichtend aufzustellende Konzernabschluss wird beim Firmenbuch des Landes- als Handelsgerichtes Linz hinterlegt. Die Aufwendungen für den Abschlussprüfer gemäß § 238 Abs 1 Z 18 UGB werden im Konzernabschluss angegeben.

Derivative Finanzinstrumente

Die Gesellschaft setzt derivative Finanzinstrumente sowohl zur Absicherung von Fremdwährungs- und Zinsänderungsrisiken als auch zur Verbesserung des Nettozinsergebnisses der POLYTEC-Gruppe im Rahmen der Aufgaben des Konzerntreasury ein. Zum 31.12.2020 bestanden folgende derivative Finanzinstrumente.

Kategorie der Finanzinstrumente	Nominale	Rückstellung		beizulegen- der Wert	
		31.12.2019	31.12.2020	31.12.2019	31.12.2020
		EUR	EUR	EUR	EUR
Zinssatz-Swap	EUR 31.000.000,00	0,00	0,00	0,00	0,00
Zinssatz-Swap	EUR 8.500.000,00	-149.915,24	-149.915,24	-89.396,21	-89.396,21

Die beizulegenden Zeitwerte gemäß § 238 Abs 1 Z 1 lit b UGB entsprechen den rechnerischen Marktwerten am Bilanzstichtag.

Geschäfte mit nahe stehenden Personen und Unternehmen

Wesentliche Geschäfte mit nahe stehenden Personen und Unternehmen werden mit Firmen, die sich im mittelbaren oder unmittelbaren Beteiligungsbesitz von Ing. Friedrich Huemer (Vorstandsvorsitzender bis 31.12.2018) befinden, getätigt (sogenannte IMC-Gruppe). Seit Anfang 2019 nimmt die POLYTEC Holding AG Beratungsleistungen der IMC Verwaltungsgesellschaft mbH, Hörsching, in Anspruch. Es handelt sich um ein jährliches Pauschalhonorar in Höhe von TEUR 260, das anteilig quartalsmäßig im Nachhinein zur Auszahlung gelangt. Sämtliche getätigten Geschäfte wurden zu marktüblichen Bedingungen abgeschlossen.

Die POLYTEC Holding AG hat mit Kauf- und Abtretungsvertrag vom 3. November 2020 alle ihre Anteile an der POLYTEC Industrial Plastics GmbH, verkauft.

Bei der Veräußerung des Geschäftsbereichs "Industrial" sind der Aufsichtsratsvorsitzende der POLYTEC Holding AG, Fred Duswald und Ulrike Huemer (Huemer Gruppe) an der neuen Eigentümerstruktur beteiligt (PUR Holding GmbH, Marchtrenk). Ulrike Huemer wird noch für einen Übergangszeitraum von ein bis zwei Jahren in geschäftsführender Funktion die veräußerten Gesellschaften begleiten. Gegenüber der PUR Holding GmbH, Marchtrenk, besteht eine Ausleihung in Höhe von TEUR 2.000 und die vereinnahmten Zinsen betragen TEUR 7.

Wesentliche Ereignisse nach dem Bilanzstichtag

Die österreichische Bundesregierung hat seit November 2020 laufend Schutzmaßnahmen gegen die Verbreitung von COVID-19 getroffen. Diese Maßnahmen zum Schutz der Bevölkerung fanden in ganz Europa auch im bisherigen Verlauf des Geschäftsjahres 2021 – ergänzt um regionale Maßnahmen – Anwendung. Die mittels Verordnung getroffenen, befristeten Maßnahmen umfassen unter anderem Abstands- und Ausgangsregeln, Veranstaltungsverbote, massive Einschränkungen für Gastronomie und Hotellerie sowie für Freizeit- und Kulturbereich. Die Geschäftsführung erwartet aus aktueller Sicht nicht, dass die erneuten Einschränkungen des öffentlichen Lebens durch die von der Regierung verhängten Schutzmaßnahmen wesentliche nachteilige Auswirkungen auf die Geschäftstätigkeit der Polytec Holding AG haben.

Ergebnisverwendung

Es wird vorgeschlagen, aus dem Bilanzgewinn in Höhe von EUR 152.829.856,54 eine Dividende von EUR 0,30 je Aktie, das sind für die im Umlauf befindlichen Aktien in Summe EUR 6.598.663,20 auszuschütten und den Restbetrag auf neue Rechnung vorzutragen.

Arbeitnehmer und Organe

	<u>2020</u>	<u>2019</u>
Angestellte (im Jahresdurchschnitt)	<u>68</u>	<u>69</u>

Mitglieder des Vorstands waren während des Geschäftsjahres und zum Zeitpunkt der Erstellung des Jahresabschlusses:

Herr Dipl.-Ing (FH) Markus Huemer, MBA, Buchkirchen (Vorstandsvorsitzender)

Herr Dkfm. Peter Haidenek, Velden

Herr Peter Bernscher, MBA, Linz

Herr DI Heiko Gabbert, Scharstein

Der Gesamtbetrag der Bezüge der im Geschäftsjahr 2020 als Mitglieder des Vorstands tätigen Personen betrug EUR 1.560.587,67 (Vorjahr: TEUR 1.468).

Mitglieder des Aufsichtsrats waren während des Geschäftsjahres und zum Zeitpunkt der Erstellung des Jahresabschlusses:

Herr Mag. Fred Duswald, Thalheim (Vorsitzender)

Herr Manfred Helmut Trauth, Knittelsheim, Deutschland
(Stellvertreter des Vorsitzenden)

Herr Prof. Dr. Robert Büchelhofer, Starnberg, Deutschland (bis 7. August 2020)

Frau Dr. Viktoria Kickingner, Wien

Herr Mag. Reinhard Schwendtbauer, Leonding

Die erfassten Aufwendungen für Vergütungen an Mitglieder des Aufsichtsrats betrugen im Geschäftsjahr EUR 119.500,00 (Vorjahr: TEUR 132).

Es bestehen keine Kredite oder Vorschüsse an aktuelle oder frühere Mitglieder der Organe der Gesellschaft. Keine früheren Mitglieder der Organe der Gesellschaft erhalten Bezüge von der Gesellschaft oder einem ihrer verbundenen Unternehmen.

Hörsching, am 9. April 2021

Der Vorstand

Dipl.-Ing. (FH) Markus Huemer, MBA


Dkfm. Peter Haidenek


Peter Bernscher, MBA


DI Heiko Gabbert

Anlage 1 zum Anhang: Anlagenspiegel
Anlage 2 zum Anhang: Beteiligungsliste

POLYTEC Holding AG,
Hörsching

Anlagenspiegel zum 31. Dezember 2020

	Anschaffungs- und Herstellungskosten			Abschreibungen			Nettowert	
	Stand am 1.1.2020 EUR	Zugänge EUR	Abgänge EUR	Stand am 1.1.2020 EUR	Zugänge EUR	Abgänge EUR	Stand am 31.12.2020 EUR	Stand am 31.12.2019 EUR
I. Immaterielle Vermögensgegenstände:								
1. Rechte	7.548.320,04	211.610,19	104.420,00	4.013.193,64	1.046.289,02	0,00	2.804.867,57	3.535.126,40
2. Geleistete Anzahlungen	1.328.352,24	1.514.556,80	-104.420,00	0,00	0,00	0,00	2.738.489,04	1.328.352,24
	8.876.672,28	1.726.166,99	0,00	4.013.193,64	1.046.289,02	0,00	5.543.356,61	4.863.478,64
II. Sachanlagen:								
Anderer Anlagen, Betriebs- und Geschäftsausstattung	4.198.321,75	348.081,62	0,00	1.384.574,84	837.963,50	119.210,46	2.323.865,00	2.813.746,91
III. Finanzanlagen:								
1. Anteile an verbundenen Unternehmen	150.363.348,46	30.576,14	0,00	11.982.613,99	0,00	0,00	130.611.310,61	138.380.734,47
2. Ausleihungen an verbundene Unternehmen	56.366.985,79	23.966.843,42	58.118.197,15 ¹⁾	0,00	0,00	0,00	136.979.708,38	56.366.985,79
3. Sonstige Ausleihungen	0,00	2.000.000,00	0,00	0,00	0,00	0,00	2.000.000,00	0,00
	206.730.334,25	25.997.419,56	58.118.197,15	11.982.613,99	0,00	0,00	269.591.018,99	194.747.720,26
	219.805.328,28	28.071.668,17	58.118.197,15	17.380.382,47	1.884.252,52	119.210,46	277.458.240,60	202.424.945,81

1) Umgliederung von den finanziellen Forderungen gegenüber verbundenen Unternehmen

**POLYTEC Holding AG,
Hörsching**

Beteiligungsliste

Die Gesellschaft hält bei folgenden Unternehmen mindestens 20,0 % Anteilsbesitz, die Angaben zu Eigenmittel und Ergebnis basieren auf den vorläufigen Ergebnissen für 2020:

Beteiligungsunternehmen	Kapital- anteil %	Wäh- rung	Eigenkapital/ Negatives Eigenkapital	Ergebnis des Geschäfts- jahres	Stichtag
POLYTEC CAR STYLING Hörsching GmbH, Hörsching	100,0	EUR	3.754.080	947.389	31.12.2020
		EUR	6.506.685	-455.762	31.12.2019
POLYTEC FOHA INC., Warren, USA	100,0	USD	2.676.641	663.147	31.12.2020
		USD	3.749.684	816.447	31.12.2019
POLYTEC FOHA CORP., Markham, Kanada	100,0	CAD	512	0	31.12.2020
		CAD	801	0	31.12.2019
POLYTEC CAR STYLING UK Ltd. Bromyard, Großbritannien	100,0	GBP	-6.416.974	-4.428.156	31.12.2020
		GBP	-1.564.654	-5.360.827	31.12.2019
Polytec Car Styling Schoten N.V., Schoten, Belgien	100,0	EUR	1.880.022	707.046	31.12.2020
		EUR	1.172.977	242.781	31.12.2019
POLYTEC CAR STYLING Weierbach GmbH, Idar-Oberstein, Deutschland	100,0	EUR	-3.544.525	-2.682.342	31.12.2020
		EUR	-862.183	-887.183	31.12.2019
Polytec Netherlands Holding B.V., Roosendaal, Niederlande	100,0	EUR	42.273.022	2.541.833	31.12.2020
		EUR	43.731.189	507.325	31.12.2019
POLYTEC Industrial Plastics GmbH, Bochum, Deutschland	70,0	EUR	-	-	-
		EUR	15.466.050	1.472.388	31.12.2019
PT Beteiligungs GmbH, Hörsching	100,0	EUR	3.040.976	-55.353	31.12.2020
		EUR	3.096.329	-55.536	31.12.2019
POLYTEC Anlagenfinanzierung GmbH, Hörsching	100,0	EUR	-2.203.868	-2.750.895	31.12.2020
		EUR	547.008	717.409	31.12.2019
POLYTEC PLASTICS Ebensee GmbH, Ebensee	100,0	EUR	2.469.421	2.136.191	31.12.2020
		EUR	333.230	-124.029	31.12.2019
POLYTEC Immobilien Holding GmbH, Hörsching	100,0	EUR	65.008.591	-22.555	31.12.2020
		EUR	69.781.146	5.357.352	31.12.2019
POLYTEC AUTO PARTS Tianjin Co., Ltd., Tianjin, China	100,0	TCNY	2.804	1.081	31.12.2020
		TCNY	13.978	-1.207	31.12.2019
POLYTEC Hungary Kft., Komlo, Ungarn	100,0	THUF	1.132	505	31.12.2020
		THUF	419	32	31.12.2019
POLYTEC Germany GmbH, Lohne, Deutschland	100,0	EUR	34.621.459	-120	31.12.2020
		EUR	34.621.579	-120	31.12.2019
POLYTEC ESTATES UK Ltd., Bromyard, Großbritannien	100,0	GBP	8.881.101	221.673	31.12.2020
		GBP	7.787.421	16.429	31.12.2019
POLYTEC Interior Zaragoza S.L. i.L., Zaragoza, Spanien	100,0				<i>in Liquidation</i>

LAGEBERICHT DER POLYTEC HOLDING AG FÜR DAS GESCHÄFTSJAHR 2020

GESCHÄFTSVERLAUF UND WIRTSCHAFTLICHE LAGE

1. ENTWICKLUNG DER AUTOMOBILBRANCHE 2020

ZULASSUNGEN NEUER PKW IN DEN WESENTLICHEN INTERNATIONALEN MÄRKTEN

in Stück	2020	Anteil	2019	Anteil	Veränderung
China	19 790 000	42,8%	21 045 000	39,1%	-6,0%
USA	14 463 900	31,3%	16 965 200	31,5%	-14,7%
Europa (EU, EFTA und UK)	11 961 200	25,9%	15 805 700	29,4%	-24,3%
Summe der drei Hauptmärkte	46 215 100	100%	53 815 900	100%	-14,1%
Weitere ausgewählte Länder					
Japan	3 810 000		4 301 100		-11,4%
Indien	2 435 100		2 962 100		-17,8%
Brasilien	1 954 800		2 665 600		-26,7%
Russland	1 598 800		1 759 500		-9,1%

Die weltweite Covid-19-Krise belastete 2020 nahezu alle Branchen und wirkte sich auch massiv auf die Automobilindustrie aus. In fast allen Ländern der Erde gingen die Verkäufe teils drastisch zurück. Und trotz vereinzelt positiver Anzeichen einer Erholung prägen die Pandemie und die Maßnahmen zu ihrer Eindämmung weiterhin die internationalen Märkte.

In den drei Hauptmärkten der Automobilindustrie China, USA und Europa (EU, EFTA und UK) reduzierten sich die Neuzulassungen 2020 um insgesamt 7,6 Mio. Einheiten bzw. um 14,1% auf rund 46,2 Mio. (Vorjahr: 53,8 Mio.) Einheiten. Unter diesen Absatzregionen verbuchte Europa (EU, EFTA und UK) mit einem Minus von rund einem Viertel den stärksten Rückgang, während er in den USA um rund 10 Prozentpunkte unter jenem Europas lag. Als weltweit größter Einzelmarkt erholte sich China im Jahresverlauf zwar vergleichsweise rasch, blieb über das Gesamtjahr betrachtet jedoch unter dem Vorjahresniveau.

In Japan wurden mit 3,8 Mio. PKW um 11,4% weniger Neuwagen verkauft als 2019, womit die Verkäufe erstmals seit 2011 wieder die 4-Millionen-Marke unterschritten. Auch Indien verzeichnete ein zweistelliges Minus von 17,8% und fiel auf ein 10-Jahres-Tief. Zwar verbuchte der indische PKW-Markt in der zweiten Jahreshälfte teils deutliche Zuwächse, die Einbußen aus den Lockdown-Monaten konnten jedoch nicht mehr aufgeholt werden. In Brasilien beendete die Pandemie jäh eine dreijährige Erholungsphase, der Markt für Light Vehicles verbuchte einen Rückgang um 26,7%. Und der russische Automobilmarkt ging um 9,1% auf 1,6 Mio. Neuwagenregistrierungen zurück.

Chinesischer PKW-Markt nur einstellig im Minus

Die Volksrepublik China konnte die Covid-19-Pandemie und deren schwerwiegende Folgen für den Automobilabsatz weitgehend überwinden. Nach den belasteten ersten Monaten des Jahres regte die chinesische Regierung die Nachfrage nach PKW durch Förderungen und steuerliche Maßnahmen an, sodass die Registrierungen von PKW und Light Vehicles in den acht Monaten von Mai bis Dezember 2020 sogar jeweils einen Anstieg im Vergleich zu den Vorjahresmonaten verzeichneten. Allein im Dezember wurden 2,3 Mio. Fahrzeuge verkauft, was einem Zuwachs um 7,0% gegenüber Dezember 2019 entsprach. Aufgrund dieser raschen Erholung reduzierte sich das Minus im Gesamtjahr 2020 letztlich auf 6,0% (Vorjahr: -9,5%). Gegenüber 2019 sank das Volumen des chinesischen PKW-Markts um knapp 1,3 Mio. auf rund 19,8 Mio. Neufahrzeuge. Damit schrumpfte der weltgrößte Automarkt trotz der kräftigen Belebung im zweiten Halbjahr bereits zum dritten Mal in Folge.

Registrierungen in den USA mit einem Minus von 14,7%

In den USA schloss der Markt für Light Vehicles (PKW und Light Trucks) das Jahr 2020 mit knapp 14,5 Mio. verkauften Fahrzeugen. Erstmals seit 2012 überschritt der US-Markt damit nicht die Marke von 15 Mio. Neuregistrierungen. Gegenüber 2019 war das Volumen um 2,5 Mio. Einheiten bzw. 14,7% gesunken (Vorjahr: -1,5%). Der Absatz von Limousinen brach um 28% ein, und auch die Nachfrage nach Geländewagen und Pick-ups ging um 10% zurück. Das Segment Light Trucks machte 2020 bereits einen Anteil von 76% am US-amerikanischen Gesamtmarkt aus. Die absoluten Registrierungszahlen lagen mit mehr als 2,5 Mio. Einheiten einmal mehr über den Neuanmeldungen in Europa (EU, EFTA und UK).

ZULASSUNGEN NEUER PKW IN EUROPA (EU, EFTA und UK)

in Stück	2020	Anteil	2019	Anteil	Veränderung
Deutschland	2 917 700	24,4%	3 607 300	22,8%	-19,1%
Frankreich	1 650 100	13,8%	2 214 300	14,0%	-25,5%
Vereinigtes Königreich	1 631 100	13,6%	2 311 100	14,6%	-29,4%
Italien	1 381 500	11,6%	1 916 900	12,1%	-27,9%
Spanien	851 200	7,1%	1 258 200	8,0%	-32,3%
Sonstige Länder in Europa	3 529 600	29,5%	4 497 900	28,5%	-21,5%
EUROPA (EU, EFTA und UK)	11 961 200	100%	15 805 700	100%	-24,3%

PKW-Markt in Europa mit -24,3% deutlich im Minus

In Europa (EU, EFTA und UK) wurden 2020 insgesamt knapp 12,0 Mio. PKW neu zugelassen. Das sind um 3,8 Mio. Einheiten bzw. 24,3% weniger als im Vorjahr (15,8 Mio.). Damit wurde der steigende Trend bei Neuzulassungen coronabedingt nach sechs Jahren abrupt beendet. Alle europäischen Länder verzeichneten zweistellige Rückgänge bei den Registrierungen neuer PKW, einzige Ausnahme bildete Norwegen, das mit -0,7% ungefähr auf Vorjahresniveau blieb. Betrachtet man die fünf europäischen Hauptmärkte, zeigte Spanien den höchsten Rückgang der Neuregistrierungen (-32,3%), gefolgt vom Vereinigten Königreich (-29,4%), von Italien (-27,9%) und von Frankreich (-25,5%). In Deutschland sanken die Neuzulassungen um knapp ein Fünftel. Es war damit das einzige Land der „Big Five“, in dem der Rückgang mit -19,1% unter dem Wert von 20 blieb.

ZULASSUNGEN NEUER PKW IN EUROPA (EU, EFTA und UK) – NACH ANTRIEBSTECHNIK

in Stück	2020	Anteil	2019	Anteil	Veränderung
Benzinbetriebene PKW	5 749 500	48,4%	9 216 000	58,4%	-37,6%
Dieseltbetriebene PKW	3 106 400	26,1%	4 794 400	30,4%	-35,2%
Batteriebetriebene PKW (BEV)	745 700	6,3%	360 200	2,3%	107,0%
Plug-in-Hybride PKW (PHEV)	619 100	5,2%	199 700	1,2%	210,0%
Hybrid-elektrisch betriebene PKW (HEV)	1 448 000	12,2%	956 800	6,1%	51,3%
Alternativ betriebene PKW (z. B. Flüssiggas etc.) (APV)	209 000	1,8%	255 600	1,6%	-18,2%
EUROPA (EU, EFTA und UK)	11 877 700	100%	15 782 700	100%	-24,7%

Neuzulassungen von PKW mit elektrischen Antriebstechniken nehmen in Europa deutlich an Fahrt auf

Unter den drei wesentlichen globalen Märkten entwickelte sich Europa (EU, EFTA und UK) 2020 zum Haupttreiber der Elektromobilität. Zwar wurden in China mehr als eine Million vollelektrische Fahrzeuge und knapp 250.000 Plug-in-Hybride-Fahrzeuge verkauft, doch lagen die Zuwachsraten deutlich unter jenen von Europa. In den USA ging die Nachfrage nach elektrifizierten Fahrzeugen sogar zurück: Die Verkäufe von Batterieautos sanken gegenüber dem Vorjahr um 2,0%, jene von Plug-in-Hybriden brachen sogar um 19,0% ein.

In Europa (EU, EFTA und UK) entpuppten sich Fahrzeuge mit Antriebstechniken, die nicht ausschließlich auf Benzin- oder Diesel-Verbrennungsmotoren beruhen, hingegen als Gewinner des Krisenjahres 2020. Zahlreiche nationale Förderprogramme in Form von Direktzahlungen oder Steuererleichterungen sowie Kaufanreize seitens der Hersteller und Händler motivierten Konsumenten, beim Kauf eines neuen Fahrzeugs auf alternativ angetriebene Typen umzusteigen.

Die Neuregistrierungen der Fahrzeuge mit sonstigen Antriebstechniken nahmen über alle Typen hinweg um 70,5% zu, während benzinbetriebene PKW ein Registrierungsminus von 37,5% und dieselbetriebene Autos eines von 35,2% im Vergleich zum Jahr 2019 verzeichneten. Dabei fielen die Rückgänge beider Kategorien in allen europäischen Ländern im hohen zweistelligen Bereich aus. In den Niederlanden war der Rückgang mit einem Minus von 60,3% bei Diesel-Registrierungen am höchsten, in Island mit -57,0% bei Benzin-Neuzulassungen.

Laut einer Statistik der European Automobile Manufacturers Association (ACEA) entfielen im Jahr 2020 europaweit nur noch 48,4% aller PKW-Neuregistrierungen auf benzinbetriebene Fahrzeuge. Während im Jahr 2019 aufgrund einer Nachfrageverschiebung von Diesel zu Benzin sogar noch eine leichte Steigerung festzustellen war, reduzierte sich der Anteil von Benzin-Autos an den gesamten Registrierungen im Jahr 2020 im Vergleich zum Vorjahr um genau zehn Prozentpunkte. Und auch der Anteil der neuregistrierten dieselbetriebenen PKW verringerte sich weiter von 30,4% auf 26,1%.

Europaweit entfielen 2020 25,4% (Vorjahr: 11,2%) der Neuregistrierungen auf andere als ausschließlich benzin- oder dieselbetriebene Fahrzeuge. Sie gliederten sich in 6,3% (Vorjahr: 2,3%) batteriebetriebene PKW (BEV), 5,2% (Vorjahr: 1,2%) Plug-in-Hybride PKW, 12,2% (Vorjahr: 6,1%) hybrid-elektrische PKW (HEV) und 1,8% (Vorjahr: 1,6%) alternativ betriebene PKW (APV; betrieben mit Flüssiggas, Ethanol oder anderen Kraftstoffen). Die deutlichsten Zuwächse verzeichneten die elektrisch aufladbaren PKW (+210% Plug-in-Hybride-Fahrzeuge, PHEV und +107% batteriebetriebene PKW, BEV).

Betrachtet man die Registrierungen in einzelnen europäischen Märkten im Gesamtjahr 2020, zeigt sich folgendes Bild: Mit 736.000 Einheiten (+131,7%) war Deutschland das Land mit der höchsten absoluten Anmeldezahl von Fahrzeugen mit alternativen Antriebstechniken. 406.900 Fahrzeuge (+35,1%) wurden in Italien registriert, im Vereinigten Königreich lag die Zahl bei 394.700 (+59,8%). Frankreich belegte mit 371.500 Fahrzeugen (+110,0%) Platz vier unter den fünf wesentlichen Märkten, gefolgt von Spanien mit 191.700 (+26,7%). Die Niederlande, Schweden und Norwegen rückten in den sechststelligen Bereich auf.

ZULASSUNGEN NEUER NUTZFAHRZEUGE IN EUROPA (EU, EFTA und UK)

in Stück	2020	Anteil	2019	Anteil	Veränderung
Leichte Nutzfahrzeuge ≤3,5 t	1 793 400	84,3%	2 187 000	82,9%	-18,0%
Mittelschwere Nutzfahrzeuge >3,5 t bis ≤16 t	63 300	3,0%	79 100	3,0%	-20,0%
Schwere Nutzfahrzeuge >16 t	233 200	11,0%	325 200	12,3%	-28,3%
Mittelschwere und schwere Busse >3,5 t	35 800	1,7%	46 300	1,8%	-22,7%
EUROPA (EU, EFTA und UK)	2 125 700	100%	2 637 600	100%	-19,4%

Auch bei den Nutzfahrzeugen brachen die Neuzulassungen in Europa im Verlauf des Jahres 2020 infolge der Coronakrise ein. Trotz leichter Erholungen in einzelnen Monaten der zweiten Jahreshälfte lag das Minus Ende 2020 in Summe bei 512.000 Stück. Dies entspricht einem Minus von 19,4%, wohingegen der Markt im Vorjahr mit einem Plus von 2,5% gewachsen war. Alle europäischen Länder verzeichneten zweistellige Rückgänge bei den Registrierungen. Einzig in Dänemark blieb der Rückgang mit 9,2% knapp einstellig.

Während die leichten Nutzfahrzeuge bis 3,5 Tonnen in den Jahren 2018 und 2019 bei den Registrierungen jeweils die 2-Millionen-Marke überschreiten konnten, fielen die Neuzulassungen dieser mengenmäßig bedeutendsten Fahrzeugklasse im Jahr 2020 wieder unter diesen runden Schwellenwert. Die Absatzzahlen von schweren LKW mit mehr als 16 Tonnen mussten – trotz erfreulicher Zuwachsraten im Dezember – im Gesamtjahr 2020 mit 28,3% das größte Minus hinnehmen.

Quellen: Verband der Deutschen Automobilindustrie (VDA), European Automobile Manufacturers Association (ACEA), „Automobilwoche“

2. GESCHÄFTSENTWICKLUNG UND LAGE DES KONZERNS

KENNZAHLEN DER POLYTEC GROUP

	Einheit	2020	Veränderung	2019	2018
Umsatz	EUR Mio.	522,0	-16,8%	627,1	636,4
EBITDA	EUR Mio.	48,3	-29,4%	68,4	67,1
EBITDA-Marge (EBITDA/Umsatz)	%	9,3	-1,6% Pkt.	10,9	10,5
EBIT	EUR Mio.	13,0	-60,3%	32,6	40,1
EBIT-Marge (EBIT/Umsatz)	%	2,5	-2,7% Pkt.	5,2	6,3
Ergebnis nach Steuern	EUR Mio.	9,5	-58,9%	23,1	30,0
Durchschnittliches Capital Employed	EUR Mio.	404,9	1,1%	400,4	341,8
ROCE vor Steuern (EBIT/Durchschnittliches Capital Employed)	%	3,2	-5,0% Pkt.	8,2	11,7
Ergebnis je Aktie	EUR	0,29	-61,8%	1,02	1,32
Dividende je Aktie (Vorschlag an die Hauptversammlung)	EUR	0,30	N/A	0,00	0,40

Der Konzernumsatz der POLYTEC GROUP betrug im Geschäftsjahr 2020 EUR 522,0 Mio. und entspricht somit dem bereits zum Halbjahr 2020 kommunizierten Ausblick auf das Gesamtjahr.

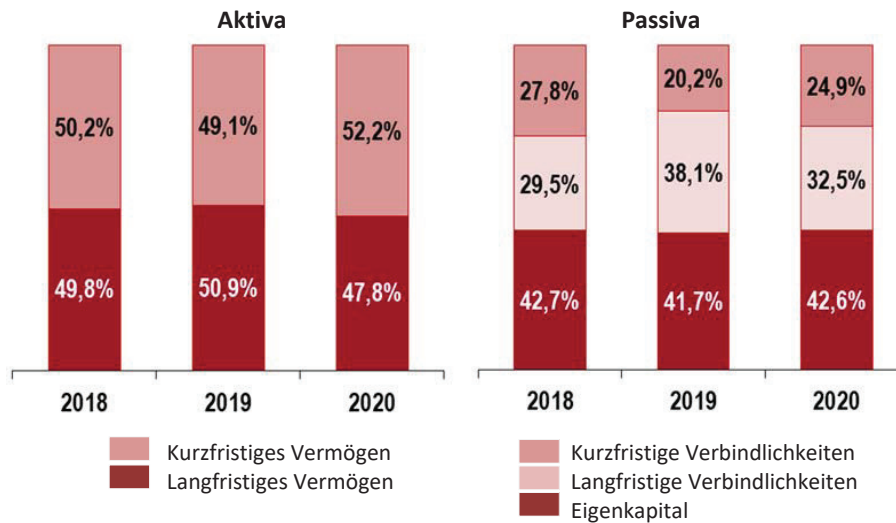
Die POLYTEC GROUP war im Geschäftsjahr 2020 der negativen Wirtschaftsentwicklung aufgrund der Covid-19-Pandemie ausgesetzt. Auch wenn sich die Konjunktur im dritten und vierten Quartal 2020 verbesserte, konnten die massiven Umsatzeinbußen während des ersten Halbjahres, die im Wesentlichen durch die Auswirkungen der Coronakrise und des Lockdowns verursacht wurden, nicht aufgeholt werden, und es musste ein Umsatzrückgang um 16,8% bzw. EUR 105,1 Mio. verzeichnet werden.

Durch die ab Mitte März 2020 von den nationalen Regierungen sukzessive verordneten Krisenmaßnahmen und Ausgangssperren zur Eindämmung der Pandemie kam es zu massiven wirtschaftlichen Auswirkungen auf nahezu alle Branchen, auch auf die Automobilindustrie. Diesen globalen Effekten war die POLYTEC GROUP ebenfalls ausgesetzt.

Da Ende März 2020 wesentliche Kunden des Konzerns einen Produktionsstopp in ihren Werken einleiteten, musste auch POLYTEC die Produktion an zahlreichen Standorten einstellen. Dies führte insbesondere im April zu massiven Umsatzeinbußen. Im Mai wurde die Umsatztätigkeit durch den flachen Wiederanlauf der Werke belastet. Erst im Juni kam es zu einer leichten Erholung des Umsatzes. Insgesamt blieb das zweite Quartal 2020 durch den Lockdown und seine Folgen jedoch massiv beeinträchtigt.

Nachdem die Umsätze in den beiden Sommermonaten auch aufgrund von Werksferien bei Kunden der POLYTEC GROUP auf niedrigerem Niveau geblieben waren, verbesserte sich die Umsatzentwicklung im Zeitraum September bis Dezember wieder.

BILANZSTRUKTUR DER POLYTEC GROUP



	Einheit	2020	Veränderung	2019	2018
Nettofinanzverbindlichkeiten (+)/-vermögen (-)	EUR Mio.	105,8	-32,2%	156,0	101,8
Nettofinanzverbindlichkeiten (+)/-vermögen (-)/EBITDA	-	2,19	-4,0%	2,28	1,52
Gearing (Nettofinanzverbindlichkeiten (+)/-vermögen (-) / Eigenkapital)	-	0,43	-30,7%	0,62	0,43

Die Nettofinanzverbindlichkeiten wurden gegenüber dem Bilanzstichtag 31. Dezember 2019 um rund ein Drittel bzw. EUR 50,2 Mio. auf EUR 105,8 Mio. reduziert. Dies ist einerseits auf die Verbesserung des Working Capital, andererseits auf die Veräußerung der „Industrial“ zurückzuführen. Die Kennzahl für die fiktive Schuldentilgungsdauer verbesserte sich von 2,28 auf 2,19. Die Gearing-Ratio (Verschuldungsgrad) reduzierte sich im Vergleich zum Vorjahr deutlich von 0,62 auf 0,43.

3. GESCHÄFTSENTWICKLUNG DER POLYTEC HOLDING AG

KENNZAHLEN DER POLYTEC HOLDING AG

	Einheit	2020	2019	2018
Umsatz	EUR Mio.	14,7	23,0	16,3
EBIT	EUR Mio.	-3,0	1,8	1,0
EBIT-Marge (EBIT/Umsatz)	%	-20,6	7,9	6,1
Beteiligungsergebnis	EUR Mio.	18,3	-0,1	9,8
Zinsergebnis	EUR Mio.	0,4	1,7	2,2
Ergebnis nach Steuern	EUR Mio.	18,5	4,1	16,3
Finanzanlagen	EUR Mio.	269,6	195,0	154,4
Finanzierungssaldo verbundene Unternehmen	EUR Mio.	42,7	141,3	149,2
Ergebnis je Aktie	EUR	0,84	0,19	0,74
Dividende je Aktie (Vorschlag an die Hauptversammlung)	EUR	0,30	0,00	0,40

Die POLYTEC Holding AG erzielte im Geschäftsjahr 2020 ein Betriebsergebnis in Höhe von EUR -3,0 Mio., vorwiegend aus der Erbringung von Dienstleistungen vor allem zur Unterstützung des operativen Geschäfts der Konzerngesellschaften und wurde beeinflusst durch die COVID 19 Auswirkungen.

Die POLYTEC Holding AG hat mit Kauf und Abtretungsvertrag vom 3. November 2020 alle ihre Anteile an der POLYTEC Industrial Plastics GmbH verkauft. Daraus wurden Erträge aus dem Abgang von Finanzanlagen von EUR 19,3 Mio erzielt.

Das Beteiligungsergebnis stieg von EUR -0,1 Mio. auf EUR 18,3 Mio. (Erträge aus Beteiligungen und Erträge aus dem Abgang von Finanzanlagen, sowie Abschreibungen auf Finanzanlagen). Das Zinsergebnis (Saldo aus Zinserträgen und Zinsaufwendungen) reduzierte sich von EUR 1,7 Mio. in 2019 auf EUR 0,4 Mio., durch eine weitere Reduzierung der Zinslandschaft.

Die Summe aus Finanzanlagen und dem Finanzierungssaldo verbundener Unternehmen veränderte sich vor allem im Working-Capital und bei den geringeren Investitionen.

Der Steuerertrag beträgt EUR 2,9 Mio. (Vorjahr: EUR 0,6 Mio.) und erhöhte sich aufgrund von Erträgen aus den abgeschlossenen Betriebsprüfungen und Erträgen aus den latenten Steuern.

Die POLYTEC Holding AG erzielte somit im Geschäftsjahr 2020 einen Jahresüberschuss in Höhe von EUR 18,5 Mio. (Vorjahr: 4,1 Mio. EUR).

	Einheit	2020	2019	2018
Eigenkapital	EUR Mio.	214,0	195,5	200,2
Bilanzsumme	EUR Mio.	384,4	378,9	365,2
Eigenkapitalquote	%	55,7	51,6	54,8

Die Bilanzsumme erhöhte sich um EUR 5,5 Mio., vor allem durch die Erhöhung der Cash-Position um EUR 29,7 Mio. auf EUR 53,7 Mio. (Vorjahr: EUR 24,0 Mio.), kompensiert durch den Rückgang der Finanzanlagen und dem Finanzierungssaldo verbundener Unternehmen um EUR 23,8 Mio auf EUR 312,3 Mio (Vorjahr: EUR 336,0 Mio).

Die Immateriellen Vermögensgegenstände (EUR 5,5 Mio.; Vorjahr: EUR 4,9 Mio.) veränderten sich durch die Digitalisierungsoffensive, die vor allem in der POLYTEC Holding AG abgebildet wird. Das Sachanlagevermögen, EUR 2,3 Mio. (Vorjahr: EUR 2,8 Mio.), reduzierte sich im Wesentlichen um Abschreibungen.

Der Jahresüberschuss führte zu einem Eigenkapital von EUR 214,0 Mio (Vorjahr: EUR 195,5 Mio). Die Eigenkapitalquote ist somit weiterhin auf einem sehr soliden Niveau von 55,7 % (Vorjahr: 51,6 %).

4. NICHTFINANZIELLE LEISTUNGSINDIKATOREN

UMWELTSCHUTZ

Als Zulieferunternehmen der Automobilindustrie bringt die POLYTEC GROUP wesentliche Lösungen zur Optimierung neuer Fahrzeuggenerationen mit ein. POLYTEC hat sich in den mehr als drei Jahrzehnten ihres Bestehens durch Innovationskraft und Flexibilität einen ausgezeichneten Ruf im Automotive-Bereich erarbeitet. Durch umfassende Forschungs- und Entwicklungstätigkeit leistet POLYTEC einen wichtigen Beitrag zur kontinuierlichen Verbesserung der Produkte ihrer Kunden, was sich letztlich auch positiv auf die Umwelt auswirkt. So wird beispielsweise durch Materialsubstitution das Gesamtgewicht von Fahrzeugen reduziert, bei manchen Bauteilen sind gegenüber Stahl Gewichtersparnisse von bis zu 60% möglich. Das reduzierte Gewicht führt zu spürbar weniger Kraftstoffverbrauch und transitiv zu einem reduzierten CO₂-Ausstoß.

Die systematische Analyse der ökologischen Auswirkungen ist fester Bestandteil des Produktentwicklungsprozesses bei POLYTEC und wird durch die Techniker des Konzerns in enger Abstimmung mit den Kunden durchgeführt. Die laufenden Optimierungserfolge in den Themenbereichen Gewichtsreduktion, Werkstoffsubstitution, Materialeinsparung, Lärm- und Geräuschreduktion etc. bilden – in Verbindung mit perfekter Qualität und absoluter Liefertreue – die zentralen Stärken der POLYTEC GROUP und werden von ihren Kunden hoch geschätzt.

POLYTEC optimiert nicht nur die Produkte und Dienstleistungen für ihre Kunden laufend weiter. Auf Basis eines abgestimmten Umwelt-, Qualitäts- und Lean-Management-Systems analysiert und verbessert der Konzern auch regelmäßig seine internen Produktionsprozesse, um den eigenen Material- und Energieverbrauch zu verringern. Die Verarbeitung von Kunststoffen erfordert einen hohen Aufwand an Ressourcen. Der schonende Umgang mit diesen Produktionsmitteln ist daher sowohl eine ökologische als auch eine ökonomische Notwendigkeit. Innerbetrieblich werden dazu die einzelnen Fertigungsschritte ständig optimiert, sodass Energie eingespart und der Rohstoffverbrauch reduziert werden. Prozesswasser und diverse Reinigungslösungen werden nahezu ausschließlich im geschlossenen Kreislauf verwendet. Bei der Verarbeitung von Lacken erfüllt POLYTEC hohe Standards hinsichtlich Innen- sowie Abluft. Diese Maßnahmen dienen dem Schutz der Mitarbeiter und der Umwelt gleichermaßen.

Der Großteil der von POLYTEC entwickelten Teile, hochwertigen Module und multifunktionalen Kunststoffsysteme wird nach zertifizierten Entwicklungs- und Produktionsprozessen hergestellt. Sämtliche Standorte der POLYTEC GROUP sind mittlerweile nach der Qualitätsmanagement-Norm IATF 16949 sowie der Umweltmanagementnorm ISO 14001 zertifiziert. Die überwiegende Anzahl der Produktionsstandorte von POLYTEC ist weiters nach der international anerkannten Energiemanagementnorm ISO 50001 zertifiziert und muss darüber hinaus zahlreichen kundenspezifischen Standards entsprechen – Belege für das nachhaltige Engagement und die Erfolge, auf die POLYTEC im Bereich Umweltschutz verweisen kann.

Im Rahmen der Digitalisierungsoffensive der POLYTEC GROUP wurde am Standort in Hörsching eine Software zur besseren Steuerung von kundenspezifischen Anforderungen hinsichtlich IATF 16949 implementiert und erfolgreich getestet. Die Software soll nun weiter ausgerollt und allen Standorten der POLYTEC GROUP zur Verfügung gestellt werden. Mit ihr können kundenspezifische Anforderungen systematisch den betreffenden Prozessen sowie verantwortlichen Personen zugeordnet werden. Die Aktualität der Daten wird durch regelmäßige Abfragen in den Kundenportalen sowie durch die damit verbundene Prüfung auf geänderte Kundenanforderungen gewährleistet. Diese Anforderungen können an Lieferanten von POLYTEC weitergegeben werden, sodass ihre Einhaltung entlang der gesamten Lieferkette lückenlos sichergestellt ist. Das Roll-out der Software stellt einen gruppenweit geltenden Standard und einen durchgängigen Prozess sicher.

STRATEGISCHE ZIELE

Umwelt- und Klimaschutz bilden einen essenziellen und immer wichtiger werdenden Bestandteil der Geschäftsprozesse von POLYTEC. 2020 wurde eine Überarbeitung und Nachschärfung der Umweltziele des Konzerns abgeschlossen – mit dem Ziel, den Nachhaltigkeitsgedanken noch stärker im Unternehmen zu verankern. Die sich daraus ergebenden vielfältigen Maßnahmen sollen in den kommenden Jahren im Rahmen des Umwelt- und Energiemanagements der POLYTEC GROUP kontinuierlich umgesetzt werden. Die im Zuge dieses Prozesses erarbeiteten Schwerpunkte der Umweltstrategie von POLYTEC sind:

1. Ressourcen schonen: Mit diesem strategischen Ziel möchte POLYTEC dem gesamtheitlichen Ansatz verstärkt Rechnung tragen, dass der Konzern entlang des gesamten Produktionsprozesses sowohl auf einen schonenden Einsatz sämtlicher Rohstoffe als auch auf verstärktes Recycling achtet, um die zur Verfügung stehenden Ressourcen schonend einzusetzen und optimal zu nutzen. Dies umfasst auch den Verbrauch natürlicher Ressourcen wie Wasser sowie Ressourceneinsparungen, die POLYTEC durch die Leichtbauweise oder Funktionsintegration ihrer Bauteile erzielt. Den Verbrauch von Rohstoffen verringert das Unternehmen darüber hinaus durch die vermehrte Verwendung von Regranulaten, den Einsatz moderner Dosieranlagen, verbesserte Ausschussquoten sowie durch die veränderte chemische Zusammensetzung der Materialien.

Trotz des sparsamen Umgangs mit Rohstoffen kann die Entstehung von Abfall nicht vollständig vermieden werden. Umso wichtiger ist es, dass unvermeidbarer Abfall bestmöglich getrennt und damit – wo immer möglich – sinnvollem Recycling zugeführt wird. POLYTEC unterstützt ihre Mitarbeiter bei der sachgerechten Abfalltrennung durch ein einheitliches Farbleitsystem. Damit wird nicht nur Restabfall reduziert, auch die Kosten für dessen Entsorgung fallen geringer aus.

2. Energieeffizienz steigern: Ein besonderer Ressourcen- und damit Kostenblock liegt bei POLYTEC im Bereich Energie. Maximale Energieeffizienz ist daher nicht nur aus ökologischen, sondern auch aus wirtschaftlichen Erwägungen sinnvoll. In den vergangenen Jahren konnten in unterschiedlichen Projekten wesentliche standortübergreifende Energieverbraucher optimiert und dadurch erhebliche Einsparungen erzielt werden, so etwa durch den Umstieg von Heizölverbrennung auf erdgasbetriebene Anlagen mit deutlich höherem Wirkungsgrad, weiters durch Gebäudeisolierungen, den Einsatz von effizienteren Steuerungssystemen für Druckluftkompressoren und ähnlichem. Mithilfe von Energiemanagement-Systemen überprüft POLYTEC einzelne Produktionsschritte auf ihre Energieeffizienz hin und leitet davon gegebenenfalls Verbesserungsmaßnahmen ab. Projekte zur Wärmerückgewinnung wurden bereits erfolgreich abgeschlossen, weitere Vorhaben zum umfassenden Umstieg auf LED-Beleuchtungstechnik werden kontinuierlich umgesetzt.

3. Umweltemissionen reduzieren: Um dem Nachhaltigkeitsgedanken noch stärker als bisher Rechnung zu tragen, formulierte POLYTEC die Reduktion von Umweltemissionen als strategisches Ziel. Im Rahmen der Produktionsprozesse nimmt Umweltschutz nun eine zentrale Rolle ein, mit dem Ziel, schädliche Emissionen kontinuierlich zu verringern. Dazu wurde 2020 erstmals der CO₂-Ausstoß (Scope 1 und Scope 2) der POLYTEC GROUP auf breiter Basis verstärkt erfasst und ausgewertet. Von dieser Auswertung werden anschließend Maßnahmen zur Reduktion von Emissionen abgeleitet und deren Resultate gemessen. Daneben baut das Unternehmen unter diesem Aspekt auch seine bereits bestehenden Programme zur Abfallvermeidung sowie zur Reduktion von umwelt- und gesundheitsgefährdenden Stoffen weiter aus.

Die zu diesen Schwerpunkten in den vergangenen Jahren gestarteten unterschiedlichen Pilotversuche in einzelnen Werken der POLYTEC GROUP wurden und werden nach erfolgreicher Erprobung sukzessive auch an weiteren Standorten der Gruppe implementiert.

POLYTEC ist sich ihrer Verantwortung als Industrieunternehmen bewusst und setzt durch die genannten Maßnahmen kontinuierlich und konsequent weitere Schritte, um ihre Produktionsprozesse nachhaltiger und ressourcenschonender zu gestalten.

MITARBEITER

Die durchschnittliche Anzahl der Beschäftigten (inklusive Leiharbeiter) der POLYTEC GROUP und ihre geografische Verteilung in den letzten drei Jahren stellten sich wie folgt dar. In den Personenangaben (in Vollzeitäquivalenten – FTE) sind keine Kurzarbeitseffekte berücksichtigt:

in FTE	2020	Anteil	2019	2018
Österreich	522	13,3%	554	566
Deutschland	2 006	50,9%	2 089	2 158
Sonstige EU-Länder	955	24,2%	1 034	1 080
Vereinigtes Königreich	369	9,4%	474	461
Sonstige Länder	87	2,2%	193	200
POLYTEC GROUP	3 939	100%	4 344	4 465
POLYTEC Holding AG (in Österreich - Zahl enthalten)	58		75	56

5. BERICHT ÜBER DIE VORAUSSICHTLICHE ENTWICKLUNG UND DIE RISIKEN**AUSBLICK AUF DIE ENTWICKLUNG IN DER AUTOMOBILBRANCHE**

Im Jahr 2021 dürften die internationalen PKW-Märkte wieder wachsen. Und auch bei den Nutzfahrzeugen wird mit einer Erholung der Verkäufe gerechnet – das Vor-Covid-Niveau dürfte 2021 jedoch in beiden Fahrzeugkategorien nicht erreicht werden.

Die globale Wirtschaft und die Automobilindustrie kämpfen weiterhin mit den Konsequenzen der Coronakrise, die 2021 bereits in ihr zweites Jahr startete. In Europa (EU, EFTA und UK) war auf Basis hoher Vorjahreswerte für Anfang 2021 bereits mit niedrigen Registrierungszahlen gerechnet worden. Jedoch fiel das Minus der Neuzulassungen von Personenkraftwagen im Jänner 2021 deutlich schlechter aus als erwartet. So brachen die Registrierungen im Vergleich zum Vorjahresmonat von 1,13 Mio. auf 0,84 Mio. Fahrzeuge bzw. um 25,7% ein. Damit verzeichnete der Jänner 2021 die geringste jemals in einem Jänner aufgezeichnete Zahl an Neuzulassungen. Auch im Februar gingen die Registrierungszahlen im Vergleich zum Vorjahresmonat stark zurück.

Zusätzlich waren seit Jahresbeginn erhebliche Preissteigerungen bei zahlreichen Rohmaterialien festzustellen. Diese Entwicklung könnte sich über das gesamte Jahr 2021 erstrecken, schätzen Experten. Etliche Force Majeure-Meldungen bei unterschiedlichsten Rohmateriallieferanten führten bereits zu erheblichen Verknappungen und Beeinträchtigungen der Lieferketten. Lieferunterbrechungen, wie sie z.B. bereits durch die stark reduzierte Verfügbarkeit von Halbleiterchips aufgetreten sind, können aus heutiger Sicht auch bei anderen Rohstoffen nicht ganz ausgeschlossen werden.

Analysten und Vertreter von Automobilverbänden äußerten sich zu Jahresbeginn für die Entwicklung des Gesamtjahres 2021 zuversichtlich. Der Verband der Deutschen Automobilindustrie (VDA) geht davon aus, dass sich insbesondere in der zweiten Jahreshälfte eine langsame Verbesserung der Marktlage einstellen wird. Voraussetzung dafür seien jedoch große Fortschritte bei der Impfung, sodass die Pandemie im Alltag spürbar eingedämmt werden kann. Die Rückgänge des vergangenen Jahres werden 2021 aber nicht vollständig wettgemacht werden können. Für Europa rechnet der VDA mit einem Plus von 12,0% auf 13,4 Mio. PKW. In den USA dürfte der Absatz von Light Vehicles 2021 um 9,0% auf 15,8 Mio. zulegen. Der chinesische PKW-Markt soll mit 21,4 Mio. (+8,0%) bereits wieder das Vor-Corona-Niveau überschreiten.

Auch für den Bereich Nutzfahrzeuge rechnet der Branchenverband VDA mit einer Erholung der weltweiten Verkäufe. Von dieser Entwicklung ausgenommen dürfte China sein. Die Volksrepublik bildet nicht nur den weltgrößten Markt für PKW, sondern führt auch im Absatz von schweren Nutzfahrzeugen deutlich. Aufgrund eines großangelegten staatlichen Flottenerneuerungsprogramms stiegen die Registrierungen 2020 um mehr als ein Drittel. Jeder zweite LKW wurde im abgelaufenen Jahr in China verkauft. Durch diesen Effekt wird für das Jahr 2021 mit einem Rückgang von rund 25% gerechnet. Für die anderen großen Märkte prognostizieren Experten ein Plus an Neuzulassungen von schweren LKW von insgesamt 19,0%. Der VDA geht darüber hinaus davon aus, dass über alle Nutzfahrzeugkategorien hinweg sowohl in den USA als auch in Europa jeweils ein Anstieg um 15,0% angenommen werden kann. Trotz Steigerungen auch in Brasilien und Indien dürfte der LKW-Weltmarkt 2021 jedoch insgesamt um 4,0% schrumpfen.

Quellen: Verband der Deutschen Automobilindustrie (VDA), „Automobilwoche“

AUSBLICK AUF DIE ERGEBNISENTWICKLUNG

Das Management der POLYTEC GROUP geht für das Geschäftsjahr 2021 unter der Annahme der Erholung des Geschäftsumfelds grundsätzlich von einem Konzernumsatz von rund EUR 575 Mio. aus. Das EBIT (operatives Ergebnis vor Zinsen und Steuern) sollte sich auf Grundlage der im Vorjahr durchgeführten Restrukturierung – inklusive der Schließung von vier Produktionswerken und der daraus resultierenden nachhaltigen Reduzierung der Personal- und Strukturkosten – auf rund EUR 35 Mio. verbessern.

Das Erreichen dieses Ausblicks unterliegt jedoch bedeutenden Unsicherheiten, die die Visibilität der Geschäftsentwicklung weiterhin begrenzen und einen volatilen Geschäftsverlauf bedingen könnten. Insbesondere die erheblich steigenden Materialpreise sowie die teilweise Verknappung von Rohstoffen und die dadurch mögliche Disruption der Produktion erschweren den Ausblick. Zudem drohen auch in diesem Jahr negative Auswirkungen auf den Konzernumsatz und die operativen Ergebniszahlen durch den weiteren Verlauf der Corona Pandemie.

Für die POLYTEC Holding AG geht man von einem steigenden Betriebsergebnis aus, da die Konzernleistungen sich aufgrund der Geschäftsentwicklung wieder erhöhen werden. Das Zinsergebnis wird sich durch das sinkende Finanzierungsvolumen etwas reduzieren. Das Beteiligungsergebnis wird stark von der weiteren Entwicklung und von der Liquiditätssituation der verbundenen Unternehmen abhängen und ist schwer vorhersehbar, es wird jedoch ein Rückgang erwartet.

6. RISIKOBERICHTERSTATTUNG UND FINANZINSTRUMENTE

Die Auswirkungen der Dieselkrise, strengere Klimaschutzvorgaben, der Strukturwandel in Richtung Elektromobilität und andere risikobehaftete Einflüsse bereiten der Automobilbranche bereits seit einigen Jahren Sorgen. Autohersteller und deren Zulieferer sehen sich angesichts dieser sich fortsetzenden Entwicklung weiterhin vor wirtschaftliche Herausforderungen gestellt. Die Entscheidungsträger in den Unternehmen werden noch intensiver auf Kosten achten und ihre Organisationsstrukturen derart aufstellen müssen, dass sie flexibel und zeitnah auf das sich stetig ändernde Umfeld reagieren oder besser proaktiv agieren können.

Trotz Schaffung der organisatorischen Basis und der bestmöglichen Vorbereitung kann nicht allen denkbaren Risiken vorgebeugt werden, so z. B. einer spontan auftretenden Gesundheitskrise von globaler Dimension.

Das Jahr 2020 war vom Covid-19-Virus und der sich daraus entwickelnden Pandemie geprägt, die weltweit nahezu alle Lebensbereiche negativ beeinflusst. Laut Aussagen von Wirtschaftsforschern waren die Auswirkungen auf die Weltwirtschaft die massivsten seit dem Ende des Zweiten Weltkriegs. Die Staaten bemühen sich mit dem Einsatz von immensen finanziellen Mitteln sowie Maßnahmen zur Bekämpfung der wachsenden Arbeitslosigkeit wie Kurzarbeitsmodelle etc., ihre Bürger und Volkswirtschaften zu stützen.

Die POLYTEC GROUP ist im Rahmen ihrer Geschäftstätigkeit einer Vielzahl von Risiken ausgesetzt, die untrennbar mit dem unternehmerischen Handeln verbunden sind. Risikomanagement ist für POLYTEC ein integraler Bestandteil ihrer Strategie und aller Geschäftsprozesse. Rückblickend kann festgestellt werden, dass die POLYTEC GROUP das Krisenmanagement zielorientiert umgesetzt hat.

Das Management der POLYTEC GROUP reagierte im März 2020 umgehend auf die Umfeldbedingungen, in dem es eine Krisen-Taskforce einberief, die über mehrere Monate hinweg permanent – teilweise vom Homeoffice aus – tätig war und zeitnah auf die sich ständig wechselnden Rahmenbedingungen reagierte. Die von den nationalen Behörden vorgegebenen Maßnahmen zum Schutz der Mitarbeiter und der Bevölkerung wurden rasch und konsequent umgesetzt.

Wesentliche Automotive-Kunden von POLYTEC schlossen Ende März 2020 sowohl europäische als auch internationale Werke. POLYTEC fuhr daraufhin in Abstimmung mit ihren Kunden auch die eigene Produktion zurück und setzte an den betroffenen Standorten bedarfsorientiert Kurzarbeit um.

Neben dem abrupten Herunterfahren und in der Folge dem noch anspruchsvolleren sowie komplexeren Hochfahren der Werke war die Wahrung der Liquidität das wichtigste Ziel des Managements. Durch proaktives Cash-Flow-Management konnten die Zahlungsströme zu jeder Zeit flexibel an die internen und externen Anforderungen angepasst und optimiert werden. Neben der Inanspruchnahme von Kurzarbeitsmodellen wurden von der POLYTEC GROUP die von den einzelnen nationalen Regierungen angebotenen Unterstützungen selektiv genutzt.

Die globale Automobilindustrie kämpfte während des gesamten Geschäftsjahres 2020 mit den Konsequenzen der Coronakrise und der Lockdowns, die die Branche im ersten Halbjahr zeitweise fast zum Stillstand brachten. Nachdem während des Sommers die Covid-19-Infektionszahlen deutlich zurückgegangen waren kam es in ganz Westeuropa wieder zu einem starken Anstieg und zu einer zweiten Infektionswelle, die noch deutlich höhere Ausmaße erreichte als zu Beginn der Pandemie. Daraufhin verhängten zahlreiche Länder etwa ab November erneut Lockdowns in unterschiedlichen Ausprägungen. Durch die Bekanntgabe von erfolgreichen Zulassungen wirkungsvoller Impfstoffe und mit dem Start der ersten Impfkampagnen Ende 2020 kam wieder Zuversicht auf, dass im Lauf des Sommers 2021 eine Art von „Normalität“ beginnen könnte.

Aktuell kann nicht umfassend abgeschätzt werden, wie sich die Coronapandemie weiterentwickeln und welchen Einfluss diese auf die Umsatz- und Ertragsentwicklung der POLYTEC GROUP haben wird. Das Management verfolgt die Entwicklungen weiterhin mit großer Aufmerksamkeit.

Unternehmensspezifische Risiken

a. (Absatz-)Marktrisiko

Allgemeines Absatzmarktrisiko: Die Automobilindustrie erfährt gerade eine deutliche Veränderung der Rahmenbedingungen. Mit dem Zurückdrängen des Verbrennungsmotors und der Förderung der Elektromobilität als unmittelbare Treiber des Umbruchs sowie den mittelbaren Auswirkungen der Entwicklung im Bereich des autonomen Fahrens und neuen Mobilitätskonzepten werden die kommenden Jahre für die Automobilindustrie sehr herausfordernd. Dabei gilt es sich auf die neuen Rahmenbedingungen einzustellen und sich durch Innovation und einer gezielten Vertriebsstrategie in dem neuen Marktumfeld klar zu positionieren. Die Automobilzulieferindustrie galt schon bisher als Markt mit hohem Wettbewerb und war dabei geprägt von der Konsolidierung und Restrukturierung von Mitbewerbern. Dieser Trend wird sich noch verstärken und die Chancen der Marktkonsolidierung gilt es dabei für POLYTEC GROUP zu nutzen.

Darüber hinaus bestehen auch deutlich höhere konjunkturelle und politische Risiken als in den letzten Jahren. Die Internationalisierung der Märkte aber auch der Lieferketten bringt nicht nur große Chancen mit sich, sondern birgt auch höhere Risiken, was mit dem Ausbruch des Coronavirus einmal mehr verdeutlicht wurde. Die internationalen Handelskonflikte führten auch zu Nachfragerückgängen und erhöhten die Komplexität der globalen Lieferbeziehungen. Es besteht das Risiko, dass diese Unsicherheiten auch noch in den nächsten Jahren die Automobilindustrie negativ beeinflussen.

Volumenrisiko: Dieses entsteht aus der Volatilität der Nachfrage bzw. aus der nicht planmäßigen Entwicklung der Stückzahlen. Während des Serienlaufs ist der Zulieferer auch abhängig von der Absatzmenge des Fahrzeugs, für das er zuliefert, ohne diesen Erfolg selbst beeinflussen zu können. Aufgrund ungeplanter Stückzahlenabrufe kann es in zweierlei Hinsicht zu Problemen kommen. Bei zu hohen ungeplanten Abrufen können Kapazitätsengpässe die Folge sein, die zu Lieferverzögerungen und somit zu Reputations-schäden führen können. Andererseits führen fehlende Abrufe zu Auslastungsproblemen, die eine Fixkostenunterdeckung zur Folge haben können. Die POLYTEC GROUP trachtet durch einen ausgewogenen Kunden- und Auftragsmix danach, die Abhängigkeit von einzelnen Lieferbeziehungen so gering wie möglich zu halten.

Durch die Konzentration der OEMs auf wenige Modelle bzw. Motoren kommt es immer häufiger zu deutlichen Reduzierungen aber auch Erhöhungen von Stückzahlen während des Serienlaufs. Die Visibilität der Lieferabrufe hat sich speziell in den letzten Monaten stark verschlechtert. Für die POLYTEC GROUP heißt das, dass man die Abrufsituation und die Entwicklung der Modelle sehr genau beobachten muss. Auf wesentliche Veränderungen muss kostenseitig, aber auch mit berechtigten Forderungen durch Mehrkosten vor allem aus der Unterschreitung von vereinbarten Planmengen reagiert werden.

b. Beschaffungsmarktrisiko

Wesentliches Risiko sind Schwankungen der Rohstoffpreise, die im Fall der POLYTEC GROUP als kunststoffverarbeitendem Konzern vor allem durch nachhaltige Veränderungen des Ölpreises, aber auch der Raffineriekapazitäten verursacht werden können. Diesem Risiko wird, soweit gegenüber dem Kunden durchsetzbar, mit Materialgleitpreisklauseln in den offengelegten Kalkulationen entgegengewirkt. Zum Teil erfolgt die Verhandlung von Rohstoffen und Zukaufteilen direkt durch die Kunden der POLYTEC GROUP mit dem Lieferanten. Soweit mit dem Kunden Preise nur auf Jahresfrist vereinbart sind, ist die Veränderung der Rohstoffpreise ein wichtiger Parameter in den Gesprächen für die jährliche Neufestlegung der Preise. Weiters wird versucht, durch verstärkte Forschungs- und Entwicklungsaktivitäten neue Rohstoffe (Naturfaserstoffe) einzusetzen.

c. Investitionsrisiko

Um die Lieferbereitschaft für die OEMs zu gewährleisten, ist von Seiten der POLYTEC GROUP ein erhebliches Investitionsvolumen notwendig, woraus sich naturgemäß ein entsprechendes Investitionsrisiko ergibt. Das Investitionsrisiko definiert sich aus der Unsicherheit hinsichtlich der Vorteilhaftigkeit einer Investition. Bei Investitionsentscheidungen unter Risiko besteht die Möglichkeit, dass die zukünftigen Einzahlungsüberschüsse bzw. Renditen eines Investitionsprojekts schwanken. Die Schwankungsanfälligkeit (Volatilität) der Einzahlungsüberschüsse beinhaltet die Gefahr geringerer Rückflüsse.

Um den Infrastrukturbedürfnissen der OEMs gerecht zu werden, sind Jahre zuvor bereits großvolumige Investitionen der POLYTEC GROUP notwendig, sei es für die Anschaffung von Maschinen und Anlagen oder für den Bau ganzer Produktionswerke. Bei geplanten, aber nicht erhaltenen Aufträgen kommt es in Folge zu einer unbestimmten Verlängerung der Amortisationsdauer der Investition. Da es sich teilweise um produkt- oder kundenspezifische Investitionen handelt, ist auch eine alternative Verwendungsmöglichkeit teilweise nur begrenzt möglich. Daher wird mit den OEMs in der Regel ein entsprechendes Liefervolumen definiert und ein entsprechendes Investitionsrisiko auch von diesen mitgetragen.

d. Produktionsrisiko

Das Produktionsrisiko beschreibt die Gesamtheit der zu erwartenden negativen Abweichungen bei der Herstellung von Produkten. Die Produktionsrisiken in der POLYTEC GROUP betreffen im Wesentlichen Effekte, die eine instabile oder fehlerhafte Ausbringung zur Folge haben, was wiederum zu Stückzahlschwankungen sowie Bandabbrissen beim Kunden führen kann. In weiterer Konsequenz kann dies zu Lieferproblemen und somit zu Reputationsschäden beim Kunden führen.

Des Weiteren werden auch Qualitätsprobleme, die wiederum zu Beeinträchtigungen der Kundenbeziehungen führen können, zu den Produktionsrisiken gezählt. Die POLYTEC GROUP minimiert dieses Risiko, indem sie laufende Verbesserungen im Produktionsprozess (POLYTEC Performance Systems, Digitalisierungsoffensive, etc.) erzielt sowie laufende organisatorische Maßnahmen zur Verbesserung der Prozessqualität umsetzt.

Finanzielle Risiken und deren Management und Sensitivität

Kreditrisiko: Aufgrund der Kundenstruktur – rund 90% des Umsatzes werden mit den OEMs oder großen Systemlieferanten erzielt – ist die POLYTEC GROUP dem Bonitätsrisiko der Automobilindustrie ausgesetzt. Die Außenstände werden laufend kritisch verfolgt und die vereinbarungsgemäße Bezahlung von Forderungen sichergestellt. Im Geschäftsjahr 2020 wurden rund 59% (Vorjahr: 61%) des Umsatzes mit den drei größten Kunden erzielt. Dies ergibt ein gewisses Klumpenkreditrisiko, das vom Management aber als unkritisch im Hinblick auf Kreditausfälle eingestuft wird. Die Abhängigkeit von wenigen Kunden ist ein Wesensmerkmal der Automobilzulieferindustrie. Als Kunde wird in diesem Zusammenhang eine Gruppe verbundener Unternehmen definiert, die durchaus auch mehrere Automobilmarken herstellen kann.

Das Ausfallrisiko bei flüssigen Mitteln wird als gering eingeschätzt.

Trotz des allgemein als gering eingestuften Kreditrisikos entspricht das maximale theoretische Ausfallrisiko grundsätzlich den Buchwerten der einzelnen finanziellen Vermögenswerte.

Liquiditätsrisiko: Die Gruppe sichert ihren Liquiditätsbedarf durch Vorhalten einer Barreserve sowie durch die vorzeitige Refinanzierung endfälliger Finanzverbindlichkeiten. Das Liquiditätsrisiko wird aktiv durch die Konzernzentrale gesteuert.

Die Kontokorrentkredite werden der Gruppe bis auf Weiteres zur Verfügung gestellt und sind somit als kurzfristig eingestuft, allerdings ist eine kurzfristige Fälligkeit seitens der finanzierenden Kreditinstitute nicht zu erwarten.

Währungsrisiko: Der weitaus überwiegende Anteil der Umsätze der POLYTEC GROUP wird in Euro fakturiert, sodass das Währungsrisiko den Konzern in Summe nur in untergeordnetem Maß betrifft. Zum Teil erfolgt der Einkauf von Vorleistungen in derselben Währung wie der Verkauf, sodass sich Währungsrisiken natürlich „hedgen“. Die Gruppe ist größeren Währungsrisiken in jenen Ländern ausgesetzt, in denen in Euro fakturiert, Vorleistungen aber in lokaler Währung zugekauft werden müssen. Solche Risiken bestehen etwa gegen die Tschechische Krone, den Ungarischen Forint und den Südafrikanischen Rand. Diese Risiken sind vielfach nicht Finanzinstrumenten zuzuordnen, da sie vor allem auch auf Personalkosten zurückzuführen sind. Aufgrund des Ausbaus der Produktionsaktivität im Vereinigten Königreich und der volatilen Kursschwankungen des Britischen Pfund seit der Brexit-Abstimmung, ist die POLYTEC GROUP einem verstärkten Währungsrisiko im Zusammenhang mit dem Britischen Pfund ausgesetzt. Diesem Risiko begegnet die POLYTEC GROUP bei Bedarf mit dem Einsatz von Absicherungsgeschäften und über Natural-Hedge-Positionen.

Zinsänderungsrisiko: Dem Zinsänderungsrisiko begegnet die POLYTEC GROUP durch ein der langfristigen Zinsmeinung entsprechendes Portfolio von variablen und fixen Finanzierungen, wobei langfristige Finanzierungen zum überwiegenden Teil variabel verzinst sind.

Cyber Crime: Auch die POLYTEC GROUP unterliegt vermehrt Angriffen durch Cyber Crime-Attacken. Diese konnten bisher erfolgreich abgewehrt werden. Dennoch ist die Professionalisierung in diesem Bereich zu einem ernstzunehmenden Risiko im operativen Geschäft geworden. Die internen Kontrollen der POLYTEC GROUP wurden laufend verschärft sowie die Sensibilisierung der Mitarbeiter im Bezug auf dieses Thema in regelmäßigen Abständen adressiert und laufend evaluiert.

Sonstige Risiken: Sonstige wesentliche Verpflichtungen und Risiken, die im vorliegenden Konzernabschluss nicht entsprechend gewürdigt oder in den Erläuterungen angeführt wurden, sind dem Management nicht bekannt.

7. WESENTLICHE MERKMALE DES INTERNEN KONTROLL- UND RISIKOMANAGEMENTSYSTEMS IM HINBLICK AUF DEN RECHNUNGSLEGUNGSPROZESS

Die Einrichtung eines angemessenen internen Kontroll- und Risikomanagementsystems im Hinblick auf den Rechnungslegungsprozess bzw. die Finanzberichterstattung liegt in der Verantwortung des Vorstands. Durch entsprechende organisatorische Maßnahmen und Kontrollen wird sichergestellt, dass die gesetzliche Vorgabe, nach der die Eintragungen in die Bücher und die sonstigen Aufzeichnungen vollständig, richtig, zeitgerecht und geordnet zu erfolgen haben, erfüllt wird.

Der gesamte Prozess von der Beschaffung bis zur Zahlung unterliegt strengen Regeln und konzernweit gültigen Richtlinien, die jegliche damit im Zusammenhang stehende Risiken, etwa „CEO Fraud“-Szenarien, vermeiden sollen. Zu diesen Maßnahmen und Regeln zählen u. a. Funktionstrennungen, Unterschriftenordnungen, ausschließlich kollektive und auf wenige Personen eingeschränkte Zeichnungsermächtigungen für Zahlungen sowie systemunterstützte Prüfungen durch die verwendete Software.

Das wesentliche Management-Steuerungsinstrument ist das gruppenweit implementierte Planungs- und Berichtssystem. Darin sind insbesondere eine Mittelfristplanung mit dreijährigem Planungshorizont, eine jährliche Budgetplanung und die Monatsberichte enthalten. Die von POLYTEC GROUP Financial Services erstellte monatliche Finanzberichterstattung bildet die aktuelle Entwicklung aller Konzerngesellschaften zeitnah ab. Der Inhalt dieser Berichte ist gruppenweit vereinheitlicht und umfasst neben Gewinn- und Verlustrechnung sowie Bilanz die daraus abgeleiteten wesentlichen Kennzahlen und eine Abweichungsanalyse.

Durch das standardisierte gruppenweite Finanzberichtswesen sowie eine interne Ad-hoc-Berichterstattung über unternehmenswichtige Ereignisse wird der Vorstand laufend über alle relevanten Sachverhalte und Risiken informiert. Der Aufsichtsrat wird in zumindest einer Aufsichtsratssitzung pro Quartal über den laufenden Geschäftsgang, die operative Planung und die mittelfristige Strategie des Konzerns unterrichtet, in besonderen Fällen wird der Aufsichtsrat auch unmittelbar informiert. In den Prüfungsausschusssitzungen wird u. a. auch das interne Kontroll- und Risikomanagement behandelt.

8. ANGABEN ZU KAPITAL-, ANTEILS-, STIMM- UND KONTROLLRECHTEN UND DAMIT VERBUNDENEN VERPFLICHTUNGEN GEMÄSS § 243A UGB

Das Grundkapital der POLYTEC Holding AG betrug zum Bilanzstichtag 31. Dezember 2020 unverändert EUR 22,3 Mio. und war in 22.329.585 auf Nennwert lautende Aktien unterteilt. Weitere Aktiegattungen bestanden nicht. Sämtliche Aktien waren zum Handel im Segment prime market der Wiener Börse zugelassen.

Einzigster Aktionär mit einer Beteiligung von mehr als 10,0% des Grundkapitals war zum Bilanzstichtag 31. Dezember 2020 die Huemer-Gruppe. Sie hielt 29,04% (16,00% Huemer Holding GmbH und 13,04% Huemer Invest GmbH) des Grundkapitals der POLYTEC Holding AG. Darüber hinaus waren dem Vorstand zum Bilanzstichtag keine Aktionäre bekannt, die eine Beteiligung am Grundkapital von mehr als 10,0% hielten. Keine Inhaber von Aktien verfügen über besondere Kontrollrechte.

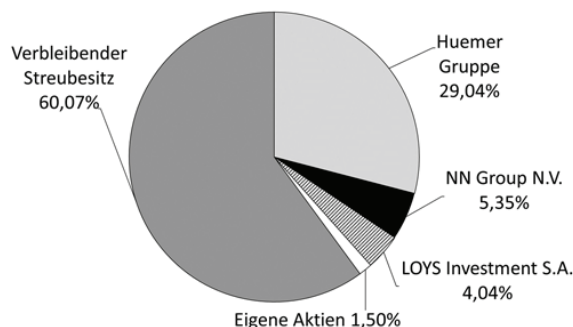
STIMMRECHTSMITTEILUNGEN – AKTIONÄRSSTRUKTUR

Der POLYTEC Holding AG wurden von Aktionären vier Stimmrechtsmitteilungen gemäß § 130 BörseG 2018 übermittelt, die das Geschäftsjahr 2020 betrafen. Diese sind in der folgenden Tabelle dargestellt:

Meldepflichtige Person	Sitz/Staat	Datum	Grund	Stimmrechte absolut	Stimmrechte relativ
LOYS Investment S.A.	Munsbach/Luxemburg	12.10.2020	Erwerb	895.688	4,01%
LOYS Investment S.A.	Munsbach/Luxemburg	11.12.2020	Veräußerung	857.272	3,84%
LOYS Investment S.A.	Munsbach/Luxemburg	29.12.2020	Erwerb	901.202	4,04%
NN Group N.V.	Amsterdam/Niederlande	31.12.2020	Sonstiger	1.195.351	5,35%

Jene Änderungen von bedeutenden Beteiligungen, die der POLYTEC Holding AG nach dem Bilanzstichtag bekanntgegeben wurden, sind auf der Website des Unternehmens www.polytec-group.com im Bereich Investor Relations, News – Beteiligungsmeldungen abrufbar.

Zum 31. Dezember 2020 stellte sich die Aktionärsstruktur der POLYTEC Holding AG auf Basis der ausgegebenen 22.329.585 Aktien wie folgt dar:



Die aktuelle Zusammensetzung der Aktionärsstruktur ist auf der Website des Unternehmens www.polytec-group.com im Bereich Investor Relations, Aktie abrufbar.

EIGENGESCHÄFTE VON FÜHRUNGSKRÄFTEN

Mitte Dezember 2020 wurde die POLYTEC Holding AG darüber informiert, dass Mag. Reinhard Schwendtbauer, Mitglied des Aufsichtsrats der POLYTEC Holding AG, am 14. Dezember 2020 insgesamt 7.000 Stück POLYTEC-Aktien zum aggregierten Preis von je EUR 7,402 gekauft hat. Die POLYTEC Holding AG hat zu diesem Ereignis fristgerecht eine Meldung über Eigengeschäfte von Führungskräften gemäß Artikel 19 MAR veröffentlicht.

Darüber hinaus wurden während des Geschäftsjahres 2020 der POLYTEC Holding AG seitens Personen, die Führungsaufgaben innerhalb der POLYTEC Holding AG wahrnehmen sowie in enger Beziehung zu ihnen stehende Personen (natürliche und juristische), keine Meldungen über Eigengeschäfte übermittelt.

Eine Übersicht der Eigengeschäfte von Führungskräften, inklusive jener, die nach dem Bilanzstichtag getätigt wurden, ist auf der Website der Wiener Börse www.wienerbourse.at im Bereich Marktdaten, Statistiken, Managers' Transactions abrufbar.

EIGENE AKTIEN

Während des Geschäftsjahres 2020 hat die Gesellschaft keine eigenen Aktien erworben oder verkauft. Die POLYTEC Holding AG hielt somit am Bilanzstichtag 31. Dezember 2020 unverändert 334.041 Stück eigene Aktien bzw. rund 1,5% am Grundkapital. Der Kurswert am Bilanzstichtag betrug rund EUR 2,5 Mio. (Vorjahr: EUR 2,9 Mio.). Der Anschaffungswert dieser Aktien lag bei EUR 1,9 Mio. Die Ermächtigung des Vorstands zum Erwerb eigener Aktien der Gesellschaft, basierend auf dem Beschluss im Rahmen der 19. Ordentlichen Hauptversammlung vom 10. Mai 2019, ist bis zum 9. November 2021 gültig.

GENEHMIGTES KAPITAL

Der Antrag auf erneute Schaffung eines Genehmigten Kapitals (§ 169 AktG) innerhalb von höchstens drei Jahren ab Eintragung in das Firmenbuch, sohin bis zum 4. September 2022, zur Bar- oder Sachkapitalerhöhung bis zu Nominale EUR 6.698.875,00 mit der Möglichkeit zum Bezugsrechtsausschluss, wenn das Grundkapital gegen Sacheinlage von Unternehmen, Betrieben, Teilbetrieben oder Anteilen an einer oder mehreren Gesellschaften im Inland oder Ausland erhöht wird, und der dementsprechenden Änderung der Satzung wurde mit der erforderlichen Mehrheit durch die 19. Ordentliche Hauptversammlung vom 10. Mai 2019 angenommen.

SONSTIGE ANGABEN

Es existiert keine Entschädigungsvereinbarung zwischen der Gesellschaft und Mitgliedern des Vorstands für den Fall eines Kontrollwechsels. Ebenso gibt es keine Entschädigungsvereinbarungen für die Aufsichtsratsmitglieder und Arbeitnehmer. Weitere bedeutende Vereinbarungen, auf die ein Kontrollwechsel oder ein öffentliches Übernahmeangebot eine Auswirkung hätten, bestehen nicht. Es bestehen keine Satzungsbestimmungen, die über die gesetzlichen Bestimmungen zur Ernennung von Vorstand oder Aufsichtsrat sowie zur Änderung der Satzung hinausgehende Regelungen enthalten. Die im Firmenbuch eingetragene Website der POLYTEC Holding AG lautet www.polytec-group.com

Hörsching, am 9. April 2021

Der Vorstand der POLYTEC Holding AG

Dipl.-Ing. (FH) Markus Huemer, MBA
Vorstandsvorsitzender – CEO

Dkfm. Peter Haidenek
Mitglied des Vorstands – CFO

DI Heiko Gabbert
Mitglied des Vorstands – COO

Peter Bernscher, MBA
Mitglied des Vorstands – CSO

4. Bestätigungsvermerk

Bericht zum Jahresabschluss

Prüfungsurteil

Wir haben den Jahresabschluss der

**POLYTEC Holding AG,
Hörsching,**

bestehend aus der Bilanz zum 31. Dezember 2020, 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 2020 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 und Ausleihungen an sowie der finanziellen Forderungen gegenüber verbundenen Unternehmen

Siehe Anhang Beilage I/4 bis I/6, I/10 sowie Anlage 1 zum Anhang.

Das Risiko für den Abschluss

Anlassbezogen werden Anteile an verbundenen Unternehmen von der Gesellschaft einer Werthaltigkeitsüberprüfung unterzogen. Auslöser einer anlassbezogenen Überprüfung ist einerseits eine wesentliche statische Unterdeckung bei der Gegenüberstellung des Beteiligungsansatzes mit dem anteiligen Eigenkapital zum Stichtag und andererseits das Vorliegen von externen oder internen Einflussfaktoren, die eine erhebliche Wertminderung auslösen können. Im Anlassfall wird die Bewertung auf Basis von diskontierten Netto-Zahlungsmittelzuflüssen, die von zukünftigen Ergebniserwartungen abhängig sind, unter Anwendung von aus Marktdaten abgeleiteten Diskontierungszinssätzen durchgeführt.

Die Ausleihungen an sowie finanziellen Forderungen gegenüber verbundenen Unternehmen, die nicht über vorstehend beschriebene Bewertung auf Basis von diskontierten Netto-Zahlungsmittelzuflüssen abgedeckt sind, werden von der Gesellschaft anhand der Ergebnis- und Cashflow-Planungen auf Werthaltigkeit analysiert und unter Berücksichtigung von geplanten Maßnahmen zur Erzielung von Rückzahlungspotenzial bewertet.

Diese Bewertungen sind mit bedeutenden Schätzunsicherheiten insbesondere betreffend langfristiger Planungsannahmen sowie Marktunsicherheiten behaftet. Für den Abschluss besteht das Risiko einer Überbewertung der Anteile und Ausleihungen an sowie der finanziellen Forderungen gegenüber verbundenen Unternehmen.

Unsere Vorgehensweise in der Prüfung

Wir haben die Werthaltigkeit der Anteile und Ausleihungen an sowie der finanziellen Forderungen gegenüber verbundenen Unternehmen wie folgt beurteilt:

- Im ersten Schritt haben wir die interne Kontrolle zur Identifikation und Beurteilung von Anhaltspunkten für eine Wertminderung oder Wertaufholung erhoben und auf dessen Ausgestaltung und Implementierung evaluiert sowie die vom Unternehmen erstellten Unterlagen zur Ermittlung einer allfälligen statischen Unterdeckung nachvollzogen und die Dokumentation, ob andere Indikatoren für eine Wertminderung vorliegen, kritisch gewürdigt und mit dem Management diskutiert. Im Fall der Anteile an verbundenen Unternehmen hat das Unternehmen in zwei Fällen und im Fall der Ausleihungen an sowie der finanziellen Forderungen gegenüber verbundenen Unternehmen in fünf Fällen anlassbezogene Werthaltigkeitsprüfungen durchgeführt. Wir haben die der Bewertung zugrunde gelegten Ergebniserwartungen sowie Investitionen mit dem vom Vorstand aufgestellten und vom Aufsichtsrat genehmigten Budget samt Mittelfristplanung abgeglichen. Um die Angemessenheit der Planungen beurteilen zu können, haben wir uns ein Verständnis über den Planungsprozess verschafft und die verwendeten Annahmen mit der historischen Entwicklung abgeglichen. Wir haben die Annahmen in Gesprächen mit dem Management erörtert und uns in diesem Zuge ein Verständnis darüber verschafft, wie historische Erfahrungen die Planung des Managements beeinflussen.

- Darüber hinaus haben wir die Angemessenheit der ermittelten Diskontierungssätze sowie das Berechnungsmodell des Werthaltigkeitstests beurteilt. Wir haben kritisch gewürdigt, ob die langfristige Entwicklung des Rentabilitätsniveaus in der Rentenphase im Vergleich mit den in der Vergangenheit erzielten Ergebnissen, der Entwicklung in der Mittelfristplanung und einer geschäftsfeldspezifischen Peer-Group konsistent und plausibel erscheint. Diese Prüfungshandlungen haben wir unter Beiziehen unserer Bewertungsspezialisten vorgenommen.
- Die Würdigung der Werthaltigkeit der Ausleihungen an sowie finanziellen Forderungen gegenüber verbundenen Unternehmen, die nicht über vorstehend beschriebene Bewertung auf Basis diskontierter Netto-Zahlungsmittelzuflüssen abgedeckt sind, haben wir basierend auf den Ergebnis- und Cashflow-Planungen auf Zweifel an der Einbringlichkeit untersucht. In zehn Anlassfällen haben wir die vom Management festgelegten Maßnahmen zur Wiederherstellung der Ertragskraft mit dem Management besprochen und die übermittelten Unterlagen, die zur Begründung der Maßnahmen herangezogen wurden, kritisch gewürdigt.
- Zusätzlich haben wir untersucht, ob die Erläuterungen des Unternehmens zu den Anteilen und Ausleihungen an sowie finanziellen Forderungen gegenüber verbundenen Unternehmen im Anhang vollständig und sachgerecht sind.

Sonstige Informationen

Die gesetzlichen Vertreter sind für die sonstigen Informationen verantwortlich. Die sonstigen Informationen umfassen alle Informationen im Geschäftsjahr, ausgenommen den Jahresabschluss, den Lagebericht und den Bestätigungsvermerk. Der Geschäftsbericht wird uns voraussichtlich nach dem Datum des Bestätigungsvermerks zur Verfügung gestellt.

Unser Prüfungsurteil zum Jahresabschluss erstreckt sich nicht auf diese sonstigen Informationen, und wir werden keine Art der Zusicherung darauf geben.

Im Zusammenhang mit unserer Prüfung des Jahresabschlusses haben wir die Verantwortlichkeit, diese sonstigen Informationen zu lesen, sobald sie vorhanden sind, und dabei zu würdigen, ob die sonstigen Informationen wesentliche Unstimmigkeiten zum Jahresabschluss oder unseren bei der Abschlussprüfung erlangten Kenntnissen aufweisen oder anderweitig falsch dargestellt erscheinen.

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 auf Grund 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 auf Grund 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 auf Grund 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 auf Grund 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 Lageberichtes in Übereinstimmung mit den österreichischen unternehmensrechtlichen Vorschriften.

Wir haben unsere Prüfung in Übereinstimmung mit den Berufsgrundsätzen zur Prüfung des Lageberichtes 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 7. August 2020 als Abschlussprüfer gewählt und am 30. September 2020 vom Aufsichtsrat mit der Abschlussprüfung der Gesellschaft für das am 31. Dezember 2020 endende Geschäftsjahr beauftragt.

Wir sind ohne Unterbrechung seit dem Jahresabschluss zum 31. Dezember 2017 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.

Auftragsverantwortliche Wirtschaftsprüferin

Die für die Abschlussprüfung auftragsverantwortliche Wirtschaftsprüferin ist Frau Dr. Elisabeth Rebhan-Briewasser.

Linz, am 12. April 2021

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

qualifiziert elektronisch signiert:
Dr. Elisabeth Rebhan-Briewasser
Wirtschaftsprüferin

Dieses Dokument wurde qualifiziert elektronisch signiert und ist nur in dieser Fassung gültig. Die Veröffentlichung oder Weitergabe des Jahresabschlusses mit unserem Bestätigungsvermerk darf nur in der von uns bestätigten Fassung erfolgen. Dieser Bestätigungsvermerk bezieht sich ausschließlich auf den deutschsprachigen und vollständigen Jahresabschluss samt Lagebericht. Für abweichende Fassungen sind die Vorschriften des § 281 Abs 2 UGB zu beachten.

SERVICE

CORPORATE CALENDAR 2021

22 April 2021	Thursday	Publication of the financial statements and annual report for 2020
7 May 2021	Friday	Publication of the interim report Q1 2021
3 July 2021	Saturday	Record date "AGM"
13 July 2021	Tuesday	21 st Ordinary Annual General Meeting for the 2020 financial year
19 July 2021	Monday	Ex-dividend day
20 July 2021	Tuesday	Record date "Dividends"
21 July 2021	Wednesday	Dividend pay-out day
12 August 2021	Thursday	Publication of the financial report HY1 2021
11 November 2021	Thursday	Publication of the interim report Q3 2021

It is possible that owing to corona-related circumstances the day of the 21st Ordinary Annual General Meeting and therewith other related dates may be changed at short notice. The invitation to the AGM will be published punctually in the Official Gazette of the "Wiener Zeitung" and be made known via electronic media. Timely information will also be provided on the group website www.polytec-group.com in the Investor Relations, Annual General Meeting and Calendar section.

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NOTE

This annual report has been prepared with the greatest possible care and every effort has been made to ensure the accuracy of the data that it contains. Nevertheless, rounding, typographical and printing errors cannot be excluded. The use of automatic calculating devices can result in rounding-related differences during the addition of rounded amounts and percentages. This annual report contains assessments and assertions relating to the future made on the basis of all the information currently available. Such future-related statements are usually introduced with terms such as "expect", "estimate", "plan", "anticipate", etc. We would draw your attention to the fact that various factors could cause actual conditions and results to deviate from the expectations outlined in this report.

This annual report is published in German and English. The English translation serves information purposes and the original German text is the sole legally binding version. The annual financial report and the annual report for 2020 were published on 22 April 2021 and are available for downloading on the POLYTEC Holding AG website at www.polytec-group.com, section Investor Relations, Publications.

Editorial closing date: 12 April 2021

GLOSSARY

Company and technology

CEO	Chief Executive Officer: Chairman of the Board of Directors, responsible for M&A, investment management, corporate strategy, corporate communications, purchasing, IT, legal affairs, human resources
CFO	Chief Financial Officer: Responsible for finances, controlling, accounting, investor relations, internal audit
COO	Chief Operations Officer: Responsible for operations, innovation, industrial engineering
CSO	Chief Sales Officer: Responsible for sales, engineering, marketing
CSR	Corporate social responsibility
D-LFT	Direct process for the use of long fibre-reinforced thermoplastics in exceptionally tough parts
GMT	Glass mat reinforced thermoplastic
GMTex	High-performance, thermoplastic compound material
HSE	Health, Safety and Environment
In-mould coating	Process for integrated surface upgrading
Injection moulding	Process in which material is liquefied (plastified) and injected into a mould under pressure
Just-in-sequence	Punctual delivery of workpieces to the assembly line in the correct sequence
Just-in-time	Punctual delivery of workpieces to the assembly line
OEM	Original equipment manufacturer
One-shot process	Production in a single phase
OPEX	Operational Excellence: new internal department as an interface between product lines and production
People mover	Automatic means of (public) transport for short distances
Powertrain	Drive train in a combustion engine
PUR	Polyurethane: Plastic or synthetic resin
UD-tape	Unidirectional tape: endless, fibre-reinforced thermoplastic tape

Financials

CAD	Canadian dollar
Capital employed	Capital employed includes non-current assets required for operations (intangible assets, goodwill, tangible assets, participations in companies accounted for at equity and other non-current receivables) less other non-current provisions and net current assets (non-interest bearing current assets less non-interest bearing current liabilities).
CGU	Cash-generating unit
CNY	Chinese renminbi yuan
CZK	Czech koruna
DBO	Defined Benefit Obligation
Deferred taxes	Balance sheet item to show fiscal valuation differences. In the case of temporary discrepancies between the group balance sheet and the fiscal balance sheet, both deferred tax assets and deferred tax liabilities are recognised in order to report the tax expenses in accordance with the group financial result.
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EBIT margin	EBIT/sales revenues
ECB	European Central Bank
Equity ratio	Equity/balance sheet total
EUR k	Euro thousands
FTE	Full-time equivalents of employees
GBP	Great British pound
Gearing	Net financial debts/equity
HUF	Hungarian forint
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards, including International Accounting Standards
ISIN AT0000A00XX9	International Securities Identification Number of POLYTEC share
LEI	Legal Entity Identifier: The unique international code number of POLYTEC Holding AG: 529900OVSOBJNXZACW81
Market capitalisation	Value of enterprise: Number of issued shares multiplied with certain share price
Net current assets	Non-interest bearing current assets less non-interest bearing current liabilities
Net financial liabilities/ assets	Interest-bearing current and non-current liabilities less cash and cash equivalents and interest-bearing receivables
ROCE	Return on capital employed (EBIT/average capital employed)
TRY	Turkish lira
USD	United States dollar
ZAR	South African rand

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