

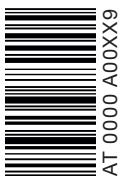
# POLYTEC

CLIENT

POLYTEC  
PLASTICS

POLYTEC  
CO

**POLYTEC SOLUTION FORCE**  
**WE TRANSFORM VISIONS**  
**INTO PLASTIC SOLUTIONS**



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# KEY FIGURES

Key figures from the consolidated income statement	Unit	2019	2018	2017	2016	2015
Sales	EUR million	627.1	636.4	676.4	650.4	626.5
thereof passenger cars & light commercial vehicles	EUR million	388.8	387.9	434.1	425.4	420.1
thereof commercial vehicles	EUR million	158.4	174.7	165.0	147.4	148.1
thereof smart plastic & industrial applications	EUR million	79.9	73.8	77.3	77.6	58.3
EBITDA	EUR million	68.4	67.1	82.3	80.1	59.7
EBITDA margin (EBITDA/sales)	%	10.9	10.5	12.2	12.3	9.5
EBIT	EUR million	32.6	40.1	55.1	52.4	36.6
EBIT margin (EBIT/sales)	%	5.2	6.3	8.1	8.1	5.8
Earnings after tax	EUR million	23.1	30.0	39.0	37.0	24.2
Earnings per share	EUR	1.02	1.32	1.74	1.65	1.08

Balance sheet key figures	Unit	2019	2018	2017	2016	2015
Balance sheet total	EUR million	605.6	557.6	516.5	501.4	485.1
Equity ratio (equity/balance sheet total)	%	41.7	42.7	42.1	37.9	33.6
Investments in fixed assets	EUR million	48.2	42.6	38.4	34.4	134.4
Net working capital	EUR million	125.4	95.2	75.5	40.1	50.5
Net working capital/sales	%	20.0	15.0	11.2	6.2	8.1
Average capital employed	EUR million	400.4	341.8	297.5	274.8	219.1
ROCE before tax (EBIT/average capital employed)	%	8.2	11.7	18.5	19.1	16.7
Net debt (+)/assets (-)	EUR million	156.0	101.8	78.7	69.9	99.1
Net debt (+)/assets (-) to EBITDA	-	2.28	1.52	0.96	0.87	1.66
Gearing (net debt (+)/assets (-)/equity)	-	0.62	0.43	0.36	0.37	0.61

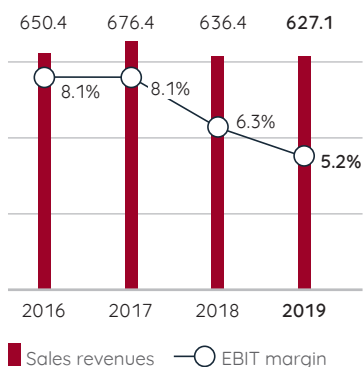
Consolidated cash flow key figures	Unit	2019	2018	2017	2016	2015
Cash flow from operating activities	EUR million	24.4	30.9	38.3	70.7	51.3
Cash flow from investing activities	EUR million	-48.6	-39.4	-38.0	-28.8	-69.2
Cash flow from financing activities	EUR million	6.1	25.2	-22.7	-20.0	-36.4

Personnel key figures	Unit	2019	2018	2017	2016	2015
Employees on annual average	FTE <sup>1)</sup>	4,344	4,465	4,527	4,449	4,247
Employees as of 31 December	FTE	4,406	4,315	4,522	4,427	4,223
Sales per employee	EUR k	144.4	142.5	149.4	146.2	147.5

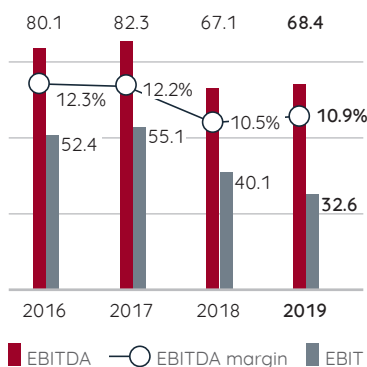
<sup>1)</sup> FTE: full-time equivalents incl. leasing personnel

<b>POLYTEC share (AT0000A00XX9)</b>	<b>Unit</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Year-end closing price	EUR	8.65	8.38	18.50	10.39	7.66
Highest closing price during the year	EUR	10.64	21.00	22.38	10.60	8.45
Average closing price during the year	EUR	8.89	13.29	16.46	7.89	7.52
Lowest closing price during the year	EUR	8.05	8.38	10.40	6.65	6.20
Market capitalisation at year-end	EUR million	193.1	187.1	413.1	231.9	171.0
Money turnover (daily average, double counting)	Shares	47,768	93,591	83,317	35,937	45,660
Earnings per share	EUR	1.02	1.32	1.74	1.65	1.08
Proposed dividend per share	EUR	0.25	0.40	0.45	0.40	0.30
Dividend yield on the basis of the average closing price	%	2.8	3.0	2.7	5.1	4.0

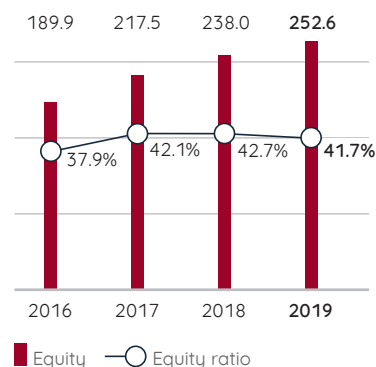
### SALES REVENUES, EBIT MARGIN



### EBITDA, EBITDA MARGIN, EBIT

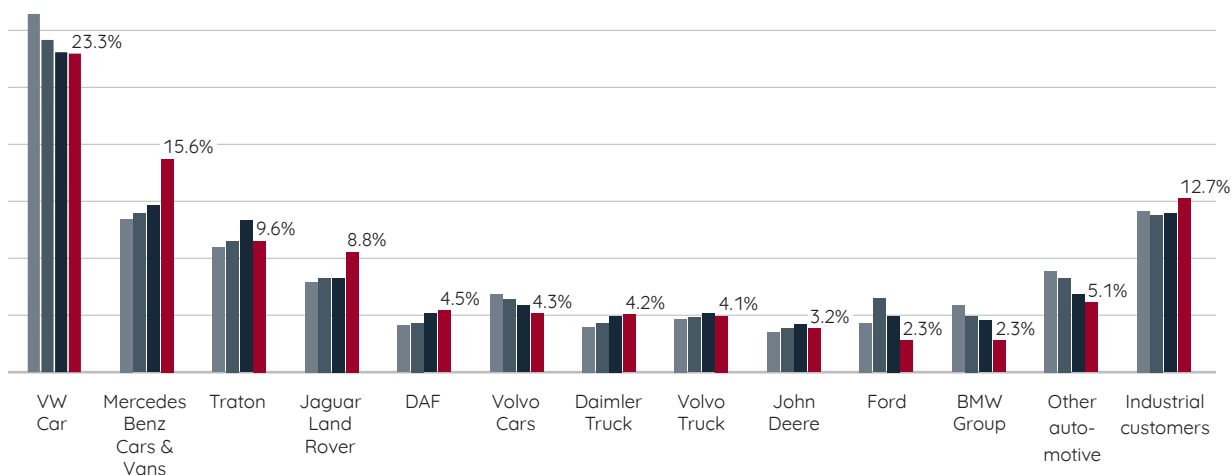


### EQUITY, EQUITY RATIO



### GROUP SALES BY CUSTOMER

■ 2016 ■ 2017 ■ 2018 ■ 2019



# CONTENTS

<b>ANNUAL FINANCIAL REPORT AS AT 31 DECEMBER 2019 OF POLYTEC HOLDING AG, HÖRSCHING</b>	
<b>CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2019</b>	<b>6</b>
POLYTEC Holding AG group management report for the 2019 financial year	6
Consolidated income statement for the 2019 financial year (with comparative figures from the previous year)	28
Consolidated statement of comprehensive income for the 2019 financial year (with comparative figures from the previous year)	29
Consolidated balance sheet as at 31 December, 2019 (with comparative figures from the previous year)	30
Consolidated cash flow statement for the 2019 financial year (with comparative figures from the previous year)	31
Consolidated statement of changes in equity for the 2019 financial year (with comparative figures from the previous year)	32
Notes to the consolidated financial statements for the 2019 financial year of POLYTEC Holding AG, Hörsching	34
A. General information	34
B. Principles of consolidation	37
C. Fair value measurement	39
D. Accounting and evaluation principles	40
E. Notes to the group's consolidated income statement, comprehensive income statement and balance sheet	46
F. Cash flow statement	63
G. Other information	63
Declaration of all legal representatives pursuant to § 124 (1) 3 of 2018 Austrian Stock Exchange Act	72
Auditors' report (Translation of the original German version for information purposes without liability; the German version takes precedence.)	73
Share & investor relations	77
Corporate governance	81
Report of the POLYTEC Holding AG supervisory board for the 2019 financial year	87
<b>FINANCIAL STATEMENTS AS AT 31 DECEMBER 2019 (GERMAN)</b>	<b>88</b>
Balance sheet as at 31 December 2019 (with comparative figures from the previous year) (German)	89
Income statement for the 2019 financial year (with comparative figures from the previous year) (German)	90
Notes to the financial statements for 2019 the financial year of POLYTEC Holding AG, Hörsching (German)	91
Management report of POLYTEC Holding AG for the 2019 financial year (German)	104
Auditors' report (German)	119
<b>SERVICE/IMPRINT</b>	<b>125</b>
<b>GLOSSARY</b>	<b>126</b>



# POLYTEC HOLDING AG GROUP MANAGEMENT REPORT FOR THE 2019 FINANCIAL YEAR

## BUSINESS DEVELOPMENT AND ECONOMIC SITUATION

### 1. AUTOMOTIVE INDUSTRY DEVELOPMENT 2019

#### REGISTRATIONS OF NEW CARS IN THE MAJOR INTERNATIONAL MARKETS

in units	2019	Share	2018	Share	Change
China	21,045,000	39.4%	23,256,300	41.8%	-9.5%
USA	16,965,200	31.8%	17,215,200	31.0%	-1.5%
European Union	15,340,200	28.8%	15,159,300	27.2%	1.2%
<b>Total of the three major markets</b>	<b>53,350,400</b>	<b>100%</b>	<b>55,630,800</b>	<b>100%</b>	<b>-4.1%</b>
Other selected countries					
Japan	4,301,100		4,391,200		-2.1%
India	2,962,100		3,394,700		-12.7%
Brazil	2,665,600		2,475,400		7.7%
Russia	1,759,500		1,800,600		-2.3%

In 2019, the global car market declined for the second year in succession. In 2018, the three most important markets already demonstrated a combined fall of 0.8 million units, or 1.4%, and in 2019 this downward trend accelerated markedly with shrinkage that was three times larger than that of the preceding year. All in all, new car registrations in the main Chinese, US and European Union markets during 2019 dropped by over 2.3 million units, or 4.1%, to approximately 53.4 million. Of these markets, in 2019 the European Union alone showed a slight rise in new registrations (+1.2%) over the previous year. Nonetheless, this expansion represented the sixth consecutive increase in the annual figure for new car registrations. Conversely, 1.5% fewer light vehicles were sold in the USA, and in China, the world's largest car market, the slump in registrations that commenced in 2018 continued with an almost 10% decrease in volume.

In Japan, a total of 4.3 million new cars were sold in 2019, which was 2.1% less than in 2018, and with a double-digit minus of 12.7%, India also failed to maintain the positive result of the year before. However, following a phase of prolonged weakness, the Brazilian market expanded for the

third year running and registered growth of 7.7%. By contrast, after two strong years, the Russian car market lost impetus and in 2019, new registrations were 2.3% down on the 2018 figure.

#### China sees another year of car market contraction

For decades, China was seen as a guarantor for high growth rates in the automotive sector and as in previous years, in 2019 it remained the nation with the highest number of new car registrations worldwide. However, as compared to 2018, in the past year the volume of the Chinese car market shrank by 9.5% to 21.0 million new vehicles (2018: -3.8%), thus reflecting to a disproportionate extent the overall weakening in the Chinese economy, which not least was influenced by earlier and impending international trade barriers.

#### Registrations in the USA fall to below 17 million units for the first time since 2014

In 2019, the US light vehicle market (cars and light trucks) saw sales of 16.9 million vehicles. As opposed to the previous year, this represented a fall in volume of 250,000 units, or 1.5%. While sales of limousines dropped by 11%, the demand

for off-roaders and pick-ups remained strong, as demonstrated by growth of 3% in this segment. Light trucks accounted for 72% of the US market as a whole in 2019 and in absolute terms registrations amounted to over 1.6 million units and therefore again exceeded the total of new registrations in Europe.

#### REGISTRATIONS OF NEW CARS IN THE EUROPEAN UNION

in units	2019	Share	2018	Share	Change
Germany	3,607,300	23.5%	3,435,800	22.7%	5.0%
United Kingdom	2,311,100	15.1%	2,367,200	15.6%	-2.4%
France	2,214,300	14.4%	2,173,500	14.3%	1.9%
Italy	1,916,300	12.5%	1,910,700	12.6%	0.3%
Spain	1,258,300	8.2%	1,321,400	8.7%	-4.8%
Other EU countries	4,032,900	26.3%	3,950,700	26.1%	2.1%
<b>European Union</b>	<b>15,340,200</b>	<b>100%</b>	<b>15,159,300</b>	<b>100%</b>	<b>1.2%</b>

#### Strong growth in the last four months of the year/from September to December helps the EU car market to expand again in 2019

During 2019, a total of more than 15.3 million cars were newly registered in the European Union, which was 1.2% more than in the preceding year (15.2 million). The number of new car registrations in the EU thus rose for the sixth time in succession and this was in spite of the fact that the European car market started 2019 weakly, which was probably due to the continued ramifications of the introduction of the WLTP in September 2018. Consequently, on the basis of the low comparative figures for the same period of 2018, it was the high demand in the final four months of 2019 that resulted in renewed growth for the year as a whole.

At 22.7%, growth in December 2019 was the highest ever recorded for this month. Of the EU-28, 25 countries demon-

strated double-digit growth rates and only Portugal, Spain and the UK remained in single figures. Both Sweden (+109.3%) and France (+27.7%) recorded very sizeable expansion, due probably to the prior announcement that from 2020 onwards car tax would be newly calculated on the basis of CO<sub>2</sub> emissions. With a plus of 113.9%, the Netherlands also demonstrated anticipatory effects following the decision of the Dutch government to raise the tax on company e-cars from 4% to 8% as from January 2020.

If the five main European markets are viewed for the year as a whole, Germany registered the largest increase in new car registrations (+5.0%), followed by France (+1.9%) and Italy (+0.3%). Conversely, Spain (-4.8%) and the UK (-2.4%) showed falls as compared to the preceding year.

#### NEW CAR REGISTRATIONS IN THE EUROPEAN UNION BY DRIVE TECHNOLOGY

in units	2019	Share	2018	Share	Change
Petrol-driven cars	8,964,000	58.9%	8,521,400	56.6%	5.2%
Diesel-driven cars	4,650,600	30.5%	5,402,100	35.9%	-13.9%
Electric chargeable vehicles (ECV)	465,000	3.1%	303,000	2.0%	53.5%
Hybrid electric vehicles (HEV)	891,200	5.8%	596,000	4.0%	49.5%
Alternatively-powered vehicles (APV)	256,000	1.7%	229,300	1.5%	11.6%
<b>European Union</b>	<b>15,226,800</b>	<b>100%</b>	<b>15,051,800</b>	<b>100%</b>	<b>1.2%</b>

### Fewer registrations of diesel cars in the EU, but an increase in other drive technologies

According to statistics from the European Automobile Manufacturers Association (ACEA), in 2019 petrol-driven vehicles represented roughly 60% of all new car registrations in the EU. Their share thus increased over the preceding year by 5.2%, while the share of newly registered diesel cars fell by 13.9% to 30.5%. In Germany, Europe's largest car market, this tendency was ignored and 41,600, or 3.7%, more diesel-fuelled cars were registered than in 2018. This rise emanated partly from the sales statistics for the fourth quarter of 2019, which were based on the low figures for the previous year.

Between October and December 2019, diesel car registrations revived in a number of markets. Apart from Germany (+4.3%), the large French market also showed a plus of 7.3% and Belgium (+17.7%), Sweden (+30.5%), Romania (+31.1%), Hungary (+18.4%) and Slovenia (+18.2%) all registered double-digit growth rates for diesel-powered cars.

In 2019 as a whole, 10.6% (2018: 7.5%) of new registrations already related to vehicles with drive systems other than exclusively petrol or diesel engines. These were divided up between electrically-chargeable vehicles (ECV) with 3.1% (2018: 2.0%), hybrid e-vehicles (HEV) with 5.8% (2018: 4.0%) and cars using alternative drives (e.g. liquid gas, ethanol or other fuels) with 1.7% (2018: 1.5%).

In 2018, Italy was the country with the absolute highest number of registrations of vehicles employing alternative drive technologies, but in 2019 Germany took over first place in this statistic with 16,600 units more than Italy. 317,600 vehicles (+74.6%) with alternative drive technologies were registered in Germany in 2019, while in Italy this figure totalled 301,000 (+18.6%). With 229,000 vehicles (+47.9%), the UK came in third amongst the five most important markets, followed by France with 176,900 (+25.9%) and Spain with 151,400 registrations (+39.6%).

### REGISTRATIONS OF NEW COMMERCIAL VEHICLES IN THE EUROPEAN UNION

in units	2019	Share	2018	Share	Change
Light commercial vehicles ≤3.5t	2,115,700	83.0%	2,058,600	82.8%	2.8%
Medium commercial vehicles >3.5t to ≤16t	75,600	3.0%	72,400	2.9%	4.4%
Heavy commercial vehicles >16t	312,700	12.3%	312,500	12.6%	0.1%
Medium and heavy buses and coaches >3.5t	42,800	1.7%	42,000	1.7%	1.8%
<b>European Union</b>	<b>2,546,800</b>	<b>100%</b>	<b>2,485,500</b>	<b>100%</b>	<b>2.5%</b>

New commercial vehicle registrations in the EU during 2019 went up by some 61,300 units. This corresponded with growth of 2.5% (2018: 3.2%).

All five of Europe's biggest sales markets demonstrated an increase in registrations for the year as a whole. Germany showed the strongest growth with 6.1% and in absolute figures occupied third place with a total of 409,800 vehicles. With expansion of 4.3% to 541,400 new registrations, France was once more the largest market in this segment and in 2019 the UK saw a 3.0% return to growth (2018: -1.9%), with 431,000 commercial vehicles. The Italian market grew by 1.9% to 215,600, while Spain had a plus of only 0.3% to 243,000 units.

With a market share of 83.0%, light trucks with weights of up to 3.5t remained the EU's most important commercial vehicle segment by far and although the new WLTP standards, which also apply to light vans, led to fluctuating registration figures, growth was recorded once again. Consequently, in 2019 new registrations exceeded the two-million-unit mark for the second time in succession.

In 2019, sales of heavy trucks weighing more than 16t remained at just about the level of the previous year. The obligation to carry smart tachographs, which was introduced in mid-June 2019, resulted in pre-emptive purchases in the first half-year. In all of the remaining months of the year, sales were markedly weaker. Apart from the anticipatory sales effect, this decline was due to the beginning of a cyclical downturn that is likely to continue in 2020.

Sources: German Automotive Industry Association (VDA), the European Automobile Manufacturers Association (ACEA) and Automobil-Industrie



## 2. GROUP BUSINESS DEVELOPMENT AND STATUS

### SALES REVENUES

As opposed to the preceding year, consolidated POLYTEC GROUP sales declined by 1.5% to EUR 627.1 million (2018: EUR 636.4 million).

For several quarters, the POLYTEC GROUP's core business has been subject to reductions in call-offs and sales revenue losses caused by the significant changes in the automotive industry. Nevertheless, on the basis of the low figures for 2018 and despite the initial consolidation as of 1 September 2019 of the newly founded POLYTEC CAR STYLING Weierbach GmbH, which continues the automotive business activities of the insolvent Wayand AG, sales in the passenger car and light commercial vehicle market segment remained at the level of 2018. However, as compared to last year, the commercial vehicle market segment, which in previous periods developed positively for the POLYTEC GROUP, showed a tangible fall in sales in the second half of 2019. By contrast, following a weak year in 2018, the smart plastic & industrial applications market area demonstrated a pleasing increase.

### SALES BY MARKET AREA

in EUR m	2019	Share	2018	2017
Passenger cars & light commercial vehicles	388.8	62.0%	387.9	434.1
Commercial vehicles	158.4	25.3%	174.7	165.0
Smart plastic & industrial applications	79.9	12.7%	73.8	77.3
<b>POLYTEC GROUP</b>	<b>627.1</b>	<b>100%</b>	<b>636.4</b>	<b>676.4</b>

In the passenger cars & light commercial vehicles market area, which with 62.0% (2018: 61.0%) is the strongest sales area within the POLYTEC GROUP, including revenue of EUR 19.2 million from POLYTEC CAR STYLING Weierbach GmbH, sales rose by 0.2% to EUR 388.8 million (2018: EUR 387.9 million). The fall in call-offs emanated from both the continuing aftershocks of the switch to WLTP and lower demand for diesel-driven cars.

In comparison with the preceding year, sales revenues in the commercial vehicle market area (25.3%; 2018: 27.4%) fell by a sizeable 9.3% from EUR 174.7 million to EUR 158.4 million. Approximately 60% of the POLYTEC GROUP's truck-related revenues were obtained in the first half of 2019, while the second six months were characterised by markedly lower call-off figures.

In 2019, the smart plastic & industrial applications market area recovered, due mainly to increased call-offs from a major non-automotive customer. Sales were 8.3% up at EUR 79.9 million and this raised the market area's share in the POLYTEC GROUP's consolidated sales revenues from 11.6% to 12.7%.

### SALES BY CATEGORY

in EUR m	2019	Share	2018	2017
Parts and other sales	567.7	90.5%	571.7	605.8
Tooling and other engineering sales	59.4	9.5%	64.7	70.6
<b>POLYTEC GROUP</b>	<b>627.1</b>	<b>100%</b>	<b>636.4</b>	<b>676.4</b>

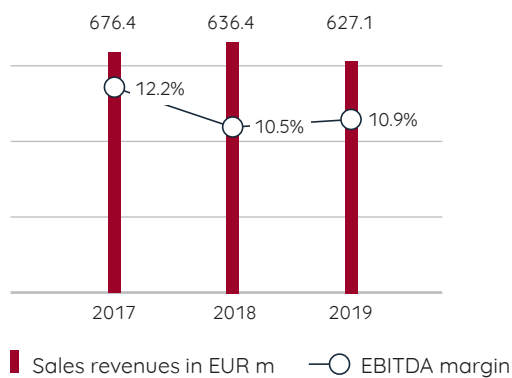
As compared to the preceding year, in the series production area the POLYTEC GROUP recorded a fall of 0.6% to EUR 567.7 million. Tooling and other engineering sales are subject to cyclical fluctuations and were down by EUR 5.3 million, or 8.2%.

### SALES BY REGION

in EUR m	2019	Share	2018	2017
Austria	44.4	7.1%	26.4	23.4
Germany	329.4	52.5%	360.3	383.1
UK	59.2	9.5%	49.8	58.4
Sweden	31.6	5.0%	34.8	37.4
Hungary	25.3	4.0%	21.2	24.1
Other EU countries	97.0	15.5%	102.5	108.4
Other countries	40.2	6.4%	41.4	41.6
<b>POLYTEC GROUP</b>	<b>627.1</b>	<b>100%</b>	<b>636.4</b>	<b>676.4</b>

**EARNINGS DEVELOPMENT****GROUP EARNINGS FIGURES**

	Unit	2019	Change	2018	2017
Sales revenues	EUR m	627.1	-1.5%	636.4	676.4
EBITDA	EUR m	68.4	2.0%	67.1	82.3
EBITDA margin (EBITDA/sales)	%	10.9	0.4% pt.	10.5	12.2
EBIT	EUR m	32.6	-18.5%	40.1	55.1
EBIT margin (EBIT/sales)	%	5.2	-1.1% pt.	6.3	8.1
Result after income tax	EUR m	23.1	-23.1%	30.0	39.0
Average capital employed	EUR m	400.4	17.1%	341.8	297.5
ROCE before tax (EBIT/average capital employed)	%	8.2	-3.5% pt.	11.7	18.5
Earnings per share	EUR	1.02	-22.7%	1.32	1.74
Dividend per share (proposal to the AGM)	EUR	0.25	-37.5%	0.40	0.45

**SALES AND EBITDA MARGIN DEVELOPMENT****MATERIAL EXPENSES**

During the 2019 financial year, in line with the sales revenue trend, the material expenses of the POLYTEC GROUP declined by EUR 3.5 million, or 1.2%, to EUR 298.2 million. At 47.6%, the material ratio (material expense/sales revenues) remained virtually at the 47.4% level of 2018.

**PERSONNEL EXPENSES**

In 2019, the group's personnel expenses decreased by EUR 1.4 million from EUR 217.8 million to EUR 216.4 million. Conversely, the group's personnel ratio (personnel expense/sales revenues) rose by 0.3 percentage points to 34.5% (2018: 34.2%). This was due largely to residual personnel costs in combination with lower sales revenues.

**EBITDA**

In the 2019 financial year, earnings from the disposal of fixed assets contributed to a rise in POLYTEC GROUP EBITDA to EUR 68.4 million (2018: EUR 67.1 million). As compared to the

previous year, the EBITDA margin climbed by 0.4 percentage points from 10.5% to 10.9%.

**AMORTISATION AND DEPRECIATION**

Depreciation rose owing to both the initial adoption of the accounting and valuation methods pursuant to IFRS 16 Leases, which became obligatory on 1 January 2019, and increased investments in the modernisation of the POLYTEC GROUP's production plants.

**EBIT**

Group EBIT in 2019 totalled EUR 32.6 million (2018: EUR 40.1 million). In comparison with 2018, the EBIT margin fell by 1.1 percentage points from 6.3% to 5.2%.

**FINANCIAL AND GROUP RESULT**

Owing to an increase in the financial requirement, the financial result fell to minus EUR 3.8 million (2018: EUR -3.3 million). The POLYTEC GROUP tax ratio (income tax/result before income tax) in the 2019 financial year amounted to 20.0% and was thus 1.6 percentage points higher than in the previous year. This was due primarily to the fact that the pre-tax results were generated largely in high-taxation countries such as Germany and the Netherlands. In terms of a yearly comparison, group net profit declined by 23.1%, or EUR 6.7 million, to stand at EUR 22.4 million (2018: EUR 29.1 million). This corresponds with earnings per share of EUR 1.02 (2018: EUR 1.32).

## ASSETS AND FINANCIAL STATUS

### INVESTMENTS

in EUR m	2019	Change	2018	2017
Investments in tangible assets	48.2	13.1%	42.6	38.4

During the 2019 financial year, investments in tangible assets rose by EUR 5.6 million to EUR 48.2 million. In particular spending focused on the South African location in the East London Industrial Development Zone, where a new plant is under construction. In addition, the POLYTEC GROUP undertook preparatory investments for a large-scale customer project in the commercial vehicle market area, as well as for improvements to its production plants and infrastructure.

### KEY BALANCE SHEET AND FINANCIAL FIGURES

in EUR m	31.12. 2019	Change	31.12. 2018	31.12. 2017
Equity	252.6	6.1%	238.0	217.5
Equity ratio (equity/total assets) in %	41.7	-1.0% pt.	42.7	42.1
Total assets	605.6	8.6%	557.6	516.5
Net working capital <sup>1)</sup>	125.4	31.7%	95.2	75.5
Net working capital/sales in %	20.0	5.0% pt.	15.0	11.2

<sup>1)</sup> Net working capital = current assets less current liabilities

In 2019, total group assets increased by EUR 48.0 million to EUR 605.6 million

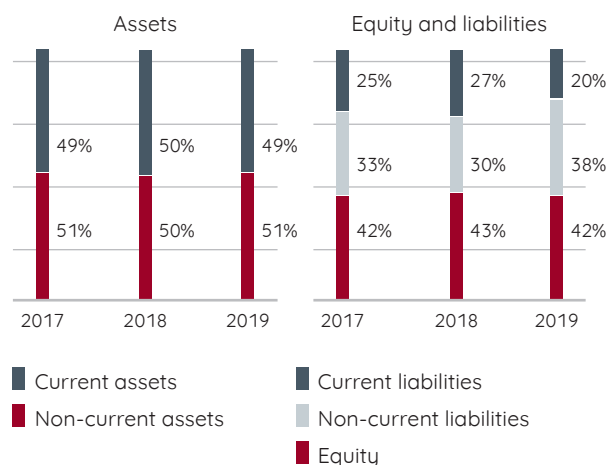
By and large, this rise was the result of the tangible increase in the working capital tied to tooling and engineering projects. As compared to the 2018 balance sheet date, net working capital climbed by roughly a third from EUR 95.2 million to EUR 125.4 million.

Moreover, the initial adoption of the accounting and valuation methods pursuant to IFRS 16 Leases resulted in an addition to the balance sheet, as since 1 January 2019, right-of-use and leasing liabilities are to be reported. With reference to these alterations, we would draw your attention to the information contained in the group notes.

As at 31 December 2019, the equity ratio amounted to 41.7%, which was one percentage point lower than on the balance sheet date of the previous year.

On the balance sheet date of 31 December 2019, the POLYTEC GROUP held 334,041 treasury shares (1.5% of share capital) with a stock market value on the closing date of around EUR 2.9 million (2018: EUR 2.8 million) and an acquisition value of around EUR 1.9 million. The company neither purchased nor sold treasury shares during the 2019 financial year.

### BALANCE SHEET STRUCTURE OF THE POLYTEC GROUP



	Unit	2019	Change	2018	2017
Net debt (+)/assets (-)	EUR m	156.0	53.2%	101.8	78.7
Net debt (+)/assets (-)/EBITDA	-	2.28	50.0%	1.52	0.96
Gearing (net debt (+)/assets (-) /equity)	-	0.62	44.2%	0.43	0.36

Due primarily to the issue of further promissory note loans and an increase in liabilities to banks, as opposed to the 31 December 2018 balance sheet date, net debt was EUR 54.2 million higher at EUR 156.0 million. As a consequence, the key figure for fictitious debt repayment duration rose from 1.52 to 2.28. The gearing ratio went up from 0.43 to 0.62.

### CASH FLOW

in EUR m	2019	Change	2018	2017
Cash flow from operating activities	24.4	-20.9%	30.9	38.3
Cash flow from investing activities	-48.6	23.3%	-39.4	-38.0
Cash flow from financing activities	6.1	-75.8%	25.2	-22.7
Change in cash and cash equivalents	-18.1	N/A	16.7	-22.4

In the 2019 financial year, the cash flow from operating activities fell by EUR 6.5 million to EUR 24.4 million. The cash flow from investing activities rose by EUR 9.2 million to minus EUR 48.6 million. The cash flow from financing activities amounted to EUR 6.1 million. On the balance sheet date, cash and cash equivalents totalled a final amount of EUR 55.6 million.

### EMPLOYEES

During the past three years, in terms of full-time equivalents (FTE) the average number of POLYTEC GROUP employees (including leasing personnel) and their geographic spread were as follows:

in FTE	2019	Share	2018	2017
Austria	554	12.8%	566	539
Germany	2,089	48.1%	2,158	2,211
Other EU countries	1,508	34.7%	1,541	1,591
Other countries	193	4.4%	200	186
<b>POLYTEC GROUP</b>	<b>4,344</b>	<b>100%</b>	<b>4,465</b>	<b>4,527</b>
Sales per employee in EUR k	144.4		142.5	149.4

On the basis of an annual comparison, average group workforce numbers (including leasing personnel) fell by 121 (FTE), or 2.7%, to 4,344. The average leasing personnel quota totalled 8.8% (2018: 10.3%). At EUR 144.4 k, sales per employee (including leasing personnel) were marginally higher than in the previous year. On the 2019 balance sheet date, the POLYTEC GROUP workforce (excluding leasing personnel) numbered 4,099. In comparison with the 2018 balance sheet date (3,965 employees), this represented an increase of 134 employees, which was due to a company acquisition in September 2019.

### 3. REPORT ON EXPECTED GROUP DEVELOPMENT AND RISKS

#### AUTOMOTIVE INDUSTRY OUTLOOK

The global automotive industry continues to be subject to major challenges and watershed changes. Trends such as e-mobility, autonomous driving, connectivity and shared mobility demand the rapid development of new solutions and hence large-scale investments in future-proof technologies and products on the part of automotive manufacturers and their suppliers. In 2019, climate change evolved into an omnipresent global issue and the political pressure to bring about quick and effective countermeasures increased in numerous social and economic areas, and in particular in the automotive industry.

Automotive industry experts anticipate that the number of cars produced worldwide will continue to fall in 2020 and the years to follow. Major market players are already preparing for lower production figures and at the earliest expect an upturn in 2025. As a result, it will be necessary to modify the production structures and capacities designed for the higher demand of past years, and place an even greater focus on costs.

Following boom years in the commercial vehicles segment, a lateral shift is now expected with regard to new registrations. After a sharp fall in order intakes, the European truck manufacturers already cut back their output at the beginning of the year. The slowdown in economic growth and the relatively new truck fleets currently owned by freight companies may also culminate in a declining market. In 2020, for cyclical reasons the US truck market could also remain below the level of the preceding year.

What impact the outbreak of the new coronavirus at the beginning of the year will have upon the automotive industry and how other economic sectors will develop globally cannot be predicted at present.

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

#### GROUP RESULT OUTLOOK

At the moment, it is too early to offer a reliable outlook concerning the development of POLYTEC GROUP results for the 2020 financial year. In particular, extreme economic volatility and market shifts relating to the drive technology of passenger cars make predictions problematic. Even in the short term, concrete customers requirements are difficult to plan and the effects of the further spread of the coronavirus cannot be estimated.

In addition, production capacity must be adapted to match both the current and pending market situation. The connotations of such measures also represent a further obstacle to an assessment of the outlook.

### 4. RISK REPORTING AND FINANCIAL INSTRUMENTS

The forecasts expressed by automotive company managers and economic experts at the beginning of 2019 regarding the challenges confronting the industry were confirmed in the course of the year. Above all, the markedly weaker development of the Chinese car market, the impact of the diesel crisis, stricter climate protection legislation, the structural transition in the direction of e-mobility and the slowdown in the global economy all served to provide the automotive branch with concerns during 2019. Analysts and experts also state that from the industry's perspective, the testing economic conditions are unlikely to improve in 2020. In all probability, a further fall in car and truck production and hence fewer new registrations can be awaited.

In view of this persistent trend, automotive manufacturers and their suppliers will continue to be beset by major economic challenges. Company decision-makers will have to keep an even sharper eye on costs and production structures and capacities must be matched to the change in conditions, as future call-off reductions and sales revenue losses cannot be excluded.

In addition to the generally weaker growth in the Chinese market, which was already burdened by existing and threatened international trade barriers, January 2020 witnessed the outbreak of the new coronavirus. According to experts, the virus, which also bears the name Covid-19, could have negative results for numerous economic branches and especially the automotive industry. This is because in view of China's central role in the automotive sector, the impact of the production losses triggered by the virus would be both rapid and painful. The country is both the largest sales market for new vehicles and an important production location for man-

ufacturers as well as suppliers. Alone in the particularly hard hit province of Hubei, at least a dozen locations produce almost two million cars annually, which correspond with a roughly 8% share of total Chinese vehicle output. Overall, a total of more than 700 international and national supplier companies are thought to be active in the region. Therefore, because China is one of the world's largest exporters of vehicle components, limitations on production of an uncertain duration could have significant global consequences for the supply chain. Consequently, at present the logistical and economic effects of this respiratory infection upon the global automotive industry cannot be estimated.

Following repeated delays, the departure of the United Kingdom from the European Union finally took place on 31 January 2020. In order to avoid a hard Brexit, the EU and the UK now have to agree upon an extensive range of new regulations during a transitional phase leading up to the end of 2020. Like many others, the automotive industry hopes for legal certainty and simply designed trade agreements without tariffs and additional administrative barriers, which might lead to falling sales and production figures in Europe's second largest car market.

At the moment, it is impossible to offer a comprehensive assessment of whether in future the aforementioned and any other additional risks and uncertainties will exert an influence upon the POLYTEC GROUP's sales revenue and income development.

The management continues to monitor events closely and with regard to risk reporting we would refer you to the information contained under G.2 in the group notes.

## 5. RESEARCH AND DEVELOPMENT REPORT

During the 2019 financial year, the POLYTEC GROUP employed some EUR 14.8 million for research and development activities (2018: EUR 12.7 million). The research cost ratio (R&D costs/sales) rose to 2.4% (2018: 2.0%).

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 an early stage with innovative applications and technology combinations, as well as complete product and manufacturing concepts, which are also aimed at strengthening group 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 surface 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 trunk lids, gear oil pans, battery boxes and complex acoustic solutions meet this demand for lightness to perfection. Conversely, the e-mobility trend 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 valid guidelines that are intended to avoid 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.

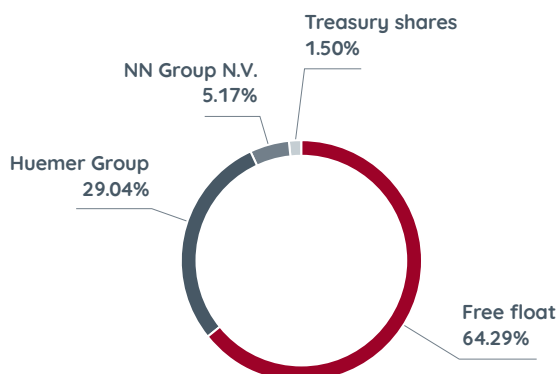
## **7. DISCLOSURES REGARDING CAPITAL, SHARE, VOTING AND CONTROL RIGHTS, AND ANY RELATED OBLIGATIONS PURSUANT TO § 243A OF THE AUSTRIAN COMMERCIAL CODE**

As at the balance sheet date of 31 December 2019, 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 2019 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. As compared to the 31 December 2018 balance sheet date, the participation in companies belonging to POLYTEC Holding AG that can be attributed to Friedrich Huemer remained unchanged. 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.

During the 2019 financial year, POLYTEC Holding AG received no voting right communications from stockholders in accordance with § 130 of the 2018 Austrian Stock Exchange Act.

As at 31 December 2019, on the basis of the 22,329,585 issued shares, the shareholder structure of POLYTEC Holding AG remained identical to that on 31 December 2018 and had the following form:



POLYTEC Holding AG was not informed of any further changes in material shareholdings after the balance sheet date.

#### DIRECTORS' DEALINGS

During the 2019 financial year, POLYTEC Holding AG received no reports regarding directors' dealing transactions pursuant to Article 19 MAR from legal personages undertaking managerial assignments within POLYTEC Holding AG, or persons with whom they have an arm's length relationship (natural or legal). The attention of POLYTEC Holding AG was also not drawn to any directors' dealings after the balance sheet date.

#### TREASURY SHARES

During the 2019 financial year, the company did not purchase or sell any treasury shares. On the balance sheet date of 31 December 2019, 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 closing date amounted to around EUR 2.9 million (2018: EUR 2.8 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 19<sup>th</sup> Ordinary Annual General Meeting, remains valid until 9 November 2021.

#### AUTHORISED CAPITAL

The resolution for the renewed creation of authorised capital (§ 169 Austrian Stock 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 19<sup>th</sup> 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](http://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 has some 4,300 employees on four continents. For more than 30 years, the Austria-based company has been offering its customers experience and know-how, not only as a complete supplier in the injection moulding field, but also a specialist for fibre-reinforced plastics, a producer of original accessories made from plastic and special steel, and a leading developer of individualised industrial solutions in poly-



urethane, as well as the machinery and plant needed for this purpose.

POLYTEC numbers globally renowned marques from the car and commercial vehicle industry among its customers and is also increasingly supplying markets outside this sector. In both cases, the most important criteria for success consist of 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 every segment. This entails design and project development, as well as the production of tooling and semis for fibre composites, component simulation and examination, as well as virtually all the available plastics processing technologies. Furthermore, POLYTEC convinces through excellent performance with regard to downstream processes such as painting, assembly and 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 enterprise. The prompt recognition of their interests and expectations leads to important findings in connection with opportunities and risks.

This information plays a significant role in the actions of the POLYTEC management and the following external and internal stakeholders have been identified as being of relevance to group activities:

### CUSTOMERS

- OEMs
- Industrial manufacturers

### EMPLOYEES

- Members of the Board of 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, suppliers for production (e.g. tooling)
- Plant and machinery manufacturers, building outfitters
- 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, rating agencies
- Financial market media

### OTHER STAKEHOLDERS

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

### IDENTIFIED MATERIAL ISSUES

A list of pertinent issues was drawn up on the basis of the POLYTEC GROUP's corporate strategy (relevance from a company perspective) 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 business success and value increase
- Enhanced cost efficiency and value-added generation
- A consistent dividend policy
- Customer advantages and satisfaction
- Production of top-quality, innovative plastic products
- Compliance
- Work safety and occupational health protection
- Employee advancement
- Optimisation and digitalisation of company processes
- Efficient energy use
- 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 corporate transactions. Risk management is an integral part of group strategy and all business processes. The comprehensive certifications required by an automotive industry supplier (e.g. TS ISO/16949:2016) already specify appropriate regulations, the observance of which is also monitored via 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, group headquarters largely provides financial risk management.

The following major risk areas can be identified:

**Specific company risks.** This risk group includes general sales market, volume, sourcing market, investment and production risks.

**Cyber crime.** 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 being continually tightened and employee sensibility with regard to this topic is heightened and evaluated at regular intervals.

In order to allocate even greater significance to the topic of information security and promptly identify and counteract potential risks, the post of a Chief Information Security Office (CISO) has been created as a central contact point for questions regarding data confidentiality, availability and protection. Among the main assignments of the CISO are the safeguarding of POLYTEC against the potential damage caused by the misuse or unauthorised publication of information and the reduction of such risks to a minimum.

**Financial risks.** These include loan, liquidity, currency and interest rate change risk.

With respect to detailed risk reporting, in order to avoid redundant text, we would refer you to the information contained in section G. 2 of the group notes.

## THE POLYTEC GROUP MISSION STATEMENT

In 2015, the group's targets, culture and self-perception were combined in the formulation of a new corporate mission statement, which defines the main areas of activity of a management programme for the individual business units on the basis of three strategic cornerstones. POLYTEC GROUP employees 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 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 the entire workforce with a point of reference 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 undertakes to constantly adhere to legal statutes, maintain an open dialogue with its customers, suppliers, authorities and the general public, and 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 of the highest technological standard. Our primary focus is on the automotive sector.

## OUR MISSION

POLYTEC's highly motivated team creates sustained value for both our group and its customers. Using a high degree of system knowledge, we develop carefully conceived solutions along the entire value-added chain from the initial idea to just-in-sequence delivery and thus regularly surpass customer expectations. We meet individual requirements in optimum fashion through the use of numerous plastics technologies that match the respective application to perfection. Moreover, we attain a competitive price level and the lasting esteem 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 ...

- We owe our problem-solving skills to 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 technologies and products with an optimum price-performance ratio.
- We accept responsibility and act only 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 serve our customers as a competent development partner. 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 employment of ethical norms such as integrity, openness, honesty and law-abidance. Adherence to all the mandatory regulations and internal rules that apply to POLYTEC Holding AG and its subsidiaries forms the basis of the cooperation of our employees 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 company culture.

### Code of Conduct regulations

Behaviour in the business environment: adherence to the law, free and fair competition, the relationships to customers, competitors and suppliers, the 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 image.

Handling of information: reporting, confidential company information, the treatment of 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. Infringements and evidence can be reported via a specially created 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 you to a document on the POLYTEC GROUP website, [www.polytec-group.com](http://www.polytec-group.com), which is ready for downloading.

## COMPLIANCE - COMBATting CORRUPTION

For POLYTEC, legal conduct and high ethical standards represent a matter of course and 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 capital market compliance content, regular coaching takes place within the group with regard to anti-corruption and anti-trust laws. Employees are thus made aware of issues of relevance to both competition and anti-trust legislation, and the correct handling of gifts and invitations. The aim is to protect both POLYTEC and its employees against infringements of the law and to provide practical support during the application of relevant regulations.

In addition to the available training measures, POLYTEC is currently updating its anti-corruption directive, which deals explicitly 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. Consequently, the topic of anti-corruption measures has been allocated even greater significance and employees are subject to a binding obligation to act lawfully.

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

## ENVIRONMENTAL PROTECTION

As an automotive industry supplier, the POLYTEC GROUP provides key solutions for the optimisation of new vehicle generations. Moreover, owing to its innovative capacity 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 work, POLYTEC makes a significant contribution to the ongoing improvement of the products of its customers, which ultimately has a positive effect upon the environment. For example, the dead weight of vehicles is lightened through material substitution and in the case of some components, as compared to steel, weight savings of up to 60% are possible. This lowers fuel consumption and hence CO<sub>2</sub> emissions.

Systematic ecological impact analyses represent a permanent feature of POLYTEC's product development processes and are carried out by the group's specialists in close coordination with its customers. In combination with perfect quality and absolute punctuality of delivery, optimisation successes in areas such as weight reduction, material substitution and savings, noise abatement, etc. constitute POLYTEC's main strengths and are greatly valued by its clientele.

However, POLYTEC does more than constantly upgrade the products and services supplied to its customers, as on the basis of a coordinated environmental, quality and lean management system, all internal production processes are analysed regularly with the aim of cutting in-house material and energy consumption. Plastics processing demands large quantities of resources and thus the careful use of production materials constitutes both an ecological and an economic necessity. In-group production phases are therefore continually improved with the same objectives in view and consequently process water and various cleaning solutions are virtually always utilised in closed cycles. As far as the use of paints is concerned, POLYTEC fulfils stringent indoor and waste air standards, which serve the protection of 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 certificated development and production processes. Accordingly, all of the POLYTEC business units involved in production for the automotive industry are certified according to the IATF 16949 quality management standard. In addition, the vast majority of group locations possess internationally recognised

environmental and quality management norms such as ISO 14001 and ISO 50001, and furthermore must also meet numerous special customer standards. Facts that confirm clearly the long-term commitment and successes that POLYTEC can point to in the environmental protection field.

Within the scope of the POLYTEC GROUP's digitalisation offensive, the Hörsching location is currently implementing software for the improved control of specific customer requirements in connection with IATF 16949. Following a successful test phase, the software, which enables special customer demands to be met through the systematic allocation of processes and responsible personnel, will be made available to all other POLYTEC GROUP locations. The actuality of the data is ensured by the regular questioning of customer portals and a related check on any changes in client needs. These can then be passed on to POLYTEC suppliers in order that comprehensive adherence is secured along the entire delivery chain. The implementation of the software will thus create a valid group-wide standard and universal process.

## STRATEGIC OBJECTIVES

Environmental and climate protection forms a key element in POLYTEC's business processes. This fact is underlined by the strategic environmental objectives that the group has been pursuing since 2015. These consist of a scaling down of raw material consumption, enhanced energy efficiency and intensified recycling. Over the years, POLYTEC has launched pilot projects relating to each of these focal points in individual group plants and following successful testing these have then been implemented successively at other locations.

In 2019, POLYTEC began the modification and fine-tuning of its environmental goals with the aim of anchoring the sustainability concept still more firmly within the group. The intention is that the resultant measures be implemented during the coming years as part of the organisation's environment and energy management. In the course of this adaptation process, the main items in POLYTEC's environmental strategy have been adjusted accordingly:

**1. Resource conservation.** In future, the previously defined strategic targets of reducing raw material consumption and intensifying recycling will be combined in the "resource conservation" focal point. The objective is to place a greater emphasis upon a holistic approach with the aim of ensuring that the protective use of all raw materials and intensified recycling are considered along the entire production process, in order to secure the conservation and optimum employment of the resources available. This involves the consump-

tion of both natural resources such as water and the savings emanating from the lightweight design or functional integration of our components. In addition, raw material consumption is cut back further by means of the increased use of regranulate, modern dosing systems 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, the best possible separation of unavoidable waste is all the more important, as is its 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.** A particularly important resource and thus cost factor for the POLYTEC GROUP 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, differing 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, building insulation, the use of efficient compressed air compressors and similar other measures. Using energy management systems, individual production phases are examined with regard to their energy efficiency and if necessary, improvement measures are extrapolated from the findings. Heat recovery projects have already been concluded successfully and further schemes for a comprehensive switch to LED lighting technology have been partially 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 within production in order to achieve the continual reduction of harmful emissions. Accordingly, from 2020 onwards the volumes of CO<sub>2</sub> (Scope 1 and Scope 2) emitted by the POLYTEC GROUP will be the object of increased logging and evaluation. The statistics thus gathered should subsequently lead to emission reduction measures, the results of which will then be measured. In addition, the group is also expanding its current programmes for waste prevention and a reduction in substances that constitute both a health and environmental hazard.

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 protective.

## SELECTED ENVIRONMENTAL PROTECTION MEASURES

### Base load optimisation

During 2019, POLYTEC implemented projects for a reduction in electricity consumption outside working hours at its locations in Lohne and Wolmirstedt. Using the systematic evaluation of the consumption data from energy monitoring, it was possible to identify such energy waste and extrapolate measures for its reduction. On the one hand, these included the raising of employee awareness levels through encouragement to actively switch off power consumers after work and at weekends. On the other, POLYTEC implemented technical steps such as the exchange of defect batteries, which enable plant to be shut down without data losses. With the aid of these initiatives, the long-term success of which is guaranteed by ongoing checks, alone at the Lohne location the base load was cut by 250,000 kWh per year.

An energy monitoring system was also installed at the Idstein location in 2019. This has helped to establish the energy consumption at important measurement points, thereby facilitating the subsequent determination and implementation of energy savings potential.

The methodical expansion of energy monitoring at other plants and hence the resultant reduction in base load consumption will continue to be one of the central goals of POLYTEC GROUP sustainability management in 2020.

### Switch to LED technology

In order to provide more efficient illumination, POLYTEC already defined uniform planning requirements for the employment of low-energy LED lighting in 2017 and one of these measures was also formed by a long-term partnership with an LED technology supplier. This holistic planning not only simplified the group-wide changeover to economic lighting, but also enhanced cost efficiency. For example in 2018 and 2019, the lighting in the production and logistics halls and the outdoor area at the Wolmirstedt location was replaced entirely by LEDs. As compared to conventional lighting, this step resulted in a reduction in electricity consumption of some 220,000 kWh per year.

### Electricity consumption for compressed air production

The generation of the compressed air required by POLYTEC for its machinery and production plant is extremely energy intensive. Therefore, considerable savings potential is available and in 2019 numerous, comprehensive measures for a cut in consumption were implemented. These included the substitution of older compressors and the installation of superordinated, intelligent network controls for ideal compressor regulation. In addition, systematic analyses of the compressed air networks, the integration of additional compressed air reservoirs, the restructuring of line networks and the optimisation of consumers led to a lowering of system pressure. In total, POLYTEC partly slashed energy consumption at its Lohne, Gochsheim and Ebensee plants by around 25%. Depending on the location, this corresponds with a reduction in annual electricity consumption of between 60,000 kWh and 125,000 kWh.

### Testing of a new hydraulic oil

Process optimisation is not the only source of energy savings, as these can also derive from working material improvements. In 2019, POLYTEC tested a new type of hydraulic oil for injection moulding machines, which has a lower viscosity level. Related measurements showed energy savings of 4% and even after lengthy, intensive testing no disadvantages with regard to oil service life or hydraulic component wear were determined. During 2020, the oil will be subjected to further exhaustive testing at another location and following a concluding positive assessment, will be utilised in numerous POLYTEC GROUP machines and plants, which should lead to significant energy savings.

One important target of POLYTEC's sustainability measures is to uncouple energy consumption from economic growth. In the long term, ways are to be found that facilitate sizeable cuts in energy requirements despite production output that remains stable or rises. POLYTEC thus intends to ensure conformity with the increasing demands for environmental and resource protection by means of new concepts for more effective energy use.

### ENERGY AND ENVIRONMENTAL TARGETS

A list of the selected inter-plant targets in the energy and environmental field in the period up to 2020:

Target definition	Dimension	Basis	Key indicator
Increased electricity/raw material consumption efficiency	Yearly by 1%	Ratio of electricity consumption to the raw materials employed	kWh/kg
Adherence to the energy efficiency standards for Level D buildings	110 kWh/m <sup>2</sup> per year	Ratio of climate-adjusted heating gas consumption to heated areas	kWh/m <sup>2</sup> per year
Optimisation of the energy data logging system for main consumers	Number of consumers	Registered main consumers/main consumers	%
Reduction of environmental impact through a cut in total waste amounts	Yearly by 1%	Total volume of waste per year in tonnes in ratio to the tonnage of raw material used in kg	t/kg
Reduction in the volume of materials employed that represent an environmental or health hazard	Yearly by 10%	Quantity of materials used constituting an environmental or health hazard	%
Reduction of environmental impact through a search for environment- and health-friendlier materials	Yearly by 10%	Number of materials constituting an environmental or health hazard	Number

## KEY INDICATORS

The key indicators shown include the plants of all fully consolidated companies.

### Energy use

in MWh	2019	2018	2017
Electricity	134,915	133,337	140,139
Natural gas/oil	97,948	104,842	108,072
Heating	2,708	1,708	1,701
Other	2,811	1,083	3,068
<b>POLYTEC GROUP</b>	<b>238,382</b>	<b>240,970</b>	<b>252,980</b>

As opposed to 2018, during the 2019 financial year, energy consumption throughout the group fell by around 1.1%, or 2,588 MWh, to 238,382 MWh. In relation to sale revenues, the ratio rose slightly by approximately 0.1 percentage point to 38%.

### Material use

in tonnes	2019	2018	2017
PP – polypropylene	25,851	23,414	28,893
PA – polyamide	8,892	9,929	10,678
ABS – acrylonitrile butadiene styrene	1,763	2,848	4,038
PUR – polyurethane	4,613	1,995	1,607
Glass fibres	7,498	8,384	8,457
Resins	4,462	4,959	4,913
Paints	1,493	1,004	1,003
Others	25,136	28,268	26,794
<b>POLYTEC GROUP</b>	<b>79,708</b>	<b>80,801</b>	<b>86,383</b>

As compared to 2018, materials consumption across the group in the 2019 financial year was down by around 1.4%, or 1,093 t, at 79,708 t. In relation to sale revenues the ratio remained unchanged over the value of the preceding year and thus amounted to 12.7%.

### Waste volumes

in tonnes	2019	2018	2017
Non-hazardous waste	7,298	7,655	7,523
Hazardous waste	1,480	1,636	2,308
<b>POLYTEC GROUP</b>	<b>8,778</b>	<b>9,291</b>	<b>9,831</b>

During the 2019 financial year, the volume of hazardous and non-hazardous waste in the POLYTEC GROUP was cut by 5.5%, or 513 t, over the previous year to 8,778 t. In relation to sales revenues, the ratio fell marginally by 0.1 percentage point to 1.4%.

## 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 thorough analysis and precise identification of optimisation potential and 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 2019, PPS focused on the following:

**1. The roll-out of shop floor managements (SFM).** POLYTEC's standardised shop floor management is intended to analyse process performance and identify anomalies and upgrading potential on the basis of specific 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 consequently and on their own initiative.

SFM has a three-part structure and incorporates the shop floor handover upon shift changes and the daily tour of all relevant areas during both of which deviations in process performance are analysed. The third structural element consists of a plant cockpit in which the key figures from the previous day and trend patterns are viewed and resultant measures extrapolated. SFM was developed and tested at the Putte and Rastatt locations and will be rolled out at other plants during 2020.

**2. Group standards for set-up time optimisation.** In the course of a project, which was launched at the Ebensee, Gochsheim and Lohne locations during 2019, POLYTEC has defined group-wide standards for a reduction in set-up times. Initially, in line with the prepared standards, sub-processes data was collated and analysed in detail and on this basis an understanding of the process was developed. Improvement potential was subsequently pinpointed through measures such as the elimination of superfluous work steps, the simplification of workflow paths and the identification of work phases, which can be completed while the plant is in operation. Finally, together with the affected personnel, the most efficient and waste-free possible target process is developed, the effectiveness of which is subject to ongoing surveillance. The project led to a shortening of the set-up times in Ebensee by roughly 22%, in Lohne by around 21% and in Gochsheim by approximately 40%. Moreover, in the case of some individual machines, the reduction was as large as 67%.

### 3. Systematic improvement of maintenance activities.

In 2019, a further project was launched at the Hörsching, Wolmirstedt and Roosendaal locations. This was targeted on the systematic upgrading of maintenance activities through the avoidance or reduction of plant standstills by means of autonomous servicing. The employees that operate the equipment are trained to carry out certain cleaning and maintenance activities, including lubricant checks and filter changes. This is intended to increase the availability of machinery, as well as relieving maintenance. In addition, machine downtimes are cut back through preventive measures and servicing. In Hörsching the project resulted in a roughly 37% reduction in material waste from one machine, while the downtimes of a prioritised machine in Wolmirstedt were lowered by almost 50%. In Roosendaal, the technical availability of the entire machine park was raised by 6 percentage points to 94%.

#### 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 current twelve 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 group as a whole and thus engender a full-coverage effect. However, the PPS road map is not to be understood merely as a reporting instrument for the Board of Directors, as it also supports plant managers during the realisation of internal projects and the assessment of their success. In 2019, 218 A3 reports, 388 PPS projects and 1,327 minor projects were completed at the twelve main plants and as a result of this high degree of performance and commitment, the POLYTEC GROUP achieved savings of EUR 10.2 million.

#### LEAN MANAGEMENT ACADEMY

Logically, only trained personnel are capable of successfully implementing the aforementioned measures. Therefore, the objective of the Lean Management Academy is to coach employees with regard to PPS methodology and principles. At present, POLYTEC has a variety of teaching modules in differing languages at its disposal, which are designed for both managers and the personnel manning plant and machinery. In 2019, 160 managers took part in twelve Lean Management Academy courses and in addition more than 500 employees have received coaching in PPS methods and content.

### 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 corporate culture. Any form of personal discrimination whether due to origin, gender, skin colour, age, religion, sexual orientation or handicap is strictly rejected. During recruitment for vacant positions, a focus is placed on performance orientation, knowledge, skills, equal opportunity and treatment. Candidates are selected primarily on the basis of the best possible qualifications and experience they can contribute to the POLYTEC GROUP as new team members.

The POLYTEC GROUP continually upgrades its personnel processes and brings them into line with current demands, changes and trends. This progress incorporates every area of modern personnel management from employer branding and recruiting, personnel and manager development, to working conditions such as work time models, health and a great deal more.

The external image of the POLYTEC GROUP was redesigned during the 2019 financial year. Under the motto, "More than right at POLYTEC - PASSION FOR PEOPLE" the employer branding and the career pages on the company website have been completely renewed.

Apart from the existing social media channels (XING, LinkedIn and Facebook), Instagram was added in 2019. The aim is to provide interested persons with a regular supply of current information, photos and videos and thus provide a comprehensive and attractive impression of the working world and career possibilities at POLYTEC.

In addition to digital communication, POLYTEC cultivates direct, personal contact with potential job applicants. For this purpose, in 2019 the group attended a total of 27 career fairs in Germany, Austria, the Netherlands and the UK, at which it showed possible career paths and job profiles at POLYTEC. These career fairs took place at universities, colleges of applied sciences, secondary schools and public event venues. Visitors were able to put their questions directly to POLYTEC specialists and managers and thus receive an intuitive insight into the group. As a result of such successful personnel marketing, during 2019 almost 5,000 persons applied for employment at POLYTEC and the ongoing efforts and activities aimed at furnishing interested parties and job applicants with comprehensive information and services were honoured with the award of the "Golden Quality Seal" in the automotive/vehicle category of the 2019 BEST RECRUITERS study. Overall, POLYTEC occupied the 17<sup>th</sup> place among over 500 tested companies.



Various POLYTEC locations offer opportunities for dual studies and trainee programmes, in order to awaken enthusiasm amongst talented youngsters for the group. The advantage of dual studies lies in the combination of regular professional practice and a university or vocational college education, which enables students to immediately implement teaching content in everyday circumstances. In line with its requirements, POLYTEC also offers trainee programmes in a variety of specialist areas. Over a period of one or two years, newcomers can pass through various stations within the group, acquaint themselves with internal procedures and thus acquire valuable experience.

Moreover, at its locations in Austria and Germany POLYTEC provides chances to learn one of 22 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 adults advice and active assistance. In 2019, the Upper Austrian Chamber of Commerce recognised the quality of POLYTEC training with the INEO award.

POLYTEC supports the ongoing further training and personal development of its personnel, as ideally qualified and motivated employees play a decisive role in group success. During annual appraisal meetings, line managers and employees jointly agree basic and further training measures, which go beyond the statutory qualification requirements. In line with needs, corresponding offers and initiatives are provided at POLYTEC's locations. These group-wide measures are supplemented by programmes such as the P3 POLYPERSPECTIVE PROGRAMMES, the POLYTEC Leadership Academy and the Lean Management Academy.

At the POLYTEC Leadership Academy (PLA), executives receive coaching on the topic of (employee) leadership on the basis of group-wide managerial principles. In 2019, 44 participants from seven locations (2018: 29) successfully completed this qualification programme and since 2015 some 190 managers have passed through the PLA. The focal points of the programme are repeatedly updated and adjusted to new requirements. In addition to the dissemination of managerial skills, the PLA creates a platform for networking within the POLYTEC GROUP and an extensive exchange of experience. Coaching measures also continue after the official end of Academy training, in order to ensure that attendees are able to continually develop further and also receive support with regard to complex issues.

The P3 POLYPERSPECTIVE PROGRAMME (P3) commenced in 2019 and in cooperation with LIMAK, Austria's longest standing business school, the group offers tailor-made general management training. P3 is directed towards employees who are willing to accept a challenge, are seeking managerial responsibility and wish to develop further in a targeted manner. First-class experts from the worlds of science and business act as trainers and coaches and on the basis of concrete questions, the course attendees are able to employ the P3 teaching content during company projects. The goal is a multifaceted business training, which in the long term will enable the participants to successfully assume top managerial positions within POLYTEC.

As previously mentioned, the definition of professional development measures is established during appraisal meetings, which constitute an essential element in POLYTEC's management activities. In the course of these conversations, which take place at least once a year between January and March, line managers and employees review their joint cooperation during the past year and discuss the focal points and targets for work in the current year. Suggestions for improvements, problem solving and prevention are also major topics of this meeting, which for white-collar workers is obligatory. In recent years, the number of completed appraisal discussions has risen steadily across the group. If in 2016 the completion rate stood at around 60%, in 2017 it had increased to roughly 84%. The 2018 figure (88%) was also repeated during the past financial year.

## WORK SAFETY TARGETS

A list of the selected inter-plant occupational safety targets in the period up to 2020:

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	%

## KEY EMPLOYEE INDICATORS

Employees excluding leasing personnel	Unit	2019	2018	2017
<b>Key indicators by geography</b> (as at 31.12.)				
Austria	FTE	521	509	486
Germany	FTE	2,092	1,943	1,966
Other EU countries	FTE	1,309	1,321	1,392
Other countries	FTE	177	192	202
<b>POLYTEC GROUP</b>	<b>FTE</b>	<b>4,099</b>	<b>3,965</b>	<b>4,046</b>
<b>Key indicators by gender</b> (as at 31.12.)				
Men	%	78.8	78.7	79.6
Women	%	21.2	21.3	20.4
<b>Key indicators by age</b> (as at 31.12.)				
<30 years	%	15.7	15.5	16.5
30-50 years	%	49.2	48.7	49.9
>50 years	%	35.1	35.8	33.6
Fluctuation rate (annual average)	%	17.0	15.0	13.5
<b>Work safety key indicators</b> (yearly values)				
Notifiable work accidents	Number	100	112	135
Average accident-related sick leave	Days	19.2	14.6	15.4
Fatal work accidents	Number	1	0	0

The key indicators shown in the table relate to full-time employees and exclude leasing personnel. If the latter are included, on the 2019 balance sheet date the POLYTEC GROUP

had a total workforce of 4,384. This represented a slight increase of 1.6%, or 69 persons (FTE – full-time equivalent) over the preceding year.

The workforce in the automotive supply industry is still predominately male, as this sector continues to be primarily technically oriented. As at 31 December 2019, the quota of female employees in the POLYTEC GROUP (excluding leasing personnel) amounted to 21.2%, which was virtually identical with the figure for the previous year (21.3%). As far as the age group structure is concerned, roughly half of the group workforce is in the 30 to 50 years category.

The group 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 total POLYTEC GROUP workforce multiplied by 100. The fluctuation rate in 2019 amounted to around 17.0% (2018: 15.0%).

In 2019, the number of work accidents subject to mandatory reporting was lower than in the preceding year, whereby the average length of accident-related sick leave rose from 14.6 to 19.2 days. To our deep regret, 2019 also saw a fatal occupational accident.

In order to prevent accidents at work, POLYTEC's focus with regard to the topics of health, safety & environment (HSE) is on raising awareness levels and requirements relating to personal protection equipment. Accordingly, reports on safety matters are televised repeatedly via the POLYTEC Information TV monitors and regular training also takes place. 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.

Hörsching, 5 March 2020

The POLYTEC Holding AG Board of Directors

Markus Huemer,  
Chairman – CEO

Peter Haidenek, m. p.  
Member of the Board – CFO

Heiko Gabbert  
Member of the Board – COO

Peter Bernscher  
Member of the Board – CSO

# CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED INCOME STATEMENT FOR THE 2019 FINANCIAL YEAR

with comparative figures from the previous year

in EUR k	Note	2019	2018
Net sales revenues	E. 1	627,081	636,397
Other operating income	E. 2	11,862	7,308
Changes in inventory of finished and unfinished goods		1,739	1,786
Other own work capitalised		884	2,983
Expenses for materials and services received	E. 3	-298,188	-301,666
Personnel expenses	E. 4	-216,386	-217,787
Other operating expenses	E. 5	-58,592	-61,953
<b>Earnings before interest, taxes and depreciation (EBITDA)</b>		<b>68,399</b>	<b>67,067</b>
Depreciation		-35,752	-26,993
<b>Earnings before interest and taxes = operating result (EBIT)</b>		<b>32,648</b>	<b>40,073</b>
Interest result		-4,010	-3,388
Other financial income		209	117
<b>Financial result</b>	E. 6	<b>-3,801</b>	<b>-3,272</b>
<b>Earnings before tax</b>		<b>28,847</b>	<b>36,801</b>
Taxes on income	E. 7	-5,772	-6,784
<b>Earnings after tax</b>		<b>23,075</b>	<b>30,017</b>
thereof result of non-controlling interests		683	897
<b>thereof result of the parent company</b>		<b>22,391</b>	<b>29,120</b>
Earnings per share in EUR	E. 19	1.02	1.32

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 2019 FINANCIAL YEAR**

with comparative figures from the previous year

1.1.-31.12.2019

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

1.1.-31.12.2018

in EUR k	Note	Group	Non-controlling interests	Total
<b>Earnings after tax</b>		<b>29,120</b>	<b>897</b>	<b>30,017</b>
<b>Items that will not be reclassified (recycled) in future periods in the income statement</b>				
Remeasurement of defined benefit obligation, net of tax		352	0	352
thereof related, deferred income taxes		-85	0	-85
	E. 21	<b>267</b>	<b>0</b>	<b>267</b>
<b>Items that will be reclassified (recycled) in future periods in the income statement</b>				
Currency translations		-1,496	0	-1,496
		<b>-1,496</b>	<b>0</b>	<b>-1,496</b>
<b>Other result after tax</b>		<b>-1,229</b>	<b>0</b>	<b>-1,229</b>
<b>Total result</b>		<b>27,891</b>	<b>897</b>	<b>28,788</b>

**CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2019**

with comparative figures from the previous year

**ASSETS**

in EUR k	Note	31.12.2019	31.12.2018
<b>A. Non-current assets</b>			
I. Intangible assets	E. 8	4,776	5,303
II. Goodwill	E. 8	19,180	19,180
III. Tangible assets	E. 9	276,789	245,062
IV. Other non-current assets		126	126
V. Deferred tax assets	E. 10	7,245	8,225
		<b>308,117</b>	<b>277,895</b>
<b>B. Current assets</b>			
I. Inventories	E. 11	40,875	41,632
II. Trade accounts receivable	E. 12	53,413	54,036
III. Revenues from contracts with customers	E. 13	104,774	86,491
IV. Other current receivables	E. 14	31,399	23,367
V. Income tax receivables		1,433	644
VI. Cash and cash equivalents	E. 15	55,609	73,572
		<b>287,504</b>	<b>279,741</b>
VII. Assets held for sale	E. 17	9,980	0
		<b>297,484</b>	<b>279,741</b>
		<b>605,601</b>	<b>557,636</b>

**EQUITY AND LIABILITIES**

in EUR k	Note	31.12.2019	31.12.2018
<b>A. Shareholders' equity</b>			
I. Share capital		22,330	22,330
II. Capital reserves		37,563	37,563
III. Treasury stock		-1,855	-1,855
IV. Retained earnings		197,772	184,204
V. Other reserves		-11,286	-11,599
		<b>244,525</b>	<b>230,644</b>
VI. Non-controlling interests		8,060	7,363
	E. 18	<b>252,585</b>	<b>238,007</b>
<b>B. Non-current liabilities</b>			
I. Non-current, interest-bearing liabilities	E. 20	194,145	127,046
II. Provision for deferred taxes	E. 10	4,275	5,829
III. Provisions for employees	E. 21	30,616	27,447
IV. Other long-term provisions	E. 22	1,753	4,430
		<b>230,788</b>	<b>164,753</b>
<b>C. Current liabilities</b>			
I. Current interest-bearing liabilities	E. 23	17,454	48,337
II. Liabilities on income taxes	E. 24	2,155	1,622
III. Trade accounts payable	E. 25	52,908	54,306
IV. Liabilities from contracts with customers	E. 13	2,889	2,382
V. Other current liabilities	E. 26	29,760	28,597
VI. Current provisions	E. 27	17,061	19,634
		<b>122,228</b>	<b>154,877</b>
		<b>605,601</b>	<b>557,636</b>

**CONSOLIDATED CASH FLOW STATEMENT FOR THE 2019 FINANCIAL YEAR**

with comparative figures from the previous year

in EUR k	Note	2019	2018
<b>Earnings before tax</b>		<b>28,847</b>	<b>36,801</b>
+ Depreciation on fixed assets		35,752	26,993
- Non-cash income from initial consolidation	E. 2/B. 1	-2,140	0
- (+) Interest result	E. 6	3,801	3,389
+ (-) Other non-cash expenses and income	F.	337	-800
+ (-) Increase (decrease) in non-current provisions for employees		866	102
- (+) Profit (loss) from fixed asset disposals	E. 2	-5,996	-224
- (+) Increase (decrease) in inventories		5,984	-6,731
- (+) Increase (decrease) in trade and other receivables and contractual revenues		-25,042	-5,799
+ (-) Increase (decrease) in trade and other payables and contractual liabilities		-3,010	-6,780
+ (-) Increase (decrease) in current provisions		-3,791	-8,910
<b>= Consolidated cash flow from current activities</b>		<b>35,607</b>	<b>38,041</b>
+ Interest received		128	1,342
- Interest paid		-3,815	-2,787
- Taxes paid		-7,506	-5,729
<b>= Consolidated cash flow from operating activities</b>		<b>24,414</b>	<b>30,867</b>
- Investments in fixed assets	F.	-45,776	-42,449
- Purchase of subsidiaries less acquired cash and cash equivalents	B. 1	-12,910	0
+ Payments from the disposal of intangible and tangible assets	E. 2	10,096	1,013
- (+) Increase (decrease) in interest-bearing receivables		0	2,029
<b>= Consolidated cash flow from investing activities</b>		<b>-48,590</b>	<b>-39,407</b>
+ Inflows from promissory note loans		28,500	47,000
- Outflows from promissory note loans		-39,500	0
+ Equity financing borrowings		29,950	-612
+ Real estate loan borrowings		5,610	0
- Repayments from real estate loans		-1,535	-4,275
- Repayments from loan financing		-2,900	-5,471
- Outflows from financial leasing agreements		-5,193	-1,549
- Third party dividends		-8,823	-9,898
+ (-) Other equity changes		-25	0
<b>= Consolidated cash flow from financing activities</b>	F.	<b>6,084</b>	<b>25,195</b>
+ (-) Consolidated cash flow from operating activities		24,414	30,867
+ (-) Consolidated cash flow from investing activities		-48,590	-39,407
+ (-) Consolidated cash flow from financing activities		6,084	25,195
<b>= Change in cash and cash equivalents</b>		<b>-18,091</b>	<b>16,654</b>
+ (-) Effect from currency translations		128	19
+ Opening balance of cash and cash equivalents		73,572	56,899
<b>= Closing balance of cash and cash equivalents</b>		<b>55,609</b>	<b>73,572</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 2019 FINANCIAL YEAR**

with comparative figures from the previous year

in EUR k	Note	Share capital	Capital reserves	Treasury stock
<b>As at 1.1.2019</b>		<b>22,330</b>	<b>37,563</b>	<b>-1,855</b>
Comprehensive income after tax		0	0	0
Other result after tax		0	0	0
<b>Comprehensive income</b>		<b>0</b>	<b>0</b>	<b>0</b>
Dividend		0	0	0
<b>As at 31.12.2019</b>	E. 18	<b>22,330</b>	<b>37,563</b>	<b>-1,855</b>

in EUR k	Note	Share capital	Capital reserves	Treasury stock
<b>As at 1.1.2018</b>		<b>22,330</b>	<b>37,563</b>	<b>-1,855</b>
Effect of change in accounting methods: Period-related recognition of revenues from customised products (IFRS 15)		0	0	0
<b>Adjusted amounts as at 1.1.2018</b>		<b>0</b>	<b>0</b>	<b>0</b>
Comprehensive income after tax		0	0	0
Other result after tax		0	0	0
<b>Comprehensive income</b>		<b>0</b>	<b>0</b>	<b>0</b>
Dividend		0	0	0
<b>As at 31.12.2018</b>	E. 18	<b>22,330</b>	<b>37,563</b>	<b>-1,855</b>



Other reserves						
Retained earnings	Actuarial profit/loss	Reserves from currency translation	Shares of POLYTEC Holding AG stockholders	Non-controlling interests		Total
<b>184,204</b>	<b>-4,609</b>	<b>-6,991</b>	<b>230,644</b>	<b>7,362</b>		<b>238,007</b>
22,391	0	0	22,391	683		23,075
0	-1,888	2,199	311	15		326
<b>22,391</b>	<b>-1,888</b>	<b>2,199</b>	<b>22,702</b>	<b>698</b>		<b>23,401</b>
-8,823	0	0	-8,823	0		-8,823
<b>197,772</b>	<b>-6,496</b>	<b>-4,791</b>	<b>244,525</b>	<b>8,060</b>		<b>252,585</b>

Other reserves						
Retained earnings	Actuarial profit/loss	Reserves from currency translation	Shares of POLYTEC Holding AG stockholders	Non-controlling interests		Total
<b>163,359</b>	<b>-4,876</b>	<b>-5,495</b>	<b>211,028</b>	<b>6,465</b>		<b>217,493</b>
1,623	0	0	1,623	0		1,623
<b>164,982</b>	<b>-4,876</b>	<b>-5,495</b>	<b>212,651</b>	<b>6,465</b>		<b>219,116</b>
29,120	0	0	29,120	897		30,017
0	267	-1,496	-1,229	0		-1,229
<b>29,120</b>	<b>267</b>	<b>-1,496</b>	<b>27,891</b>	<b>897</b>		<b>28,789</b>
-9,898	0	0	-9,898	0		-9,898
<b>184,204</b>	<b>-4,609</b>	<b>-6,991</b>	<b>230,644</b>	<b>7,362</b>		<b>238,007</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE 2019 FINANCIAL YEAR OF POLYTEC HOLDING AG, HÖRSCHING

### A. GENERAL INFORMATION

The POLYTEC GROUP is an Austria-based, globally operating corporation with a focus on the automotive and plastics industry. 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 PUR moulded parts for other industries together with the related plant. The 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 2019 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 5 March 2020. The Supervisory Board has the task of examining and stating its approval of the consolidated financial statements as at 31 December 2019. The Supervisory Board has an opportunity to require the alteration of the consolidated financial statements.

POLYTEC Holding AG headquarters are located in Hörsching, Austria, and the company is listed in the City of Linz Company Register under the number FN 197646 g.

All the standards that were mandatory for the 2019 and 2018 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 ff UGB.

### 1. NEW AND AMENDED STANDARDS FROM THE 2019 FINANCIAL YEAR

The following **new and amended standards** and interpretations 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 31.12.2019
IFRS 16	Leases	1 January 2019	Yes
IAS 28	Investments in Associates and Joint Ventures	1 January 2019	Yes
IFRS 9	Financial Instruments – Prepayment Features with Negative Compensation	1 January 2019	Yes
IAS 19	Plan Amendment, Curtailment or Settlement	1 January 2019	Yes
IAS 12, IAS 23, IFRS 3, IFRS 11	Amendments to a series of IFRS, as a result of the 2015–2017 improvement process	1 January 2019	Yes
IFRIC 23	Uncertainty over Income Tax Treatment	1 January 2019	Yes

With the exception of **IFRS 16**, the initial application of these new and amended standards had no material effect upon the consolidated financial statements of the POLYTEC GROUP.

The key concept of the new IFRS 16 (Leasing) standard is that all the leasing contracts of the lessee and the related contractual rights and obligations be reported in the balance sheet. This requires the lessee to recognise a liability for the obligation to make future lease payments for all leasing arrangements. At the same time, the lessee recognises a right-of-use to the underlying asset, which basically corresponds with the present value of the future lease payments plus directly attributable costs. Therefore, in future the differentiation between financial and operating leasing agreements stipulated to date under IAS 17 will no longer be required from the lessee. By contrast, for lessors, the regulations in the new standard are very similar to those contained in IAS 17. Leasing agreements will continue to be classified as either financial or operating leasing relationships. Agreements under which all risks and opportunities derived from the property are largely transferred will be classified as financial leasing, whereas all other leasing agreements will be seen as operating leases. The criteria contained in IAS 17 were adopted for classification pursuant to IFRS 16.

The now obligatory recognition of assets (right-of-use) and debts (lease liabilities) for operating leasing and the rental of office, production and storage buildings, machinery and vehicles has an effect of EUR 15,587 k as of 1 January 2019, which results in an increase in non-current and total assets, as well as net financial debt on the initial application date. Owing to the simplification and exemption rule of the standard, short-term leases with a term of less than twelve months and the leasing and rental of low-value underlying assets are not recognised.

The POLYTEC GROUP adopted IFRS 16 Leases on 1 January 2019 and this resulted in changes to the accounting and valuation methods. Upon adopting IFRS 16, the POLYTEC GROUP applied the modified retrospective method, which meant that the accumulated effect from the changeover is reported as a correction to the balance from 1 January 2019 without adjustments to the comparable periods. Practical assistance was used in line with IFRS 16.C10 a), c), d).

The right-of-use-assets (or usufruct rights) are recognised in the consolidated balance sheet as of (or as at) 31 December 2019 for the first time in the non-current assets and are reported under the item fixed assets. The lease liabilities are recognised under the items non-current and current interest-bearing liabilities.

The group decided not to subject leasing agreements concluded before the transitional date to a new assessment as to if at the time of the initial application of IFRS 16 a contract represented or contained a leasing relationship, but instead retained the previous estimate pursuant to IAS 17 and IFRIC 4. The average weighted incremental borrowing rate of interest employed by the POLYTEC GROUP amounts to 1.0%.

The adjustment effect derived from IFRS 16 as at 1 January 2019 is as follows:

in EUR k	31.12.2018	IFRS 16 adjust- ment	1.1.2019
Tangible assets	245,062	15,587	260,649
<b>Assets</b>	<b>557,636</b>	<b>15,587</b>	<b>573,223</b>
Non-current interest-bearing liabilities	127,046	10,869	137,915
Current interest-bearing liabilities	48,337	4,719	53,056
<b>Liabilities</b>	<b>557,636</b>	<b>15,587</b>	<b>573,223</b>

#### Transfer pursuant IFRS 16.C12

in EUR k	1.1.2019
Operative leasing obligations as at 31 December 2018 (as reported)	15,907
Application relief for short-term leases	-231
Application relief for leases on low-value assets	-796
Subsequent recognition/Contract adjustment	1,041
<b>Gross lease liabilities as at 1 January 2019</b>	<b>15,921</b>
Discounting	-334
<b>Lease liabilities as at 1 January 2019</b>	<b>15,587</b>

In the 2019 financial year the right-of-use developed as follows:

in EUR k	Technical equipment and machinery (including vehicles)		Total
	Land and buildings		
As at 1 January 2019	12,156	3,431	15,587
Additions	747	1,582	2,329
Disposals	-76	-6	-82
Exchange rate differences	-5	258	253
Depreciation	-2,955	-2,238	-5,193
As at 31 December 2019	9,868	3,027	12,894

The detailed due dates of the lease liabilities reported on the balance sheet date are as follows:

Term of the leasing liability	in EUR k
< 1 year	5,054
1-5 years	7,590
> 5 years	250

In the 2019 financial year, the cash and cash equivalent outflows derived from leases amounted to EUR 5,717 k. The expenses for leasing contracts concluded in the 2019 financial year, which pursuant to IFRS 16 are designated as low-value or short-term, totalled EUR 1,830 k.

## 2. NEW AND AMENDED STANDARDS FROM THE 2020 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 2020. The following new, amended or supplemented standards and IFRIC interpretations that have already been published by the IASB, but for which application is partially not yet mandatory in the EU, 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 31.12.2019
Framework concept	Change in the references to the framework concept in the IFRS standards	1 January 2020	Yes
IFRS 3	Business Combinations	1 January 2020	No
IAS 1, IAS 8	Definition of Material	1 January 2020	Yes
IFRS 9, IAS 39, IFRS 7	IBOR reform	1 January 2020	Yes
IFRS 17	Insurance Contracts	1 January 2021	No
IAS 1	Classification of Liabilities as Current and Non-current	1 January 2022	No
IFRS 10, IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Undefined	No

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 46 (2018: 44) fully consolidated companies of which 35 (2018: 33) 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 (2018: ten) national and 35 (2018: 33) international subsidiaries were included, which are under the control of POLYTEC Holding AG. The seven companies (2018: 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 2019.

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:

Scope of consolidation	Full consolidation
<b>As at 31.12.2018</b>	<b>44</b>
Inclusion due to foundation	1
Inclusion due to materiality	1
<b>As at 31.12.2019</b>	<b>46</b>
thereof international companies	35

As in the previous year, in 2019 no interests were included in the consolidated financial statements using the equity method.

### ACQUISITIONS, FOUNDATIONS AND RESTRUCTURING IN 2019

On 13 August 2019 a company purchase agreement was concluded in the course of an asset deal for the takeover by the newly founded POLYTEC CAR STYLING Weierbach GmbH (subsequently referred to as PCSW) of the automotive business activities of the insolvent Wayand AG, based in Idar-Oberstein, Germany. Pursuant to IFRS 3.8 the purchase date is 3 September 2019. For reasons of simplicity, the date of initial consolidation is 1 September 2019. Since the takeover, the business operation that is located in the Weierbach district of Idar-Oberstein, has been managed by PCSW, which is a fully owned POLYTEC GROUP subsidiary.

At present the business operation has a workforce of around 400 and in 2020 additional sales revenues of roughly EUR 50 million are expected. Output consists largely of plastic components and modules for European premium vehicle manufacturers. The company acquisition represents part of the implementation of POLYTEC's strategy of consolidating its market position in both Europe and the car styling business area. This step underlines the group's status as a leading producer of plastic-related solutions and original, plastic accessories. Moreover, current customer relationships have been strengthened and opportunities created for additional approaches to existing and new clients.

On the basis of the provisionally determined 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 calculated net worth	15,340
<b>Badwill</b>	<b>2,140</b>

The income from badwill is reported under other operating earnings and emanates from the difference between the newly evaluated net worth and the burdens anticipated from the agreements concluded.

The fair values are based on an initial estimation of the documentation contained in the due diligence assessment, the inventory and the findings from ongoing post merger integration. A comprehensive scrutiny, examination and acceptance of all the contracts has yet to be completed, which means that pursuant to IFRS 3.45, changes may yet occur. The conclusion of post merger integration is planned for the second quarter of 2020.

To date, operative sales revenues of around EUR 21.0 million are reported in the consolidated income statement (period 1.9.-31.12.2019) and approximately EUR 1.1 million in the group result (excluding badwill).

Pro forma information regarding sales revenues and results subject to the assumption that the transaction was concluded on 1 January 2019 cannot be tabulated owing to the lack of complete information prior to the date of purchase and the transaction structure derived from the insolvency.

POLYTEC COMPOSITES South Africa (Pty.) Ltd., which was founded in 2018, was excluded from the consolidated financial statements as at 31 December 2018 owing to immateriality. However, as a result of the start of investment in South Africa, it was included fully in the consolidated financial statements for 2019.

#### **RESTRUCTURING 2018**

In 2018, POLYTEC Automotive Verwaltungs GmbH (not consolidated in the preceding year owing to immateriality) was merged with POLYTEC Deutschland Verwaltungs GmbH. In addition, POLYTEC Automotive GmbH & Co KG was merged with POLYTEC Deutschland Verwaltungs GmbH by way of an accretion.

## **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 that prior to the recognition of a gain, an assessment of whether all the assets and debts have been identified correctly is undertaken. The remaining badwill is reported under other operating income.

Should the acquisition costs be lower than the net assets, the liabilities side difference (badwill) is recognised in the income statement for the acquisition period.

In accordance with IFRS 10, non-controlling interests are disclosed in the consolidated financial statements under group equity.

All accounts receivables 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.

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	
	2019	2018	31.12.2019	31.12.2018
CNY	7.7220	7.8125	7.8205	7.8751
CZK	25.6410	25.7069	25.4080	25.7240
GBP	0.8754	0.8859	0.8508	0.8945
HUF	322.5806	322.5806	330.5300	320.9800
TRY	6.3492	5.5556	6.6843	6.0588
USD	1.1192	1.1781	1.1234	1.1450
ZAR	16.1551		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.

Evaluation 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 if possible observable input factors are used.

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 EVALUATION PRINCIPLES

The principle of standardised accounting and evaluation 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 and depreciation on a straight-line basis. The amortisation and depreciation 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 amortisation, or the lower achievable market price. Scheduled amortisation is determined using the straight-line method.

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

in %	
Buildings and leasehold improvements	2.5-20.0
Technical equipment and machinery	6.7-50.0
Fixtures, fittings and equipment	10.0-50.0

Interests on borrowed capital are not capitalised, as no substantial borrowing costs are incurred that are directly attributable to qualifying assets.

### 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 amounts, 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 which 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 compensation from the customer.

### 5. TRADE ACCOUNTS RECEIVABLE

Receivables are capitalised at the cost of acquisition.

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 credit-worthiness, 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 section E. 11.



## 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 contractual asset values 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 a contract asset. 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 "Liabilities from contracts with customers". 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.

Regarding the contract assets which in the course of the contractual period, as well as due to the anticipated call-off volumes are reduced (amortisation receivables from tooling and engineering projects, admission fees and price reductions for ongoing orders), see D. 7 "Other receivables".

## 7. OTHER RECEIVABLES

The other receivables contain the contract assets (amortisation receivables from tooling and engineering projects already accepted by the customer, admission fees and price reductions for ongoing orders), which in the course of the contractual period and due to expected call-off volumes are reduced.

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.

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

Price reductions on ongoing contracts relate to a lowering of the price for the series in production in the course of the allocation of a follow-up order by the customer. Following the conclusion of the follow-up order with the customer, the agreed price reduction for the ongoing series will be capitalised as an advance customer payment and upon the start of series production for the follow-up order will be paid over the course of its runtime.

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 cash 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. 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 flow are combined on the lowest level (cash-generating units). In particular, these are the CGUs Car Styling, Plastics, Composites and Industrial. 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 capital costs 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.

## 11. OBLIGATIONS TO EMPLOYEES

### PROVISIONS FOR SEVERANCE PAYMENTS

Due to statutory obligations, employees of domestic 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 0.90% (2018: 1.70%) and allowing for future remuneration increases of 2.00% (2018: 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 1.10% (2018: 1.80%), as well as an increase of 2.00% (2018: 2.00%) is applied. The 2018G - Dr. Klaus Heubeck mortality 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. Companies are obliged to make future contributions should the earnings of the insurer prove insufficient to finance the promised increases in benefits. The resultant provision for pensions is calculated in accordance with the projected unit credit method using a discount rate of 1.10% (2018: 1.80%) and an increase of 2.00% (2018: 2.00%). The AG2018 projection table 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 performance-related 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 contribution-oriented plans. On the date of its annual financial statements on 31 December 2018, the pension fund disclosed assets of EUR 485 million (2017: EUR 471 million) and obligations of EUR 473 million (2017: EUR 461 million), and therefore equity of EUR 12 million (2017: EUR 10 million). The POLYTEC GROUP holds a roughly 7% share of the net assets of the pension fund (2018: 7%). For further information, see uncertainties with regard to assessments and 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 the retained earnings. 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, deferred taxes 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 investigative process. 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 acquisition costs.

Other liabilities, especially accrued interest-bearing liabilities, are reported with their repayment amount provided there is no substantial difference to fair value. Subsequent valuations are based on amortised acquisition costs using the effective interest method.

### 14. PROVISIONS

Provisions are formed when as a result of a past transactions or events, legal or de facto 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 in the course of the acquisition are analyzed regarding onerous, legal or de facto obligations. An existing burden or a disadvantage is taken into account by creating a provision-disadvantageous nature are 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 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 the residual carrying amount
- b. Financial liabilities measured at amortised cost

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 basic business. 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. "Contract assets/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 and interest equivalent expenses arising from debt financing and financial 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.

Profits 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 in hand and cash at banks.

## 19. UNCERTAINTIES WITH REGARD TO ASSESSMENTS AND ASSUMPTIONS

The preparation of the consolidated financial statements requires that the management prepares estimates and assumptions with regard to the application of accounting and evaluation principles, as well as potential future developments that might influence the reporting and value of the reported 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 draws up 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.

The revenue and result realisation of a customer contract for the production of tooling and engineering services takes place on the basis of the percentage of completion (period-related revenue realisation). This realisation is founded on estimates that incorporate all the information available on the balance sheet date and subsequent changes are possible that 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 can be recognised and their value has therefore to be adjusted correspondingly. The assumptions regarding future payment surpluses and the future result subject to tax are based on medium-term group planning. 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.

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 right-of-use an estimate regarding periods and any possible termination and prolongation options, as well as the extrapolation of the tax rate is of relevance.

The actuarial assessment of severance, pension and long-service obligations carried out by 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 611 k (2018: EUR 981 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 probable 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, the POLYTEC GROUP could be subject to a subsidiary liability to the former employer. At present, no material indications exist that point to a subsidiary liability becoming effective. In 2019, EUR 369 k (2018: EUR 953 k) was paid into the pension fund. A full repayment is anticipated for the 2020 financial year.

## 20. REPORTING

As compared to the previous year, the reporting of assets and liabilities, expenses and income, equity items and the cash flows in the cash flow statement remained basically unaltered in the 2019 financial year.

### 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 2019 financial year is limited to inter-segmental disclosures in accordance with IFRS 8.31 ff.

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

The distribution of sales according to customers is as follows:

in EUR k	2019	2018
VW	206,368	219,529
Daimler	124,071	104,107
Jaguar Land Rover	55,345	43,747
Other automotive	161,355	195,242
Non-automotive	79,943	73,771
<b>Total</b>	<b>627,081</b>	<b>636,397</b>

In 2019 and 2018, two respective customer groups provided more than 50% of the group's total sales. Due to the extensive range of models and marques of these key accounters, which as a rule operate in both 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 according to market segments is as follows:

in EUR k	2019	2018
Passenger cars & light commercial vehicles	388,762	387,895
Commercial vehicles	158,376	174,730
Industrial applications	79,943	73,771
<b>Total</b>	<b>627,081</b>	<b>636,397</b>

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 tangible assets	
	2019	2018	2019	2018
Austria	44,403	26,362	93,201	92,734
Germany	329,378	360,331	99,715	84,327
UK	59,220	49,804	32,896	36,331
Sweden	31,555	34,799	0	0
Hungary	25,311	21,203	38,340	3,274
Rest of EU	96,979	102,492	47,089	34,773
Other countries	40,235	41,407	24,004	18,105
<b>Group</b>	<b>627,081</b>	<b>636,397</b>	<b>300,745</b>	<b>269,544</b>

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

in EUR k	2019	2018
Part sales and other revenues	567,651	571,735
Tooling and engineering sales	59,430	64,662
<b>Total</b>	<b>627,081</b>	<b>636,397</b>

## 2. OTHER OPERATING INCOME

in EUR k	2019	2018
Income from the disposal of and additions to fixed assets excluding financial assets	6,288	143
Income from cost reimbursements	549	907
Grants and receivables	22	119
Commission	14	34
Income from rents	376	722
Income from the release of obsolete accruals	200	800
Subsequent income from company disposals	0	1,979
Income from badwill	2,140	0
Other income	2,273	2,605
<b>Total</b>	<b>11,862</b>	<b>7,308</b>

The income from the disposal of fixed assets relates mainly to capacity adjustments and the sale of real estate with proceeds of EUR 10,096 k and a gain of EUR 6,288 k.

## 3. EXPENSES FOR MATERIAL AND OTHER SERVICES RECEIVED

in EUR k	2019	2018
Material expenses	225,021	220,105
Expenses for services received	73,167	81,561
<b>Total</b>	<b>298,188</b>	<b>301,666</b>

## 4. PERSONNEL EXPENSES

in EUR k	2019	2018
Wages and salaries	159,724	157,191
Expenses for leasing personnel	16,757	22,463
Statutory social expenses	30,566	30,401
Expenses for severance payments and pensions	5,562	5,426
Other personnel expenses	3,778	2,307
<b>Total</b>	<b>216,386</b>	<b>217,787</b>

The expenses for severance payments and pensions also include expenses for contribution-oriented plans. For the Austrian companies within the group, these expenses amounted to EUR 308 k (2018: EUR 273 k).

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

	2019	2018
Average number of employees	4,344	4,465
As at 31 December	4,406	4,315

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

	2019	2018
Average number of employees	3,961	4,006
As at 31 December	4,098	3,965

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

	2019	2018
Blue-collar employees	298	301
White-collar employees	219	198
<b>Total</b>	<b>517</b>	<b>499</b>

## 5. OTHER OPERATING EXPENSES

in EUR k	2019	2018
Maintenance costs	16,420	17,631
Other operating costs	10,511	11,036
Other administrative costs	5,323	6,455
Outgoing freight	5,385	5,624
Rent for buildings	45	3,782
Other sales costs	4,154	3,572
Other rent and leasing costs	5,287	4,848
IT and communication costs	6,184	4,422
Legal and consulting costs	3,979	4,010
Taxes and charges not included in income tax	961	740
Risk provisions and damage cases	37	-248
Losses from the disposal of fixed assets excluding financial assets	307	81
<b>Total</b>	<b>58,592</b>	<b>61,953</b>

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

in EUR k	2019	2018
Annual and group financial audit	195	197
Other services	19	11
<b>Total</b>	<b>214</b>	<b>208</b>

## 6. FINANCIAL RESULT

in EUR k	2019	2018
Interest income and income from securities	128	270
Interest component of pension commitments	-430	-466
Other interest expenses	-3,626	-3,192
Interest expense derived from IFRS 16	-83	0
Other financial income	209	117
<b>Total</b>	<b>-3,801</b>	<b>-3,272</b>

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



The net result according to valuation categories is as follows:

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

in EUR k	Operating result		Financial result		Net result
	Value adjustment	Currency translation	Interest	Result from FV measurement	
<b>31.12.2018</b>					
Financial assets measured at amortised cost	-267	0	270	0	<b>3</b>
Financial liabilities measured at amortised cost	0	14	-3,192	0	<b>-3,178</b>
Fair value through profit and loss (FVPL)	0	0	0	107	<b>107</b>

## 7. INCOME TAXES

in EUR k	2019	2018
Expenses for current taxes	5,935	5,489
thereof aperiodic	81	-394
Changes in deferred income taxes	-163	1,295
thereof aperiodic	-723	-3,092
<b>Total</b>	<b>5,772</b>	<b>6,784</b>
thereof aperiodic	-642	-3,486

The income tax expense for the 2019 financial year amounting to EUR 5,772 k was EUR 1,440 k lower than the calculated income tax expense totalling EUR 7,212 k, which would have resulted from the application of a tax rate of 25% on the result before income tax of EUR 28,847 k.

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

in EUR k	2019	2018
Earnings before income tax	28,847	36,801
thereof 25% calculated income tax expense	7,212	9,200
Change in the value adjustment for deferred tax assets	626	1,026
Participation valuations	-2,235	0
Real estate sale	508	0
Permanent differences and other changes	432	38
Differences from the discrepancy between the local and consolidated tax rates	-129	6
Income tax for the reporting period	6,414	10,270
Aperiodic income tax income	-642	-3,486
<b>Disclosed income tax expense</b>	<b>5,772</b>	<b>6,784</b>

The aperiodic tax income amounting to EUR 642 k (2018: EUR 4,321 k) results from past losses recognised for the first time in the financial year.

## 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
<b>Acquisition costs</b>					
<b>As at 1.1.2018</b>	<b>801</b>	<b>10,307</b>	<b>45,508</b>	<b>742</b>	<b>57,358</b>
Change in the scope of consolidation	0	0	0	0	0
Currency translation differences	0	0	0	0	0
Additions	0	1,790	0	1,983	3,773
Disposals	0	-53	0	0	-53
Transfers	0	103	0	-103	0
<b>As at 31.12.2018</b>	<b>801</b>	<b>12,147</b>	<b>45,508</b>	<b>2,622</b>	<b>61,078</b>
<b>As at 1.1.2019</b>	<b>801</b>	<b>12,147</b>	<b>45,508</b>	<b>2,622</b>	<b>61,078</b>
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
Transfers	0	1,416	0	-1,943	-527
<b>As at 31.12.2019</b>	<b>0</b>	<b>13,956</b>	<b>45,508</b>	<b>1,328</b>	<b>60,792</b>
<b>Accumulated depreciation</b>					
<b>As at 1.1.2018</b>	<b>801</b>	<b>7,939</b>	<b>26,328</b>	<b>0</b>	<b>35,068</b>
Change in the scope of consolidation	0	0	0	0	0
Currency translation differences	0	3	0	0	3
Scheduled depreciation	0	1,578	0	0	1,578
Impairments	0	0	0	0	0
Disposals	0	-53	0	0	-53
Transfers	0	0	0	0	0
Revaluations	0	0	0	0	0
<b>As at 31.12.2018</b>	<b>801</b>	<b>9,467</b>	<b>26,328</b>	<b>0</b>	<b>36,596</b>
<b>As at 1.1.2019</b>	<b>801</b>	<b>9,467</b>	<b>26,328</b>	<b>0</b>	<b>36,596</b>
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
Transfers	0	-509	0	0	-509
Revaluations	0	0	0	0	0
<b>As at 31.12.2019</b>	<b>0</b>	<b>10,508</b>	<b>26,328</b>	<b>0</b>	<b>36,836</b>
<b>Carrying amounts as at 31.12.2018</b>	<b>0</b>	<b>2,680</b>	<b>19,180</b>	<b>2,622</b>	<b>24,482</b>
<b>Carrying amounts as at 31.12.2019</b>	<b>0</b>	<b>3,448</b>	<b>19,180</b>	<b>1,328</b>	<b>23,956</b>

The research and development expenses of the group during the financial year amounted to approximately EUR 14,848 k (2018: EUR 12,669 k).

#### IMPAIRMENTS

As in the preceding year, the impairment tests 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	31.12.2019	31.12.2018
CGU Car Styling	12,643	12,643
CGU Industrial	6,537	6,537
<b>Total</b>	<b>19,180</b>	<b>19,180</b>

The achievable 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:

in EUR k	31.12.2019	31.12.2018
Cash flow planning period	3 years	3 years
Long-term perpetuity growth rate	0%	0%
Discount rate (WACC) before taxes - Car Styling	9.1%	11.8%
Discount rate (WACC) before taxes - Industrial	9.6%	13.9%

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.

## 9. TANGIBLE ASSETS

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

in EUR k	Land and buildings	Real estate right-of-use	Technical equipment and machinery	Machinery right-of-use	Fixtures, fittings and equipment	Advance payments made and assets under construction	Total
<b>Costs of acquisition</b>							
<b>As at 1.1.2018</b>	<b>147,074</b>	<b>0</b>	<b>244,840</b>	<b>0</b>	<b>69,456</b>	<b>22,673</b>	<b>484,044</b>
Change in the scope of consolidation	0	0	0	0	0	0	0
Currency translation differences	-278	0	-340	0	-14	5	-627
Additions	5,350	0	11,453	0	4,900	17,151	38,854
Disposals	0	0	-7,071	0	-7,286	-226	-14,583
Transfers	12,230	0	13,882	0	582	-26,694	0
<b>As at 31.12.2018</b>	<b>164,376</b>	<b>0</b>	<b>262,764</b>	<b>0</b>	<b>67,638</b>	<b>12,909</b>	<b>507,688</b>
<b>As at 1.1.2019</b>	<b>164,376</b>	<b>0</b>	<b>262,764</b>	<b>0</b>	<b>67,638</b>	<b>12,909</b>	<b>507,688</b>
Change in the scope of consolidation	9,790	0	5,102	0	3,000	0	17,892
Initial adoption 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
IFRS 5 transfers	-8,424	0	-9,071	-91	-1,058	-2,401	-21,045
<b>As at 31.12.2019</b>	<b>167,900</b>	<b>12,807</b>	<b>263,895</b>	<b>5,341</b>	<b>73,341</b>	<b>35,285</b>	<b>558,569</b>
<b>Accumulated depreciation</b>							
<b>As at 1.1.2018</b>	<b>25,150</b>	<b>0</b>	<b>173,037</b>	<b>0</b>	<b>52,946</b>	<b>0</b>	<b>251,133</b>
Change in the scope of consolidation	0	0	0	0	0	0	0
Currency translation differences	-137	0	-110	0	-5	0	-252
Scheduled depreciation	4,050	0	16,989	0	4,330	0	25,369
Impairments	0	0	0	0	0	0	0
Disposals	0	0	-6,616	0	-7,008	0	-13,624
Transfers	0	0	0	0	0	0	0
<b>As at 31.12.2018</b>	<b>29,063</b>	<b>0</b>	<b>183,300</b>	<b>0</b>	<b>50,263</b>	<b>0</b>	<b>262,626</b>
<b>As at 1.1.2019</b>	<b>29,063</b>	<b>0</b>	<b>183,300</b>	<b>0</b>	<b>50,263</b>	<b>0</b>	<b>262,626</b>
Change in the scope of consolidation	0	0	0	0	0	0	0
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
IFRS 5 transfers	-1,388	0	-7,060	0	-682	0	-9,130
<b>As at 31.12.2019</b>	<b>31,767</b>	<b>2,939</b>	<b>192,675</b>	<b>2,315</b>	<b>52,081</b>	<b>3</b>	<b>281,781</b>
<b>Carrying amounts as at 31.12.2018</b>	<b>135,313</b>	<b>0</b>	<b>79,464</b>	<b>0</b>	<b>17,375</b>	<b>12,909</b>	<b>245,061</b>
<b>Carrying amounts as at 31.12.2019</b>	<b>136,133</b>	<b>9,868</b>	<b>71,219</b>	<b>3,026</b>	<b>21,261</b>	<b>35,281</b>	<b>276,789</b>

“Land and buildings” contains a real property value of EUR 37,979 k (2018: EUR 35,220 k).

As at 31 December 2019, the obligations relating to unpaid orders for the delivery of fixed assets amounted to EUR 6,271 k (2018: EUR 14,135 k).

As at 31 December 2019, the future expenses from non-terminable leasing agreements amounted to EUR 15,092 k (2018: EUR 15,907 k) and are due as follows:

in EUR k	IFRS 16 31.12.2019	IAS 17 31.12.2018
Within one year	6,993	5,772
Longer than one year and within five years	7,841	10,135
Longer than five years	258	0

Tangible assets with a carrying amount of EUR 98,075 k (2018: EUR 89,514 k) were mortgaged or pledged to banks as a surety for bank liabilities totalling EUR 84,589 k (2018: EUR 15,016 k).

#### IMPAIRMENTS

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.

Apart from this, completed impairment tests showed that there were no impairment requirements for the CGUs.

#### 10. DEFERRED TAX CLAIMS/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	31.12.2019		31.12.2018	
	Assets	Liabilities	Assets	Liabilities
Non-current assets	2,993	3,287	1,853	2,089
Loss carryforwards	4,870	0	4,675	0
Trade accounts receivable	8	0	0	71
Contractual assets	0	4,680	0	5,367
Other assets	0	3,357	0	3,014
Provisions for pensions	3,481	0	2,698	0
Provisions for severance payments	416	0	654	0
Other provisions for personnel	94	0	106	20
Lease liabilities	0	0	14	0
Contractual liabilities	437	0	538	0
Other provisions	1,905	0	2,053	0
Other liabilities	91	1	364	0
<b>Subtotal</b>	<b>14,295</b>	<b>11,325</b>	<b>12,956</b>	<b>10,560</b>
Offsetting due to identical tax authorities	-7,050	-7,050	-4,731	-4,731
<b>Deferred taxes pursuant to the balance sheet</b>	<b>7,245</b>	<b>4,275</b>	<b>8,225</b>	<b>5,829</b>

In 2019, group companies reported net deferred tax assets on temporary differences and loss carryforwards totalling EUR 7,245 k (2018: EUR 8,225 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 2019, group income tax loss carryforwards totalled EUR 41,609 k (2018: EUR 36,772 k) and demonstrated the following structure:

in EUR k	31.12.2019	31.12.2018
<b>Total</b>	<b>41,609</b>	<b>36,772</b>
of which capitalised loss carryforwards	28,105	20,407
of which applicable for an unlimited period	28,105	20,407
of which non-capitalised loss carryforwards	13,504	16,364

No deferred tax assets were recognised for deductible tax loss carryforwards amounting to EUR 13,504 k (2018: EUR 16,364 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 2,450 k (2018: EUR 3,043 k).

In accordance with IAS 12.39, no deferred taxes were created for temporary differences in connection with shares in subsidiaries amounting to EUR 35,802 k (2018: EUR 26,071 k), as it could be assumed on 31 December 2019 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 deferred tax assets recognised in equity amounting to EUR 2,914 k (2018: EUR 1,971 k) and deferred tax liabilities recognised in equity amounting to EUR 0 k (2018: EUR 0 k).

## 11. INVENTORIES

Inventories are structured as follows:

in EUR k	31.12.2019	31.12.2018
Raw materials and supplies	33,188	35,330
Unfinished goods	1,957	1,408
Advance payments received	-513	-1,340
Finished goods and merchandise	128	282
Order costs	5,508	4,318
Advance payments made	607	1,633
<b>Total</b>	<b>40,875</b>	<b>41,632</b>

The unfinished goods and order costs totalling EUR 7,465 k (2018: EUR 5,726 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 2019 financial year.

The change (balance from formation and reversal) in the impairment losses on inventories recognised through profit and loss amounted to minus EUR 175 k in the year under review (2018: EUR -204 k). Inventories that were recognised as material expenses in the reporting period amounted to EUR 284,248 k (2018: EUR 291,083 k).

In the case of inventories with a carrying amount of EUR 6,274 k (2018: EUR 4,266 k), realisation is first anticipated after twelve months.

As in the previous year, no inventories were transferred 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	31.12.2019	31.12.2018
<b>As at 1.1.</b>	<b>2,810</b>	<b>2,891</b>
Use	-427	-348
Release		
Allocation		
Foreign exchange rate differences	1	0
<b>As at 31.12.</b>	<b>1,700</b>	<b>2,810</b>

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 account receivables 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 2019, the factoring agreements had a maximum usable nominal volume totalling EUR 65,000 k (2018: EUR 60,000 k). On the balance sheet date, receivables amounting to EUR 27,413 k (2018: EUR 27,843 k) had been sold and derecognised from the consolidated financial statements in accordance with IFRS 9.

As at 31 December 2019, the non-advanced amount of EUR 9,404 k (2018: EUR 10,540 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 with customers 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	31.12.2019	31.12.2018
Unfinished customised goods	12,930	12,768
Finished customised goods	18,116	17,848
Receivables from tooling and engineering sales	73,728	55,876
<b>Revenues from contracts with customers</b>	<b>104,774</b>	<b>86,491</b>

The contractual liabilities totalling EUR 2,889 k (2018: EUR 2,382 k) consist of advance payments received for tooling and engineering activities. In the 2019 financial year, the sum of EUR 2,382 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 2019 was influenced by an increase of EUR 1,216 k (2018: reduction of EUR 1,314 k).

With regard to the contractual assets, which decline in the course of the contractual period, as well as due to the anticipated call-off volumes (amortisation receivables from tooling and engineering projects, admission fees and price reductions for ongoing orders) see E.14 "Other current receivables".

### 14. OTHER CURRENT RECEIVABLES

The other current receivables contain the following contractual assets:

in EUR k	31.12.2019	1.1.2019
Amortisation receivables	5,328	4,802
Admission fees	9,918	8,876
Price reductions for ongoing orders	5,754	3,427
<b>Total</b>	<b>21,000</b>	<b>17,105</b>

At the latest, the realisation of contractual assets takes place within the production cycle underlying the respective customer order.

In addition, tax receivables, supplier commission and sureties are disclosed under this item, of which EUR 10,399 k (2018: EUR 5,433 k) represent financial receivables.

Owing to the low default quotas of the past, default risk for contractual assets 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 IFRS 9 as at 31 December 2019 and 31 December 2018 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 sales 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 (2018: EUR 22,330 k) divided into 22,329,585 ordinary shares (2018: 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 2,889 k (2018: EUR 2,799 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
<b>31.12.2018</b>	<b>22,329,585</b>	<b>-334,041</b>	<b>21,995,544</b>
Change in treasury share portfolio	0	0	0
<b>31.12.2019</b>	<b>22,329,585</b>	<b>-334,041</b>	<b>21,995,544</b>

In accordance with a resolution from the Annual General Meeting held on 10 May 2019, 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 days preceding purchase.

In addition, authorised capital was agreed with the passing of a resolution by the 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, 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	31.12.2019	31.12.2018
Non-current assets	18,506	17,558
Current assets	11,954	10,901
Non-current liabilities	-627	-611
Current liabilities	-2,961	-3,306
<b>Net assets</b>	<b>26,872</b>	<b>24,542</b>
Share of equity/voting rights without a controlling interest	30%	30%
Carrying amount of interests without controlling influence	8,060	7,363
Pro rata profit of interests without a controlling influence	683	897
Pro rata other result of interests without a controlling influence	15	0
Dividends on interests without a controlling interest	0	0

in EUR k	2019	2018
Cash flow from operating activities	5,079	2,753
Cash flow from investing activities	-1,835	-1,213
Cash flow from financing activities	-129	197



**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 path 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 as a key element in insolvency prevention. The ratio between equity capital and total capital can be summarised as follows:

in EUR k	31.12.2019	31.12.2018
Total equity	252,585	238,007
Balance sheet total	605,601	557,636
<b>Equity ratio</b>	<b>41.7%</b>	<b>42.7%</b>

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 1.00 as being lastingly solid.

Gearing developed as follows:

in EUR k	31.12.2019	31.12.2018
Financial liabilities <sup>1)</sup>	211,598	175,383
- Cash and cash equivalents	55,609	73,572
<b>Net financial liabilities (-)/(+) assets</b>	<b>-155,989</b>	<b>-101,811</b>
/ Equity carrying amount	252,585	238,007
<b>Gearing</b>	<b>0.62</b>	<b>0.43</b>

<sup>1)</sup> Non-current and current interest-bearing liabilities

Net financial liabilities increased largely owing to the issue of promissory note loans and other loan financing, which was employed primarily for the financing of investments and working capital in the course of customer projects and the purchase of the POLYTEC CAR STYLING Weierbach GmbH business operation. Above all, a normalisation in the project financing area (assets from customer contracts) is foreseeable in 2020 and a sizeable reduction of the gearing ratio in the direction of 0.5 has been targeted.

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 non-current 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	2019	2018
Average capital employed	400,418	341,770
EBIT	32,648	40,073
<b>Return on capital employed (in %)</b>	<b>8.2</b>	<b>11.7</b>

The ROCE target amounts to a minimum of 15% and in 2019 fell well short of this figure. First and foremost, this is explained by the increase in investment spending and the committed working capital for future contracts. As a result of the foreseeable normalisation of the capital requirement and higher profitability, the ROCE target remains unchanged at 15%.

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	2019	2018
Net income after income taxes and after non-controlling interests	EUR k	22,391	29,120
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	1.02	1.32

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 2019 provide the basis for the payment of a dividend.

At the Ordinary Annual General Meeting held on 10 May 2019, a resolution was passed approving the payment of a dividend of EUR 0.40 per share for the 2018 financial year (dividend payment date: 17 May 2019).

The Board of Directors of POLYTEC Holding AG will propose to the Annual General Meeting for the 2019 financial year the payment of a dividend of EUR 0.25 per share.

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 financial liabilities with a residual term of more than one year and can be structured as follows:

in EUR k	31.12.2019	31.12.2018
Borrower's note loans	144,215	115,739
thereof with a residual term > 5 years	12,000	21,000
Bank loans	39,748	11,255
thereof with a residual term > 5 years	10,140	161
thereof with collateral securities	10,544	7,482
Other interest-bearing liabilities	2,342	0
thereof with a residual term > 5 years	270	0
Leasing liabilities	7,841	52
thereof with a residual term > 5 years	250	0
<b>Non-current interest-bearing financial liabilities</b>	<b>194,145</b>	<b>127,046</b>

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

in EUR k	2019		2018	
	Share %	Average nominal interest	Share %	Average nominal interest
EUR	99.2	1.24	99.0	1.56
GBP	0.8	2.15	1.0	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 EUR k	30.09.2021	30.03.2022	07.11.2023	22.01.2024	30.03.2024	07.11.2025	07.11.2028	Total
Fixed	24,000	11,500	19,500	0	1,500	0	0	<b>56,000</b>
Variable	0	24,500	15,500	28,500	7,500	11,000	1,000	<b>88,000</b>
<b>Total</b>	<b>24,000</b>	<b>36,000</b>	<b>35,000</b>	<b>28,500</b>	<b>9,000</b>	<b>11,000</b>	<b>1,000</b>	<b>144,500</b>

## 21. OBLIGATIONS TO EMPLOYEES

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

in EUR k	31.12.2019	31.12.2018
Provisions for severance payments	3,793	3,474
Provisions for pensions	24,134	21,442
Provisions for long-service payments	2,371	2,171
Other non-current provisions	317	361
<b>Total</b>	<b>30,616</b>	<b>27,447</b>

The anticipated payments for the obligations to employees in the 2020 financial year amount to EUR 1,313 k.

### PROVISIONS FOR PENSIONS

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

in EUR k	2019			2018		
	Present value of pension obligations	Plan assets	Provision	Present value of pension obligations	Plan assets	Provision
<b>As at 1.1.</b>	<b>21,442</b>	<b>0</b>	<b>21,442</b>	<b>21,202</b>	<b>0</b>	<b>21,202</b>
Service costs	678	0	678	717	0	717
Interest expense	379	0	379	410	0	410
Change in the scope of consolidation	0	0	0	-113	0	-113
Pension payments	-755	0	-755	-856	0	-856
Actuarial gains and losses:						
due to demographic assumptions	385	0	385	18	0	18
due to financial assumptions	1,852	0	1,852	305	0	305
due to experience-based adjustments	154	0	154	-241	0	-241
<b>As at 31.12.</b>	<b>24,134</b>	<b>0</b>	<b>24,134</b>	<b>21,442</b>	<b>0</b>	<b>21,442</b>

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

The pension expenses for the 2019 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", while interest costs are recognised in the financial result under the item "Interest component of pension commitments". The actuarial result comprises gains and losses resulting from the changes to financial and experience-based assumptions.

The average duration of pension obligations amounts to twelve years (2018: twelve years).

in EUR k	31.12.2019	31.12.2018
Service costs	678	717
Interest expense	379	410
<b>Total</b>	<b>1,057</b>	<b>1,127</b>

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

in EUR k	2019	2018
<b>Actuarial gains (+)/losses (-) as at 1.1.</b>	<b>-4,349</b>	<b>-4,291</b>
Actuarial gains (+)/losses (-) in the financial year	-1,671	-59
<b>Actuarial gains (+)/losses (-) as at 31.12.</b>	<b>-6,021</b>	<b>-4,349</b>

A change in interest rates of 25 basis points would have led to an increase in pension obligations of EUR 1,755 k (2018: EUR 814 k), or to a decrease of EUR 1,616 k (2018: EUR 767 k).

### PROVISIONS FOR SEVERANCE PAYMENTS

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

in EUR k	2019	2018
<b>Present value of severance payments (DBO) as at 1.1.</b>	<b>3,474</b>	<b>3,822</b>
Service costs	90	103
Interest expenses	57	56
Severance payments	-95	-73
Actuarial gains and losses:		
due to demographic assumptions	-32	-25
due to financial assumptions	259	-65
due to experience-based adjustments	41	-344
<b>Present value of severance payments (DBO) as at 31.12.</b>	<b>3,793</b>	<b>3,474</b>

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

Total severance costs for the 2019 financial year are divided between defined contributions and defined benefit plans, whereby the service costs included in personnel expenses are reported under expenses for severance payments and pensions, and the interest expense is reported in the financial result under interest component of pension commitments. 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 (2018: nine years).

in EUR k	2019	2018
<b>Contribution-oriented plans</b>		
<b>Expense for contribution-oriented plans</b>	<b>308</b>	<b>273</b>
<b>Defined benefit plans</b>		
Service costs	90	103
Interest expenses	57	56
<b>Expense for defined benefit plans</b>	<b>147</b>	<b>159</b>
<b>Expense for severance payments</b>	<b>455</b>	<b>432</b>

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

in EUR k	2019	2018
<b>Actuarial gains (+)/losses (-) as at 1.1.</b>	<b>-259</b>	<b>-584</b>
Actuarial gains (+)/losses (-) in the financial year	-201	326
<b>Actuarial gains (+)/losses (-) as at 31.12.</b>	<b>-460</b>	<b>-259</b>

A change in interest rates of 25 basis points would have led to an increase in severance payment obligations of EUR 87 k (2018: EUR 82 k), or to a decrease of EUR 84 k (2018: EUR 79 k).

### PROVISIONS FOR LONG-SERVICE PAYMENTS

The provision developed over time as follows:

in EUR k	2019	2018
Present value of the defined benefit obligation =		
<b>Provision for long-service payments</b>	<b>2,371</b>	<b>2,171</b>

Total expenses for long-service payments for the financial year amounted to EUR 200 k (2018: EUR 194 k).

**22. OTHER NON-CURRENT PROVISIONS**

in EUR k	As at 1.1.2019	Reclassifi- cations	Alloca- tions	As at 31.12.2019
Impending losses and risks	4,430	-2,677	0	1,753
<b>Total</b>	<b>4,430</b>	<b>-2,677</b>	<b>0</b>	<b>1,753</b>

in EUR k	As at 1.1.2018	Reclassifi- cations	Alloca- tions	As at 31.12.2018
Impending losses and risks	6,957	-2,527	0	4,430
Other	4,906	-4,906	0	0
<b>Total</b>	<b>11,863</b>	<b>-7,433</b>	<b>0</b>	<b>4,430</b>

**23. CURRENT INTEREST-BEARING LIABILITIES**

in EUR k	31.12.2019	31.12.2018
Liabilities to banks	3,092	0
Bank loans	5,749	7,417
Other interest-bearing liabilities	3,054	661
Liabilities from promissory note loans	505	40,115
Lease liabilities	5,054	144
<b>Interest-bearing current financial liabilities</b>	<b>17,454</b>	<b>48,337</b>

**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	31.12.2019	31.12.2018
As at 1.1. of the financial year	1,622	2,758
Exchange rate differences	-1	0
Use for tax payments	-1,621	-2,732
Release	0	-26
Addition in the financial year	2,155	1,622
<b>As at 31.12. of the financial year</b>	<b>2,155</b>	<b>1,622</b>

**25. LIABILITIES FROM TRADE ACCOUNTS PAYABLE**

in EUR k	31.12.2019	31.12.2018
Liabilities from trade accounts payable	52,908	54,306
<b>Financial trade accounts payable liabilities</b>	<b>52,908</b>	<b>54,306</b>

**26. OTHER CURRENT LIABILITIES**

in EUR k	31.12.2019	31.12.2018
Liabilities to employees	3,023	3,048
Provision for outstanding incoming invoices	4,366	1,575
Other liabilities	2,770	3,371
<b>Other current financial liabilities</b>	<b>10,159</b>	<b>7,994</b>
Accrual for unclaimed leave	4,303	4,930
Other tax liabilities	6,568	5,297
Social security liabilities	1,948	1,871
Deferred charges	1,315	2,590
Deferral to other personnel expenses	5,466	5,915
<b>Total</b>	<b>29,760</b>	<b>28,597</b>

## 27. CURRENT PROVISIONS

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

in EUR k	Balance as at 1.1.2018	Currency translation	Transfers	Reclassifications	Utilisation	Release	Assignment	Balance as at 31.12.2018
Personnel-related accruals	0	0	0	2,880	0	0	0	2,880
Provision for impending losses and risks	5,970	2	-1,043	2,527	7,112	737	4,351	3,958
Guarantees and warranties	1,707	0	0	0	832	339	530	1,066
Other current provisions	14,590	34	106	2,026	5,584	5,023	5,581	11,730
<b>Total</b>	<b>22,267</b>	<b>36</b>	<b>-937</b>	<b>7,433</b>	<b>13,528</b>	<b>6,099</b>	<b>10,462</b>	<b>19,634</b>

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

Amongst others, the other current provisions contain provisions for customer reclamations totalling EUR 6,225 k (2018: EUR 7,884 k), retirement obligations of EUR 957 k (2018: EUR 1,571 k) and legal risks amounting to EUR 748 k (2018: EUR 877 k).

## 28. FINANCIAL LIABILITIES

In accordance with IFRS 9, the financial liabilities comprise the non-current and current interest-bearing liabilities disclosed in the consolidated balance sheet, as well as trade accounts payable and other current financial liabilities. Last year, the interest-bearing liabilities contained liabilities from financial leasing relationships amounting to EUR 196 k, which pursuant to IFRS 9 are not allocated to the 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 150 k (2018: EUR 343 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 196,732 k (2018: EUR 128,568 k), as compared to a carrying amount in the balance sheet of EUR 194,145 k (2018: EUR 126,994 k). On 31 December 2019, the current interest-bearing financial liabilities showed a fair value of EUR 18,044 k (2018: EUR 49,902 k), as opposed to a carrying amount in the balance sheet of EUR 17,454 k (2018: EUR 48,192 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.

### OTHER NON-CASH EXPENSES AND INCOME

The non-cash expenses and income consist largely of currency translation differences and non-cash interest payments.

### 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 1,832 k (2018: EUR -266 k).

Lease payments of EUR 5,193 k lower the lease liabilities (current and non-current) from 1 January 2019 amounting to EUR 15,587 k. New leases totalling EUR 2,329 k, disposals of EUR 82 k and currency translation differences of EUR 253 k resulted in lease liabilities as at 31 December 2019 of 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 evaluation 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

Within the scope of its business activities, the POLYTEC GROUP is subject to a variety of risks, which relate directly to corporate transactions. Risk management is an integral part of group strategy and business processes. The comprehensive certifications required by an automotive industry supplier (e. g. IATF16949:2016 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. Indeed, owing to constraints upon the combustion engine and the furtherance of e-mobility, which represent the indirect sources of impetus behind this upheaval, not to mention the tangible effects of autonomous driving and new mobility concepts, the coming years are set to be most challenging. The task is therefore to adjust to these new conditions and establish a clear position in the new markets by means of innovation and a targeted sales strategy. To date, the automotive 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.

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 possibilities, 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 part quantity development. During series production, the supplier is dependent on the sales of the vehicle for which it is supplying components, while being powerless to influence this success. The unplanned call-up of part 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 use of capacity 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 shifts, 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 thus damage 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 2019 financial year, approximately 61% (2018: 58%) of sales 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 supplier industry. Within this context, the customer is defined as a group of affiliated companies, which can also produce several automotive marques. In future, the management intends to seek greater diversification through the expansion of its customer base in the non-automotive business area.

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 resulted in trade accounts receivable of EUR 47,549 k (2018: EUR 50,709 k) being insured. Therefore, the theoretical risk of non-payment amounts to EUR 196,315 k (2018: EUR 185,928 k).

The analysis of the gross carrying values of trade accounts receivable, the contractual assets and the other financial receivables as at 31 December 2019 can be presented as follows:

in EUR k	Gross amount	Impairment provisions	Overdue but not impaired in days			
			up to 60	60 to 120	120 to 360	over 360
31.12.2019						
Trade accounts receivable	55,113	1,700	8,250	1,218	1,391	737
Revenues from contracts with customers	104,774	2,622	0	0	0	0
Other financial receivables	31,399	0	0	0	0	0

On 31 December 2018, the analysis of overdue, but not impaired trade accounts receivable, as well as the other financial receivables, presented the following picture:

in EUR k	Gross amount	Impairment provisions	Overdue but not impaired in days			
			up to 60	60 to 120	120 to 360	over 360
31.12.2018						
Trade accounts receivable	56,846	2,810	10,239	2,502	1,902	1,448
Revenues from contracts with customers	87,896	1,405	0	0	0	0
Other financial receivables	22,538	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 31.12.2019	Total contractual cash flows	thereof within 1 year	thereof 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 liabilities	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
<b>Total</b>	<b>274,515</b>	<b>282,782</b>	<b>82,198</b>	<b>177,727</b>	<b>22,857</b>

in EUR k	Carrying amount as at 31.12.2018	Total contractual cash flows	thereof within 1 year	thereof but less than 5 years	thereof more than 5 years
Promissory note loans	155,854	162,580	41,862	99,391	21,327
Bank loans and other interest-bearing liabilities	19,333	20,374	8,422	11,789	163
Financial leasing	196	199	199	0	0
Trade accounts payable	54,306	54,306	54,306	0	0
Other current liabilities	7,651	7,651	7,651	0	0
<b>Total</b>	<b>237,340</b>	<b>245,110</b>	<b>112,440</b>	<b>111,180</b>	<b>21,490</b>

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 Turkish lira. 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 counters this risk through hedging transactions although primarily natural hedge positions were used.

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	31.12.2019		
	In euros	In foreign currency	Total
Trade accounts receivable	40,694	12,720	53,413
Receivables from construction contracts	100,619	4,155	104,774
Other receivables (excluding prepaid expenses and accrued income)	28,718	1,350	30,068
Cash and cash equivalents	48,895	6,714	55,609
<b>Total</b>	<b>218,925</b>	<b>24,939</b>	<b>243,864</b>

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
<b>Total</b>	<b>251,335</b>	<b>23,331</b>	<b>274,666</b>

in EUR k	31.12.2018		
	In euros	In foreign currency	Total
Trade accounts receivable	43,665	10,371	54,036
Receivables from construction contracts	76,194	10,297	86,491
Other receivables (excluding prepaid expenses and accrued income)	19,801	2,737	22,538
Cash and cash equivalents	71,128	2,444	73,572
<b>Total</b>	<b>210,788</b>	<b>25,849</b>	<b>236,637</b>

in EUR k	31.12.2018		
	In euros	In foreign currency	Total
Non-current interest-bearing liabilities	124,732	2,314	127,046
Current interest-bearing liabilities	43,460	4,876	48,337
Trade accounts payable (without advance payments)	46,910	7,395	54,306
Other current liabilities	6,586	1,409	7,995
<b>Total</b>	<b>221,688</b>	<b>15,994</b>	<b>237,684</b>

The distribution shows that the risk to which the group is subject owing to exchange rate fluctuations is very low, as both financial assets held in foreign currency totalling 10.2% (2018: 10.9%) and the corresponding liabilities totalling 8.5% (2018: 6.7%) account for only a minor part of the total volume. Furthermore, currency fluctuations 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 2018 and 2019 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:

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

in EUR k	31.12.2018			Residual period		
	pos.	neg.	Nominal	up to 1 year	1 to 5 years	more than 5 years
Receive floating pay fixed swaps	0	343	36,500	28,000	8,500	0
Interest caps	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>343</b>	<b>36,500</b>	<b>28,000</b>	<b>8,500</b>	<b>0</b>

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	31.12.2019	31.12.2018
Promissory note loans	144,720	155,854
thereof with fixed interest	56,720	96,363
thereof with variable interest	88,000	59,491
Bank loans	48,589	18,672
thereof with fixed interest	11,194	16,484
thereof with variable interest	37,395	2,188
Lease liabilities	12,894	196
thereof with fixed interest	12,894	196
thereof with variable interest	0	0
Other interest-bearing liabilities	5,395	661
thereof with fixed interest	5,395	661
thereof with variable interest	0	0
<b>Total</b>	<b>211,598</b>	<b>175,383</b>
thereof with fixed interest	86,203	113,704
thereof with variable interest	125,394	61,679

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) of the interest expense by some EUR 1,254 k (2018: EUR 617 k).

Cash and cash equivalents contain variable interest-bearing financial assets totalling EUR 53,431 k (2018: EUR 56,103 k). An increase/decrease in the interest rate of 100 basis points would result in an increase/decrease in interest income of approximately EUR 534 k (2018: EUR 561 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 sensibility with regard to this topic is addressed at regular intervals and subjected to ongoing evaluation.

**Other risks.** The Board of Directors is unaware that 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 2019 balance sheet date, on the basis of the shares issued, the shareholder structure was as follows:

Huemer Group: 29.04%  
 NN Group N.V: 5.17%  
 Treasury shares: 1.50%  
 Remaining free float: 64.29%

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	
	31.12.2019	31.12.2018
Receivables	60	164
Liabilities	50	6
Rental income	133	69
Other income	56	167
Other expenses	414	1,250

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 2018, the fee for a work contract with the then Chairman of the Board of Directors, Friedrich Huemer, was cleared and reported under the other expenses.

Other expenses also include transport services from GlobeAir AG, Hörsching. The rental income derives from the leasing of office accommodation.

As in the previous year, no provisions or expenses for doubtful or unrecoverable debts were reported 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 2019 financial year amounted to EUR 1,468 k (2018: EUR 2,269 k) and as in the previous year was entirely attributable to short-term benefits. The variable component totalled EUR 230 k (2018: EUR 810 k) and as was the case in the preceding year, during the 2019 financial year no payments were made after the termination of the working relationship.

As yet unpaid variable salary components affecting the 2019 business year are reported in the current personnel provisions.

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 2019 financial year amounted to EUR 132 k (2018: 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, Vechta, Germany

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

Viktoria Kickinger, Vienna

Reinhard Schwendtbauer, Leonding

## 6. GROUP COMPANIES

Company	Company address	Country	Shareholder	2019		2018	
				Direct and indirect holding %	Type of consolidation <sup>1)</sup>	Direct and indirect holding %	Type of consolidation <sup>1)</sup>
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		
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	PT Plastics 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 <sup>2)</sup>	Lohne	GER	Polytec Holding Deutschland GmbH	100.0	KV	100.0	KV
Polytec Plastics Idstein GmbH & Co KG <sup>2)</sup>	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 <sup>2)</sup>	Gochsheim	GER	POLYTEC Composites Beteiligungs GmbH	100.0	KV	100.0	KV
POLYTEC Compounds GmbH & Co. KG <sup>2)</sup>	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 <sup>2)</sup>	Rastatt	GER	POLYTEC Composites Beteiligungs GmbH	100.0	KV	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

Company	Company address	Country	Shareholder	2019		2018	
				Direct and indirect holding %	Type of consolidation <sup>1)</sup>	Direct and indirect holding %	Type of consolidation <sup>1)</sup>
Newplastics, S.A.	Lisbon	POR	POLYTEC Composites Germany GmbH & Co KG	2.0		2.0	
Ljungby Komposit AB	Ljungby	SWE	PT Beteiligungs GmbH	25.0	KOE	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	KO
POLYTEC Industrial Plastics GmbH	Bochum	GER	POLYTEC Holding AG	70.0	KV	70.0	KV
POLYTEC Elastoform GmbH	Marchtrenk	AUT	POLYTEC Industrial Plastics GmbH	70.0	KV	70.0	KV
POLYTEC EMC Engineering GmbH	Marchtrenk	AUT	POLYTEC Industrial Plastics GmbH	70.0	KV	70.0	KV
POLYTEC THELEN GmbH	Bochum	GER	POLYTEC Industrial Plastics GmbH	70.0	KV	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

<sup>1)</sup> 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

<sup>2)</sup> 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, 5 March 2020

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

# 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, 5 March 2020

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, human resources

Peter Haidenek

Member of the Board of Directors – CFO

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

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



# AUDITORS' REPORT

(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 audited 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 2019, 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 2019, 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 the 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 com-

mercial law and professional regulations, and have fulfilled our other responsibilities in line with these relevant ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements. 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.

### IMPAIRMENT OF NON-CURRENT ASSETS (INCLUDING GOODWILL)

See notes, sections 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 2019 financial year POLYTEC Holding AG identified indications of an impairment of non-current assets. The attainable amounts determined (impairment test of the affected cash-generating units) showed sufficient coverage of the carrying amounts. For the purpose of impairment testing, evaluation 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 evaluations 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 compared the expected results underlying the evaluation and investments with the budget prepared by the Board of Directors and approved by the Supervisory Board, and in addition the medium-term planning. We held discussions with the management regarding these assumptions, in the course of which we obtained an understanding of how past experience influences managerial planning.
- 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 experts.
- In addition, 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.

### RESPONSIBILITIES OF 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 about whether the consolidated financial statements as a whole are free of 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 with 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 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 fair presentation.
- We obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We 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 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 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 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.

**OTHER INFORMATION**

The legal representatives of the company are responsible for other information. Other information consists 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 our report.

Our opinion on the consolidated financial statements does not cover such other information and we will not provide any kind of assurance in its regard.

In conjunction 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.

**ADDITIONAL INFORMATION IN ACCORDANCE WITH ARTICLE 10 EU REGULATION**

We were selected as the group auditors at the Ordinary Annual General Meeting on 10 May 2019 and on 20 January 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 2019.

We have acted 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, 5 March 2020

KPMG Austria GmbH  
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Dr. Elisabeth Rebhan-Briewasser  
Auditor

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.

# SHARE & INVESTOR RELATIONS

## POLYTEC SHARE PRICE DEVELOPMENT

As at 30 December, the last stock exchange trading day in the 2019 financial year, the POLYTEC share (ISIN: AT0000A00XX9) closed at EUR 8.65 and was thus EUR 0.27, or 3.2%, above the end value of the previous year (EUR 8.38).

The annual mean price of the share amounted to EUR 8.89 (2018: EUR 13.29) and year-end market capitalisation totalled EUR 193.1 million (2018: EUR 187.1 million).



Source: Wiener Börse AG, price data indexed as per 2 January 2019

The POLYTEC share started the 2019 stock exchange year at an initial closing price of EUR 8.67. During the first half of January, the price rose prior to correction up to the end of March. It then recovered during April and on 23 April 2019, at EUR 10.64, reached its closing price high for the year. Subsequently, a downward trend ensued, which continued until the end of October. At around the date of the publication of the half-yearly report at the beginning of November, an above-average trading volume occurred, which was accompanied by an upturn in closing prices during the month. In December, the POLYTEC share eased before closing the 2019 stock exchange year with a slight plus of 3.2%.

As compared to the preceding year, in 2019 the average daily trading volume of the POLYTEC share was roughly halved. During the 252 days of trading on the Vienna Stock Exchange, which for the first time included trading on a number of holidays, the average trading volume amounted to 47,768 shares per day (2018: 93,591, both figures using double counting). On 22 January 2019, the busiest trading day, 193,864 POLYTEC shares (double counting) were traded on the exchange.

In the course of 2019, the ATX Prime index rose by 15.8% to 1,607.62 points. The index STOXX® Europe 600 Automobile & Parts (SXAP) closed the year with 509 points (2018: 439) and was thus 15.9% higher than in the preceding year.

POLYTEC share (AT0000A00XX9)	Unit	2019	Change	2018	2017	2016	2015
Year-end closing price	EUR	8.65	3.2%	8.38	18.50	10.39	7.66
Highest closing price during the year	EUR	10.64	-49.3%	21.00	22.38	10.60	8.45
Average closing price during the year	EUR	8.89	-33.1%	13.29	16.46	7.89	7.52
Lowest closing price during the year	EUR	8.05	-3.9%	8.38	10.40	6.65	6.20
Market capitalisation at year end	EUR m	193.1	3.2%	187.1	413.1	231.9	171.0
Vienna Stock Exchange money turnover (double counting)	EUR m	107.2	-64.2%	299.7	347.9	71.7	84.6
Vienna Stock Exchange share turnover (double counting)	Shares m	12.0	-48.1%	23.1	20.6	9.0	11.3
Share turnover (daily average, double counting)	Shares	47,768	-49.0%	93,591	83,317	35,937	45,660

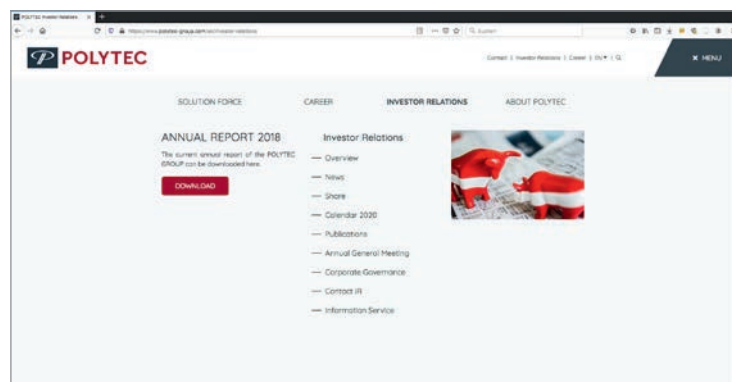
Source: Wiener Börse AG

After the 2019 reporting period, the POLYTEC share continued on its downward path in the months of January and February 2020, and at the end of February and in March, like many other stocks was dragged into the massive corrections on the international stock exchanges caused by the uncertainties surrounding the coronavirus.

### INVESTOR CONTACTS

In order to secure a comprehensive, timely and transparent presentation of POLYTEC GROUP information of relevance to the capital markets, the Board of Directors and the Investor Relations team maintain constant contacts with stockholders. During the 2019 financial year, POLYTEC presented road shows and arranged investors' meetings at European venues, and participated in several investor conferences with the aim of reporting upon the current business figures and development of the company. During the International Automobile Exhibition (IAA), which was held in Frankfurt in September 2019, apart from numerous specialist visitors, some forty investors viewed and were duly convinced by the POLYTEC GROUP's innovative product developments. In addition, investor visits to POLYTEC headquarters in Hörsching were again organised along with tours of various group plants. Moreover, a regular dialogue was continued with institutional and private investors and analysts by means of frequent telephone conferences.

In order to intensify its corporate communications, as part of a comprehensive rebranding project during 2019, POLYTEC repositioned its brand image. The group website was also redesigned and in this connection reference should be made



Screenshot of the newly designed website [www.polytec-group.com](http://www.polytec-group.com)

to the investor relations pages, on which financial market information of interest, reports and news are now available in an even clearer form.

### DIVIDEND POLICY

POLYTEC's dividend policy is based on the profitability, strategic growth perspectives and capital requirements of the group. In the 2019 business year, POLYTEC Holding AG's net profit amounted to EUR 134.3 million (2018: EUR 139.0 million). Therefore, the Board of Directors and the Supervisory Board will propose the distribution of a dividend of EUR 0.25 per eligible share to the 20<sup>th</sup> Ordinary Annual General Meeting to be held on 18 May 2020. This corresponds to a gross dividend payment of around EUR 5.5 million (2018: EUR 8.8 million) and the pay-out ratio amounts to 24.5%. The dividend thus lies in the middle of the 20% to 30%

distributable earnings range. On the basis of an average closing price for the year of EUR 8.89, a dividend yield

of 2.8% results. 22 May 2020 is the ex-dividend day and 26 May 2020 the dividend pay-out day.

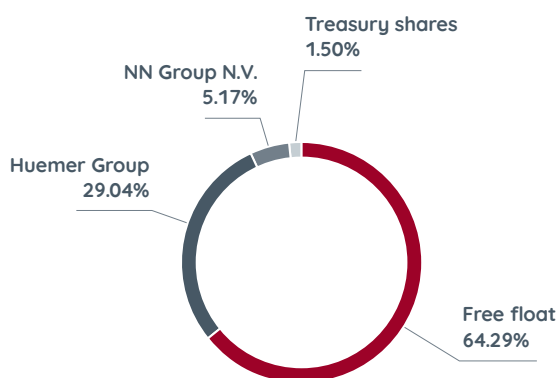
POLYTEC share (AT0000A00XX9)	Unit	2019	Change	2018	2017	2016	2015
Earnings per share	EUR	1.02	-22.7%	1.32	1.74	1.65	1.08
Proposed dividend per share	EUR	0.25	-37.5%	0.40	0.45	0.40	0.30
Pay-out ratio	%	24.5	-5.8% pt.	30.3	25.9	24.2	27.8
Dividend yield on the basis of the average closing price	%	2.8	-0.2% pt.	3.0	2.7	5.1	4.0

## SHAREHOLDER STRUCTURE

As at the balance sheet date of 31 December 2019, 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 2019 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. As compared to the 31 December 2018 balance sheet date, the participation in companies belonging to POLYTEC Holding AG that can be attributed to Friedrich Huemer remained unchanged. 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.

During the 2019 financial year, POLYTEC Holding AG received no voting right communications from stockholders in accordance with § 130 of the 2018 Austrian Stock Exchange Act. As at 31 December 2019, on the basis of the 22,329,585 issued shares, the shareholder structure of POLYTEC Holding AG remained identical to that on 31 December 2018 and had the following form:



POLYTEC Holding AG was not informed of any further changes in material shareholdings after the balance sheet date.

## DIRECTORS' DEALINGS

During the 2019 financial year, POLYTEC Holding AG received no reports regarding directors' dealing transactions pursuant to Article 19 MAR from legal personages undertaking managerial assignments within POLYTEC Holding AG, or persons with whom they have an arm's length relationship (natural or legal). The attention of POLYTEC Holding AG was also not drawn to any directors' dealings after the balance sheet date.

## TREASURY SHARES

During the 2019 financial year, the company did not purchase or sell any treasury shares. On the balance sheet date of 31 December 2019, 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 closing date amounted to around EUR 2.9 million (2018: EUR 2.8 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 19<sup>th</sup> 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 Austrian Stock 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 19<sup>th</sup> Ordinary Annual General Meeting on 10 May 2019 with the required majority.

## RESEARCH COVERAGE

Coverage of the POLYTEC GROUP by national and international investment banks is an important element in its comprehensive investor relations activities and plays a highly significant role in the visibility of the POLYTEC share within the investor community.

During the 2019 financial year the following financial institutions published regular reports on the POLYTEC GROUP and the recommendations and price targets up to the editorial closing date of this report at the beginning of March 2020

are contained in the following table. The current recommendations and price targets can be accessed on the new company website, [www.polytec-group.com](http://www.polytec-group.com) in the Investor Relations, Share, Share price, Research section.

Institute	Recommendation	Latest price target
BAADER Helvea Equity Research	Buy	EUR 12.0
ERSTE Group Research	Hold	EUR 9.8
M.M.Warburg Research	Buy	EUR 12.5
Raiffeisen CENTROBANK Research	Hold	EUR 9.5

## DETAILS REGARDING THE POLYTEC SHARE

ISIN	AT0000A00XX9
Total number of shares issued	22,329,585
Ticker symbols	Vienna Stock Exchange: PYT; Bloomberg: PYT.AV; Reuters: POLV.VI; WKN: A0JL31
Listing on the Vienna Stock Exchange	prime market
The POLYTEC share is also traded at the following on- and off-floor exchanges	Berlin, Düsseldorf, Frankfurt, London Trade Rep., Munich, Stuttgart, Baader Bank, Gettex, Lang & Schwarz, LS Exchange, Tradegate, Quotrix

As at 31 December 2019, the POLYTEC share was also listed in the following Vienna Stock Exchange indices:

Abbreviation	Full name	Abbreviation	Full name
ATX PRIME	ATX Prime	ATX PC8	ATX Prime Capped 8
ATX CPS	ATX Consumer Products & Services	ATX PC8 NTR	ATX Prime Capped 8 Net Total Return
ATX FMLY	ATX Family	ATX PC8 TR	ATX Prime Capped 8 Total Return
ATX FMLY NTR	ATX Family Net Total Return	WBI	Wiener Börse Index
ATX FMLY TR	ATX Family Total Return		

## CORPORATE CALENDAR 2020

27 March 2020	Friday	Publication of the financial statements and annual report for 2019
7 May 2020	Thursday	Publication of the interim report for Q1 2020
8 May 2020	Friday	Record date "AGM"
18 May 2020	Monday	20 <sup>th</sup> Ordinary Annual General Meeting for the 2019 financial year, Hörsching, 10 a.m.
22 May 2020	Friday	Ex-dividend day
25 May 2020	Monday	Record date "Dividends"
26 May 2020	Tuesday	Dividend pay-out day
7 August 2020	Friday	Publication of the financial report for HY1 2020
6 November 2020	Friday	Publication of the interim report for Q3 2020



# 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. During the 2019 financial year, the version of the code from January 2018 applied and therefore all 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 from the website of the Austrian Working Committee for Corporate Governance ([www.corporate-governance](http://www.corporate-governance)).

POLYTEC Holding AG complies 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 2019 financial year is publicly available via the POLYTEC Holding AG's corporate website ([www.polytec-group.com](http://www.polytec-group.com)), which is registered in the Austrian Company Register.

## 2. POLYTEC HOLDING AG GOVERNING BODIES

### BOARD OF DIRECTORS

#### BOARD 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 manages 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 personal descriptions.

The members of the Board of Directors are in constant contact with each other in order to exchange information, assess 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 the current development of the POLYTEC Group. At least once a quarter, the Board of Directors provides the Supervisory Board with regular assessments of the course of business that incorporate the risk situation, risk management and 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 in regular contact with the Chairman of the Board of Directors. Ongoing discussions are also held regarding strategy, business trends and company risk management.

All of the serving members of the Board of Directors in 2018 were granted a discharge at the 19<sup>th</sup> Annual General Meeting on 10 May 2019 with the required majority.

## THE FOLLOWING PERSONS SERVED AS MEMBERS OF THE POLYTEC HOLDING AG BOARD OF DIRECTORS IN THE 2019 FINANCIAL YEAR:

**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, human resources
- Supervisory Board mandates: none

**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 audit, legal affairs
- 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

#### 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 monitoring the Board of Directors' management of the company. The laws and regulations that apply to listed companies in Austria and, 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 2018 financial year were granted a discharge at the 19<sup>th</sup> Annual General Meeting on 10 May 2019 with the required majority.

## THE FOLLOWING FIVE PERSONS SERVED AS MEMBERS OF THE POLYTEC HOLDING AG SUPERVISORY BOARD IN 2019

**Fred  
Duswald**



- Born: 1967
- Chairman of the Supervisory Board
- Date of initial appointment: 2006
- End of current term of office: Annual General Meeting regarding the 2019 financial year
- Other Supervisory Board mandates: none
- Independent

**Manfred  
Trauth**



- Born: 1948
- Deputy Chairman of the Supervisory Board
- Date of initial appointment: 2007
- End of current term of office: Annual General Meeting regarding the 2019 financial year
- Other Supervisory Board mandates: none
- Independent

**Viktoria  
Kickinger**



- Born: 1952
- Member of the Supervisory Board
- Date of initial appointment: 2006
- End of current term of office: Annual General Meeting regarding the 2019 financial year
- Other Supervisory Board mandates: none
- Independent

**Robert  
Büchelhofer**



- Born: 1942
- Member of the Supervisory Board
- Date of initial appointment: 2005
- End of current term of office: Annual General Meeting regarding the 2019 financial year
- Other Supervisory Board mandates: none
- Independent

**Reinhard  
Schwendtbauer**



- Born: 1972
- Member of the Supervisory Board
- Date of initial appointment: 2010
- End of current term of office: Annual General Meeting regarding the 2019 financial year
- Other Supervisory Board mandates: none
- Independent

### INDEPENDENCE OF THE SUPERVISORY BOARD

The members of the Supervisory Board are deemed to be independent if they have no business or personal relationships 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 also sits on 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 2019 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 financing, accounting and reporting (financial expert). Apart from the supervision of accounting and the auditing process for both the financial statements and the consolidated financial statements, the proposal for the distribution of profits, the audit planning and, in particular, the effectiveness of the internal control and risk management systems were 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 Austrian sustainability and diversity improvement legislation.

During the 2019 financial year, the audit committee sat twice, whereby at both these meetings the (group) auditors were present. During this period a total of four Supervisory Board meetings were held and no additional sittings were required. Two decisions were passed by circulating the motion. 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	Robert Büchelhofer, Fred Duswald
Nomination committee	Fred Duswald	Manfred Trauth, Viktoria Kickinger
Risk management committee	Viktoria Kickinger	Manfred Trauth, Fred Duswald

As the current mandates of all the Supervisory Board members expire at the Ordinary General Meeting called for 18 May 2020, the Supervisory Board members will be newly elected at the same event.

## REMUNERATION REPORT

### REMUNERATION OF THE BOARD OF DIRECTORS

When determining the total remuneration of the members of the Board of Directors, the Supervisory Board has to ensure that this is commensurate with their individual tasks and performance, the company's economic position and the customary levels of remuneration, while providing long-term incentives for sustainable company development. Remuneration contains fixed and variable components. Apart from the achievement of the performance-related targets set for each individual board member, the development of the

return on capital employed (ROCE - EBIT/average capital employed) is the most important parameter for the calculation of the variable remuneration components. There are no stock option plans or similar share-based remuneration systems currently in place, which would be subject to IFRS 2. There is no company pension system for members of the Board of Directors. On the balance sheet date of 31 December 2019, no loans or advances to either current or former members of the Board of Directors existed. Transactions with related persons or companies corresponded with acknowledged business standards and where necessary were approved by the Supervisory Board in advance.

In the 2019 financial year, total remuneration to all of the members of the Board of Directors including performance-related components amounted to EUR 1,468 k (2018: EUR 2,269 k). Unpaid variable remuneration for 2019 is recognised in the current provisions for personnel.

## REMUNERATION OF THE BOARD OF DIRECTORS IN THE 2019 FINANCIAL YEAR

Member of the Board of Directors	Variable remuneration		Total
	Basic salary	component	
Markus Huemer	461	0	461
Peter Haidenek	225	30	255
Heiko Gabbert	276	100	376
Peter Bernscher	276	100	376
<b>Total</b>	<b>1,238</b>	<b>230</b>	<b>1,468</b>

Amounts in EUR k, gross salaries

## REMUNERATION OF THE SUPERVISORY BOARD

The amount of the remuneration of the members of the Supervisory Board is sanctioned within the framework of the Annual General Meeting for the respective financial year expired. Total remuneration of the members of the Supervisory Board for the 2018 financial year was approved unanimously during the 19<sup>th</sup> Ordinary Annual General Meeting held on 10 May 2019 and totalled EUR 132,000. For the 2019 financial year, a sum of EUR 132,000 for the total remuneration of all members of the Supervisory Board was again

recognised as an expense. Accordingly, the Board of Directors will propose this amount to the 20<sup>th</sup> Ordinary Annual General Meeting to be held on 18 May 2020 as total emoluments to the Supervisory Board. Subject to prior approval by the Annual General Meeting, this sum will be distributed among the individual members of the Supervisory Board as follows:

### REMUNERATION OF THE SUPERVISORY BOARD IN THE 2019 FINANCIAL YEAR

Member of the Supervisory Board	Function	Remuneration
Fred Duswald	Chairman of the Supervisory Board	35
Manfred Trauth	Deputy Chairman of the Supervisory Board	28
Viktoria Kickinger	Member of the Supervisory Board	22
Robert Büchelhofer	Member of the Supervisory Board	25
Reinhard Schwendtbauer	Member of the Supervisory Board	22
<b>Total</b>		<b>132</b>

Amounts in EUR k

In accordance with C-Rule 43, during the 2019 financial year both the Supervisory Board and the Board of Directors considered the fundamental remuneration principles (remuneration strategy) that apply to the members of both bodies and owing to new statutory requirements, are to be employed for the first time in the 2020 financial year. A new remuneration policy has been drawn up and should be adopted following presentation to the 20<sup>th</sup> Ordinary Annual General Meeting, which has been called on 18 May 2020. Pursuant to §98a in combination with §78 Para.1 of the Austrian Stock Corporation Act, at a minimum the remuneration policy is to be put to the vote at the Annual General Meeting every four years.

As a listed 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 informed continually of the ban on the misuse of insider information, and internal guidelines have been issued for the transfer of information within the company. Adherence to the latter is monitored and suitable organisational measures have been taken in order to prohibit the improper use or passing on of insider information. The related tasks constitute a major element within the compliance organisation of the company. The members of the Supervisory Board and the Board of Directors receive comprehensive information regarding compliance activities at regular intervals.

## 3. OTHER INFORMATION

### 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 integrated into the POLYTEC GROUP's corporate values and mission statement in unequivocal form, and tabulated in the Code of Conduct, which can be accessed via the group's website.

In addition to capital market compliance content, the POLYTEC GROUP holds regular training sessions regarding data protection, anti-corruption and anti-trust law. The awareness levels of employees are raised with respect to issues of 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 a workforce of around 4,300 on four continents. As a result of this internationality, diversity, respect, equality of opportunity and the integration of employees from differing cultures represent integral elements within corporate culture. Any form of personal discrimination whether due to origin, gender, skin colour, age, religion, sexual orientation or handicap is strictly rejected.

During recruitment for vacant positions, a focus is placed on performance orientation, knowledge, skills, equal opportunity 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 balanced specialist composition of the 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 regarding the structure and activities of the company and their tasks and responsibilities.

The POLYTEC Holding AG Supervisory Board has had a female member for over a decade and during the 2019 financial year one of the five Supervisory Board positions was therefore occupied by a woman, which corresponded to a 20% share of membership. L-Rule 52 is thus fulfilled, as at present the POLYTEC Holding Supervisory Board does not consist of at least six persons.

In the 2019 financial year a woman was not represented on the POLYTEC Holding AG Board of Directors. On 31 December 2019, women accounted for some 43.8% (2018: 47.6%) of the POLYTEC Holding AG workforce. As at the 31 December 2019 balance sheet date, women held around 11.4% of the managerial posts with long-term personnel responsibility at the POLYTEC GROUP's companies (2018: 10.0%). However, the workforce in the automotive supply industry is still predominately male, as this sector continues to be primarily technically oriented. On 31 December 2019, the quota of female employees in the POLYTEC GROUP (excluding leasing personnel) amounted to 21.2% (2018: 21.3%).

## 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.

## 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 2019 financial year. This proposal was unanimously approved at the 19<sup>th</sup> Ordinary Annual General Meeting held on 10 May 2019. In 2019, total expenses for auditing purposes amounted to EUR 207 k (2018: EUR 208 k). A more detailed breakdown of these expenses into the single fields of activity is available 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 beginning of March 2020.

Hörsching, 5 March 2020

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

# REPORT OF THE POLYTEC HOLDING AG SUPERVISORY BOARD FOR THE 2019 FINANCIAL YEAR

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 financial 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 (version January 2018).

During the 2019 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 is currently composed of five shareholder representatives and 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 2019 financial year. The auditors granted both the 2019 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 2019, 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, as applied in the EU, (IFRS) and the additional requirements pursuant to § 245a UGB (Austrian Commercial Code).

At its meeting on 12 March 2020, 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 2019, 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 2020 financial year.

Furthermore, the Supervisory Board concurs with the recommendation of the Board of Directors to distribute a dividend of EUR 0.25 per eligible share for the 2019 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 2019 financial year. I would also like to thank the POLYTEC GROUP's shareholders and customers for their trust.

Hörsching, March 2020

Fred Duswald  
Chairman of the Supervisory Board

# FINANCIAL STATEMENTS AS AT 31 DECEMBER 2019 (GERMAN)

Balance sheet as at 31 December 2019 (with comparative figures from the previous year) (German)	89
Income statement for the 2019 financial year (with comparative figures from the previous year) (German)	90
Notes to the financial statements for 2019 the financial year of POLYTEC Holding AG, Hörsching (German)	91
Management report of POLYTEC Holding AG for the 2019 financial year (German)	104
Auditors' report (German)	119
Service/Imprint	125
Glossary	126



POLYTEC Holding AG,  
Hörsching

**Bilanz zum 31. Dezember 2019**

mit Gegenüberstellung der Vorjahreszahlen in tausend Euro (TEUR)

	31.12.2019	31.12.2018
	EUR	TEUR
<b>Aktiva</b>		
<b>A. Anlagevermögen:</b>		
I. Immaterielle Vermögensgegenstände	4.863.478,64	4.150
II. Sachanlagen	2.813.746,91	1.619
III. Finanzanlagen	194.747.720,26	165.889
	<b>202.424.945,81</b>	171.657
<b>B. Umlaufvermögen:</b>		
I. Forderungen und sonstige Vermögensgegenstände:		
1. Forderungen aus Lieferungen und Leistungen	60.704,17	165
2. Forderungen gegenüber verbundenen Unternehmen	146.769.431,38	140.393
<i>davon mit einer Restlaufzeit von mehr als einem Jahr</i>	141.315.685,88	138.048
3. Sonstige Forderungen und Vermögensgegenstände	1.278.467,90	671
<i>davon mit einer Restlaufzeit von mehr als einem Jahr</i>	209.907,00	54
II. Kassenbestand, Guthaben bei Kreditinstituten	148.108.603,45	141.229
	24.026.497,22	47.445
	<b>172.135.100,67</b>	188.674
<b>C. Rechnungsabgrenzungsposten</b>	<b>520.222,99</b>	279
<b>D. Aktive latente Steuern</b>	<b>3.771.483,00</b>	4.476
	<b>378.851.752,47</b>	365.086
	<b>378.851.752,47</b>	<b>365.086</b>
<b>Passiva</b>		
	31.12.2019	31.12.2018
	EUR	TEUR
<b>A. Eigenkapital:</b>		
I. Eingefordertes und einbezahltes Grundkapital:		
1. Gezeichnetes Grundkapital	22.329.585,00	22.330
2. Eigene Anteile	-334.041,00	-334
	21.995.544,00	21.996
II. Kapitalrücklagen (gebundene)	38.869.949,79	38.870
III. Gebundene Gewinnrücklage für eigene Anteile	334.041,00	334
IV. Bilanzgewinn	134.297.257,48	138.997
<i>davon Gewinnvortrag</i>	130.199.246,71	122.726
	<b>195.496.792,27</b>	200.197
<b>B. Rückstellungen:</b>		
1. Rückstellungen für Abfertigungen	314.589,49	274
2. Sonstige Rückstellungen	2.037.102,19	2.392
	<b>2.351.691,68</b>	2.667
<b>C. Verbindlichkeiten:</b>		
1. Verbindlichkeiten aus Schuldscheindarlehen	145.005.191,53	156.115
<i>davon mit einer Restlaufzeit bis zu einem Jahr</i>	505.191,53	40.115
<i>davon mit einer Restlaufzeit von mehr als einem Jahr</i>	132.500.000,00	95.000
2. Verbindlichkeiten gegenüber Kreditinstituten	12.000.000,00	21.000
<i>davon mit einer Restlaufzeit bis zu einem Jahr</i>	29.953.857,13	0
<i>davon mit einer Restlaufzeit von mehr als einem Jahr</i>	3.091.953,23	0
3. Verbindlichkeiten aus Lieferungen und Leistungen	19.019.051,05	0
<i>davon mit einer Restlaufzeit von mehr als fünf Jahren</i>	7.842.852,85	0
4. Verbindlichkeiten gegenüber verbundenen Unternehmen	946.626,03	1.429
<i>davon mit einer Restlaufzeit bis zu einem Jahr</i>	946.626,03	1.429
5. Sonstige Verbindlichkeiten	4.307.961,64	2.638
<i>davon mit einer Restlaufzeit bis zu einem Jahr</i>	4.307.961,64	2.638
<i>davon aus Steuern</i>	149.671,95	128
<i>davon im Rahmen der sozialen Sicherheit</i>	14.899,32	12
<i>davon mit einer Restlaufzeit bis zu einem Jahr</i>	134.715,71	113
	149.671,95	128
	<b>180.363.308,28</b>	160.310
<b>D. Rechnungsabgrenzungsposten</b>	9.001.404,38	44.310
<i>davon mit einer Restlaufzeit von mehr als einem Jahr</i>	151.519.051,05	95.000
<i>davon mit einer Restlaufzeit von mehr als fünf Jahren</i>	19.842.852,85	21.000
	<b>639.960,24</b>	1.912
	<b>378.851.752,47</b>	365.086

**POLYTEC Holding AG,  
Hörsching**

**Gewinn- und Verlustrechnung  
für das Geschäftsjahr 2019**

mit Gegenüberstellung der Vorjahreszahlen in tausend Euro (TEUR)

	2019 EUR	2018 TEUR
1. Umsatzerlöse	23.029.360,40	16.411
2. Sonstige betriebliche Erträge:		
a) Erträge aus dem Abgang vom Anlagevermögen mit Ausnahme der Finanzanlagen	0,00	14
b) Übrige	<u>117.342,84</u>	439
	117.342,84	453
3. Personalaufwand:		
a) Gehälter	-6.541.300,19	-4.911
b) Soziale Aufwendungen	-1.476.971,95	-1.173
<i>ba) für Abfertigungen und Leistungen an             betriebliche Mitarbeiterversorgungskassen</i>	-126.741,92	-95
<i>bb) für gesetzlich vorgeschriebene Sozialabgaben             sowie vom Entgelt abhängige Abgaben und Pflichtbeiträge</i>	<u>-1.342.038,95</u>	-1.061
	-8.018.272,14	-6.084
4. Abschreibungen auf immaterielle Gegenstände des Anlagevermögens und Sachanlagen	-2.012.130,55	-1.181
5. Sonstige betriebliche Aufwendungen:		
Übrige	<u>-11.292.396,15</u>	-8.589
6. Zwischensumme aus Z 1 bis Z 5 ( <b>Betriebsergebnis</b> )	<b>1.823.904,40</b>	1.010
7. Erträge aus Beteiligungen	8.848.677,11	9.763
<i>davon aus verbundenen Unternehmen</i>	8.848.677,11	9.763
8. Erträge aus anderen Wertpapieren und Ausleihungen des Finanzanlagevermögens	406.766,45	0
<i>davon aus verbundenen Unternehmen</i>	406.766,45	0
9. Sonstige Zinsen und ähnliche Erträge	3.830.531,66	4.777
<i>davon aus verbundenen Unternehmen</i>	2.935.297,43	4.586
10. Aufwendungen aus Finanzanlagen	-8.938.923,27	0
<i>davon Abschreibungen</i>	-8.938.923,27	0
<i>davon Aufwendungen aus verbundenen Unternehmen</i>	-8.938.923,27	0
11. Zinsen und ähnliche Aufwendungen	-2.493.109,04	-2.537
<i>davon aus verbundenen Unternehmen</i>	<u>-636,72</u>	-3
12. Zwischensumme aus Z 7 bis Z 11 ( <b>Finanzergebnis</b> )	<b>1.653.942,91</b>	12.003
<b>13. Ergebnis vor Steuern</b>	<b>3.477.847,31</b>	13.013
14. Steuern vom Einkommen	620.164,46	3.259
<i>davon latente Steuern</i>	<u>-704.928,00</u>	3.099
<b>15. Ergebnis nach Steuern = Jahresüberschuss</b>	<b>4.098.011,77</b>	16.272
16. Gewinnvortrag aus dem Vorjahr	130.199.245,71	122.726
<b>17. Bilanzgewinn</b>	<b><u>134.297.257,48</u></b>	138.997

## **Anhang für das Geschäftsjahr 2019 der POLYTEC Holding AG, Hörsching**

### **I. Anwendung der unternehmensrechtlichen Vorschriften**

Der vorliegende Jahresabschluss 2019 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 Vorsichtsgrundsatz 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. Kann eine gegebenenfalls auftretende Unterdeckung nicht durch stille Reserven in langfristigen Vermögensgegenständen kompensiert werden, wird eine Bewertung auf Basis von abgezinnten 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 abgezinnten 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 31.12.2019 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 31.12.2019:

	<u>Abfertigungen</u>	<u>Jubiläumsgelder</u>
Diskontierungszinssatz	0,9%	1,1%
Vorjahr	1,7%	1,8%
Gehaltssteigerung	2,0%	2,0%
Vorjahr	2,0%	2,0%

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 2020 eine Verpflichtung von EUR 314.136,00 (Vorjahr: TEUR 423). Der Gesamtbetrag der Verpflichtungen für die nächsten 5 Jahre beträgt EUR 1.618.433,40 (Vorjahr: TEUR 2.157).

#### **Forderungen und sonstige Vermögensgegenstände**

Die Forderungen gegenüber verbundenen Unternehmen betreffen mit EUR 3.003.795,00 (Vorjahr: TEUR 1.694) Steuerumlagen, mit EUR 141.315.685,88 (Vorjahr: TEUR 138.048) Konzernfinanzierungen und mit EUR 2.449.950,50 (Vorjahr: TEUR 651) sonstige Verrechnungen.

Im Posten "Sonstige Forderungen und Vermögensgegenstände" sind Erträge in Höhe von EUR 322.355,17 (Vorjahr: TEUR 286) 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:

	31.12.2019 EUR	31.12.2018 TEUR
Anteile an verbundenen Unternehmen	7.661.934,00	0
Langfristige Personalrückstellungen	419.128,00	363
Verbindlichkeiten aus Schuldscheindarlehen	285.443,00	261
Aktivierete Verlustvorträge	6.719.427,00	17.282
<b>Stand zum 31.12.2019 (31.12.2018)</b>	<b>15.085.932,00</b>	<b>17.906</b>
Daraus resultierende aktive latente Steuern	3.771.483,00	4.476

Die aktiven latenten Steuern entwickelten sich wie folgt:

	2019 EUR
Stand am 1.1.	4.476.411,00
Erfolgswirksame Veränderung	-704.928,00
<b>Stand am 31.12.</b>	<b>3.771.483,00</b>

### Grundkapital

Das Grundkapital beträgt zum 31.12.2019 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 2019 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. (31.12.2018: 334.041 Stk.) eigene Aktien zu einem Durchschnittskurs von EUR 5,55 zurückerworben. Das entspricht einem Anteil am Grundkapital von 1,5 % (31.12.2018: 1,5 %) bzw. EUR 334.041,00 (31.12.2018: EUR 334.041,00). Im Geschäftsjahr 2019 wurden keine eigenen Aktien zurückerworben. 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

Im Geschäftsjahr 2018 wurde ein Schuldscheindarlehen von der POLYTEC Holding AG in Höhe von TEUR 47.000 emittiert. Dieses besteht aus 3 variabel verzinsten Tranchen mit Laufzeiten von 5, 7 und 10 Jahren und einer fix verzinsten Tranche mit einer Laufzeit von 5 Jahren. Im Geschäftsjahr 2019 wurde eine zusätzliche, variabel verzinsten, Tranche in Höhe von TEUR 28.500 begeben.

Von den Verbindlichkeiten haben EUR 19.842.852,85 (Vorjahr: TEUR 21.000) eine Restlaufzeit von mehr als fünf Jahren.

Die Verbindlichkeiten gegenüber verbundenen Unternehmen betreffen mit EUR 1.901.364,89 (Vorjahr: TEUR 1.750) Veranlagungen bzw. Finanzierungen, mit EUR 191.824,00 (Vorjahr: TEUR 873) Steuerumlagen und mit EUR 2.214.772,75 (Vorjahr: TEUR 15) sonstige Verrechnungen.

Im Posten "Sonstige Verbindlichkeiten" sind Aufwendungen in Höhe von EUR 149.671,95 (Vorjahr: TEUR 128) enthalten, die erst nach dem Bilanzstichtag zahlungswirksam werden.

## Haftungsverhältnisse

	31.12.2019 EUR	31.12.2018 TEUR
Haftungen gegenüber Kreditinstituten	6.473.074,09	7.086
Haftung für Leasingverpflichtungen	3.772.751,75	151
Haftung für Mietkaufverpflichtungen	2.747.383,00	3.810
	<u>12.993.208,84</u>	<u>11.047</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 31.12.2019 betrug die Rahmenausnutzung EUR 27.598.650,24 (Vorjahr: TEUR 27.843). 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

	2019 EUR	2018 TEUR
Inland	4.975.200,45	4.002
Ausland	18.054.159,95	12.409
	<u>23.029.360,40</u>	<u>16.411</u>

Die Umsatzerlöse enthalten im Wesentlichen Konzernumlagen sowie weiterverrechnete Aufwendungen.

##### Sonstige betriebliche Erträge

	2019 EUR	2018 TEUR
Erträge aus dem Abgang vom Anlagevermögen	0,00	14
Übrige:		
Kursdifferenzen	45.194,14	69
Zuschüsse und Prämien	0,00	61
Eingang abgeschriebener Forderungen	0,00	63
Sonstige	72.148,70	246
	<u>117.342,84</u>	<u>439</u>
	<u>117.342,84</u>	<u>453</u>

**Personalaufwand**

	2019 EUR	2018 TEUR
Gehälter	6.541.300,19	4.911
Aufwendungen für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen	126.741,92	95
Aufwendungen für gesetzlich vorgeschriebene Sozialabgaben sowie vom Entgelt abhängige Abgaben und Pflichtbeiträge	1.342.038,95	1.061
Sonstige Sozialaufwendungen	8.191,08	17
	<u>8.018.272,14</u>	<u>6.084</u>

Von den Aufwendungen für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen entfielen im Geschäftsjahr EUR 24.710,94 (Vorjahr: TEUR 21) auf Mitglieder des Vorstands und leitende Angestellte.

Im Posten "Aufwendungen für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen" sind EUR 40.216,90 (Vorjahr: TEUR 27) Aufwendungen für Abfertigungen enthalten.

Im Posten Gehälter ist eine Dotierung der Rückstellung für Jubiläumsgelder in Höhe von EUR 45.587,72 (Vorjahr: Dotierung TEUR 20) 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. Im Vorjahr waren zudem Geschäftsführungsaufwendungen enthalten.

**Finanzergebnis**

Von den Erträgen aus Beteiligungen betreffen EUR 8.848.677,11 (Vorjahr: TEUR 7.000) Gewinnausschüttungen von Tochterunternehmen.

Von den Aufwendungen aus Finanzanlagen betreffen EUR 8.938.923,27 (Vorjahr: TEUR 0) die Abschreibung des Beteiligungsansatzes an einer Tochtergesellschaft.

**Steuern vom Einkommen**

	2019 EUR	2018 TEUR
Körperschaftsteuer:		
Laufendes Jahr	914.815,48	520
Aus Vorperioden	572.063,06	140
Steuerumlagen Gruppenbesteuerung	-2.811.971,00	-820
Latente Steuern	704.928,00	-3.099
	<u>-620.164,46</u>	<u>-3.259</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 31.12.2019 bestanden folgende derivative Finanzinstrumente.

Kategorie der Finanzinstrumente	Nominale	Rückstellung		beizulegen- der Wert	
		31.12.2018	31.12.2018	31.12.2019	31.12.2019
		EUR	EUR	EUR	EUR
Zinssatz-Swap	EUR 28.000.000,00	171.218,55	-171.218,55	0,00	0,00
Zinssatz-Swap	EUR 8.500.000,00	171.292,95	-171.292,95	-149.915,24	-149.915,24

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). Im Wesentlichen betrifft dies im Vorjahr die werkvertraglich geregelte Stellung. Sämtliche getätigten Geschäfte wurden zu marktüblichen Bedingungen abgeschlossen. Im Geschäftsjahr 2019 bestehen keine wesentlichen Geschäfte mit nahe stehenden Personen und Unternehmen.

### Wesentliche Ereignisse nach dem Bilanzstichtag

Nach dem Bilanzstichtag sind keine wesentlichen Ereignisse eingetreten.

### Ergebnisverwendung

Es wird vorgeschlagen, aus dem Bilanzgewinn in Höhe von EUR 134.297.257,48 eine Dividende von EUR 0,25 je Aktie, das sind für die im Umlauf befindlichen Aktien in Summe EUR 5.498.886,00 auszuschütten und den Restbetrag auf neue Rechnung vorzutragen.

### Arbeitnehmer und Organe

	<u>2019</u>	<u>2018</u>
Angestellte (im Jahresdurchschnitt)	<u>69</u>	<u>56</u>

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

Herr Dipl.-Ing (FH) Markus H u e m e r , MBA, Buchkirchen (Vorstandsvorsitzender)

Herr Dkfm. Peter H a i d e n e k , Velden

Herr Peter B e r n s c h e r , MBA, Linz

Herr DI Heiko G a b b e r t , Vechta, Deutschland

Der Gesamtbetrag der Bezüge der im Geschäftsjahr 2019 als Mitglieder des Vorstands tätigen Personen betrug EUR 1.467.902,40 (Vorjahr: TEUR 2.269).

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

Herr Mag. Fred D u s w a l d , Thalheim (Vorsitzender)  
Herr Manfred Helmut T r a u t h , Knittelsheim, Deutschland  
(Stellvertreter des Vorsitzenden)  
Herr Prof. Dr. Robert B ü c h e l h o f e r , Starnberg, Deutschland  
Frau Dr. Viktoria K i c k i n g e r , Wien  
Herr Mag. Reinhard S c h w e n d t b a u e r , Leonding

Die erfassten Aufwendungen für Vergütungen an Mitglieder des Aufsichtsrats betragen im Geschäftsjahr EUR 132.000,00 (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 5. März 2020

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

**Anlagenspiegel zum 31. Dezember 2019**

	Anschaffungs- und Herstellungskosten			Abschreibungen			Nettowert	
	Stand am 1.1.2019 EUR	Zugänge EUR	Abgänge EUR	Stand am 1.1.2019 EUR	Zugänge EUR	Abgänge EUR	Stand am 31.12.2019 EUR	Stand am 31.12.2018 EUR
<b>I. Immaterielle Vermögensgegenstände:</b>								
1. Rechte	4.197.744,39	1.407.737,27	1.942.838,38	0,00	7.548.320,04	1.343.131,30	0,00	4.013.193,64
2. Geleistete Anzahlungen	2.622.126,37	649.064,25	-1.942.838,38	0,00	1.328.352,24	0,00	0,00	0,00
	<b>6.819.870,76</b>	<b>2.056.801,52</b>	<b>0,00</b>	<b>2.670.062,34</b>	<b>1.343.131,30</b>	<b>0,00</b>	<b>4.013.193,64</b>	<b>4.013.193,64</b>
<b>II. Sachanlagen:</b>								
Anderer Anlagen, Betriebs- und Geschäftsausstattung	<b>2.758.301,88</b>	<b>1.930.515,79</b>	<b>0,00</b>	<b>490.495,92</b>	<b>4.198.321,75</b>	<b>668.999,25</b>	<b>424.223,72</b>	<b>1.384.574,84</b>
<b>III. Finanzanlagen:</b>								
1. Anteile an verbundenen Unternehmen	150.334.848,46	28.500,00	0,00	0,00	150.363.348,46	8.938.923,27	0,00	11.982.613,99
2. Ausleihungen an verbundene Unternehmen	18.597.435,41	406.766,45	37.511.301,93 <sup>1)</sup>	148.518,00	56.366.985,79	0,00	0,00	0,00
	<b>168.932.283,87</b>	<b>435.266,45</b>	<b>37.511.301,93</b>	<b>148.518,00</b>	<b>206.730.334,25</b>	<b>8.938.923,27</b>	<b>0,00</b>	<b>11.982.613,99</b>
	<b>178.510.456,51</b>	<b>4.422.583,76</b>	<b>37.511.301,93</b>	<b>639.013,92</b>	<b>219.805.328,28</b>	<b>424.223,72</b>	<b>17.380.382,47</b>	<b>202.424.945,81</b>
								<b>171.656.904,14</b>

1) Umgliederung von den Forderungen gegenüber verbundenen Unternehmen

**POLYTEC Holding AG,  
Hörsching**

**Anlage 2  
zum Anhang**

**Beteiligungsliste**

Die Gesellschaft hält bei folgenden Unternehmen mindestens 20,0 % Anteilsbesitz, die Angaben zu Eigenmittel und Ergebnis basieren auf den vorläufigen Ergebnissen für 2019:

Beteiligungsunternehmen	Kapital- anteil %	Wäh- rung	Eigenkapital/ Negatives Eigenkapital	Ergebnis des Geschäfts- jahres	Stichtag
POLYTEC CAR STYLING Hörsching GmbH, Hörsching	100,0	EUR	6.506.685 6.962.447	-455.762 1.007.089	31.12.2019 31.12.2018
POLYTEC FOHA INC., Warren, USA	100,0	USD USD	3.750.141 2.933.238	816.903 607.748	31.12.2019 31.12.2018
POLYTEC FOHA CORP., Markham, Kanada	100,0	CAD CAD	801 801	0 -46.714	31.12.2019 31.12.2018
POLYTEC CAR STYLING UK Ltd. Bromyard, Großbritannien	100,0	GBP GBP	-1.833.378 3.796.173	-5.361.017 -1.884.689	31.12.2019 31.12.2018
Polytec Car Styling Schoten N.V., Schoten, Belgien	100,0	EUR EUR	1.180.667 930.197	250.470 125.431	31.12.2019 31.12.2018
POLYTEC CAR STYLING Weierbach GmbH, Idar-Oberstein, Deutschland	100,0	EUR	-862.183	-887.183	31.12.2019
Polytec Netherlands Holding B.V., Roosendaal, Niederlande	100,0	EUR EUR	43.731.189 43.223.864	507.325 10.531.156	31.12.2019 31.12.2018
POLYTEC Industrial Plastics GmbH, Bochum, Deutschland	70,0	EUR EUR	15.466.050 13.993.662	1.472.388 -4.904	31.12.2019 31.12.2018
PT Beteiligungs GmbH, Hörsching	100,0	EUR EUR	3.096.329 3.151.865	-55.536 2.005.193	31.12.2019 31.12.2018
POLYTEC Anlagenfinanzierung GmbH, Hörsching	100,0	EUR EUR	547.027 -170.400	716.888 430.193	31.12.2019 31.12.2018
POLYTEC PLASTICS Ebensee GmbH, Ebensee	100,0	EUR EUR	333.230 457.253	-124.029 -2.599.628	31.12.2019 31.12.2018
POLYTEC Immobilien Holding GmbH, Hörsching	100,0	EUR EUR	69.781.146 64.423.794	5.357.352 323.957	31.12.2019 31.12.2018
POLYTEC AUTO PARTS Tianjin Co., Ltd., Tianjin, China	100,0	TCNY TCNY	13.978 15.185	-1.207 -2.928	31.12.2019 31.12.2018
POLYTEC Hungary Kft., Komlo, Ungarn	100,0	THUF THUF	418.767 418.418	32.350 97	31.12.2019 31.12.2018
POLYTEC Germany GmbH, Lohne, Deutschland	100,0	EUR EUR	34.621.579 34.621.699	-120 -3.078	31.12.2019 31.12.2018
POLYTEC ESTATES UK Ltd., Bromyard, Großbritannien	100,0	GBP GBP	7.787.421 7.770.992	16.429 -205.935	31.12.2019 31.12.2018
POLYTEC Interior Zaragoza S.L. i.L., Zaragoza, Spanien	100,0			in Liquidation	

## LAGEBERICHT DER POLYTEC HOLDING AG FÜR DAS GESCHÄFTSJAHR 2019

### 1. GESCHÄFTSVERLAUF UND WIRTSCHAFTLICHE LAGE

#### ZULASSUNGEN NEUER PKW AUF WESENTLICHEN INTERNATIONALEN MÄRKTEN

in Stück	2019	Anteil	2018	Anteil	Veränderung
China	21 045 000	39,4%	23 256 300	41,8%	-9,5%
USA	16 965 200	31,8%	17 215 200	31,0%	-1,5%
Europäische Union	15 340 200	28,8%	15 159 300	27,2%	1,2%
<b>Summe der drei Hauptmärkte</b>	<b>53 350 400</b>	<b>100%</b>	<b>55 630 800</b>	<b>100%</b>	<b>-4,1%</b>
Weitere ausgewählte Länder					
Japan	4 301 100		4 391 200		-2,1%
Indien	2 962 100		3 394 700		-12,7%
Brasilien	2 665 600		2 475 400		7,7%
Russland	1 759 500		1 800 600		-2,3%

Zum zweiten Mal in Folge entwickelten sich die globalen Automobilmärkte 2019 rückläufig. Schon 2018 hatten die drei bedeutendsten Märkte gemeinsam ein Minus von 0,8 Mio. Einheiten bzw. 1,4% verzeichnet, ein Abwärtstrend, der sich im Jahr 2019 mit einer Verdreifachung des Rückgangs gegenüber dem vorangegangenen Jahr noch deutlich beschleunigte. Insgesamt gingen die Neuzulassungen in den Hauptmärkten China, USA und Europäische Union 2019 um mehr als 2,3 Mio. Einheiten bzw. um 4,1% auf rund 53,4 Mio. Einheiten zurück. Unter diesen Märkten nahm nur in der Europäischen Union die Anzahl der Neuregistrierungen 2019 gegenüber dem Vorjahr leicht zu (+1,2%). Die jährlichen PKW-Neuzulassungen erhöhten sich hier bereits zum sechsten Mal in Folge. In den USA wurden hingegen um 1,5% weniger Light Vehicles verkauft und auch in China – dem weltweit größten Automobilmarkt – entwickelten sich Zulassungen wie auch schon 2018 rückläufig. Hier sank das Volumen um fast 10%.

In Japan blieb der Neuwagenmarkt 2019 mit 4,3 Mio. verkauften PKW um 2,1% unter dem Volumen von 2018, Indien konnte nicht an das gute Vorjahr anknüpfen und verzeichnete ein zweistelliges Minus von 12,7% und Brasilien verbuchte ein deutliches Wachstum um 7,7% – nach einer langen Schwächeperiode das dritte Wachstumsjahr in Folge. Anders entwickelte sich der russische Automobilmarkt, der nach zwei starken Jahren an Schwung verlor und 2019 um 2,3% weniger Neuwagenregistrierungen zählte als im Jahr 2018.

#### Chinesischer PKW-Markt im zweiten Jahr rückläufig

Über Jahrzehnte hinweg galt China als Garant für hohe Zuwachsraten im Automotive-Sektor. Auch 2019 rangierte das Reich der Mitte wie bereits in den Vorjahren weltweit an der Spitze der PKW-Neuzulassungen. Jedoch sank das Volumen des chinesischen PKW-Markts im abgelaufenen Jahr gegenüber 2018 um 9,5% auf 21,0 Mio. Neufahrzeuge (Vorjahr: –3,8%). Das schwächere gesamtwirtschaftliche Wachstum Chinas – nicht zuletzt auch beeinflusst von früheren und drohenden internationalen Handelsbarrieren – spiegelt sich überproportional im PKW-Markt wider.

#### Registrierungen in den USA erstmals seit 2014 nicht mehr über 17 Millionen Einheiten

In den USA schloss der Markt für Light Vehicles (PKW und Light Trucks) das Jahr 2019 mit 16,9 Mio. verkauften Fahrzeugen ab. Gegenüber dem Vorjahr war das Volumen damit um 250.000 Einheiten bzw. 1,5% gesunken. Während der Absatz von Limousinen um 11% zurückging, blieb die Nachfrage nach Geländewagen und Pick-ups weiter hoch, was ein Wachstum um 3% in diesem Segment verdeutlicht. Das Segment Light Trucks machte 2019 einen Anteil von 72% am US-amerikanischen Gesamtmarkt aus, die absoluten Registrierungszahlen lagen mit mehr als 1,6 Mio. Einheiten weiterhin über den europäischen Neuanmeldungen.



**ZULASSUNGEN NEUER PKW IN DER EUROPÄISCHEN UNION**

in Stück	2019	Anteil	2018	Anteil	Veränderung
Deutschland	3 607 300	23,5%	3 435 800	22,7%	5,0%
Vereinigtes Königreich	2 311 100	15,1%	2 367 200	15,6%	-2,4%
Frankreich	2 214 300	14,4%	2 173 500	14,3%	1,9%
Italien	1 916 300	12,5%	1 910 700	12,6%	0,3%
Spanien	1 258 300	8,2%	1 321 400	8,7%	-4,8%
Sonstige EU-Länder	4 032 900	26,3%	3 950 700	26,1%	2,1%
<b>EUROPÄISCHE UNION</b>	<b>15 340 200</b>	<b>100%</b>	<b>15 159 300</b>	<b>100%</b>	<b>1,2%</b>

**PKW-Markt in der EU aufgrund massiver Zuwächse in den letzten vier Monaten 2019 erneut im Plus**

In der Europäischen Union wurden 2019 insgesamt mehr als 15,3 Mio. PKW neu zugelassen, 1,2% mehr als im Vorjahr (15,2 Mio.). Bereits zum sechsten Mal in Folge stieg damit die Zahl der PKW-Neuzulassungen in der EU. Dabei war der europäische PKW-Markt schwach in das Jahr 2019 gestartet, was auf den anhaltenden Einfluss der WLTP-Einführung im September 2018 zurückzuführen sein dürfte. Erst durch die hohe Nachfrage der letzten vier Monate 2019 – auf Basis niedriger Vergleichswerte der Vorjahresmonate – ergab sich für das Gesamtjahr ein neuerliches Wachstum.

Mit einem Anstieg um 22,7% wurde im Jahr 2019 das höchste jemals verzeichnete Wachstum eines Monats Dezember erzielt. Von den EU-28 verzeichneten 25 Länder zweistellige Zuwachsraten, nur jene von Portugal, Spanien und dem Vereinigten Königreich blieben einstellig. Sehr hohe Zuwächse gab es in Schweden (+109,3%) und Frankreich (+27,7%). Davor war in diesen beiden Ländern angekündigt worden, die PKW-Steuer ab 2020 neu auf Basis des CO<sub>2</sub>-Ausstoßes zu berechnen. Auch in den Niederlanden kam es mit einem Plus von 113,9% zu Vorzieheffekten, nachdem die niederländische Regierung entschieden hatte, ab Jänner 2020 die Steuern auf elektrisch betriebene Firmenwagen von 4% auf 8% zu erhöhen.

Betrachtet man die fünf europäischen Hauptmärkte im Gesamtjahr, zeigte Deutschland den höchsten Anstieg der PKW-Neuregistrierungen (+5,0%), gefolgt von Frankreich (+1,9%) und Italien (+0,3%). Spanien (-4,8%) und das Vereinigte Königreich (-2,4%) hingegen verzeichneten Rückgänge im Vergleich zum Vorjahr.

**ZULASSUNGEN NEUER PKW IN DER EUROPÄISCHEN UNION – NACH ANTRIEBSTECHNIK**

in Stück	2019	Anteil	2018	Anteil	Veränderung
Benzinbetriebene PKW	8 964 000	58,9%	8 521 400	56,6%	5,2%
Dieseltriebene PKW	4 650 600	30,5%	5 402 100	35,9%	-13,9%
Elektrisch aufladbare PKW / electric chargeable vehicles (ECV)	465 000	3,1%	303 000	2,0%	53,5%
Hybrid-elektrisch betriebene PKW / hybrid electric vehicles (HEV)	891 200	5,8%	596 000	4,0%	49,5%
Alternativ betriebene PKW (z.B. Flüssiggas, Ethanol, etc.) / alternatively-powered vehicles (APV)	256 000	1,7%	229 300	1,5%	11,6%
<b>EUROPÄISCHE UNION</b>	<b>15 226 800</b>	<b>100%</b>	<b>15 051 800</b>	<b>100%</b>	<b>1,2%</b>

**Weniger Registrierungen von Diesel-PKW in der EU – Anstieg bei anderen Antriebstechniken**

In der Europäischen Union entfielen laut Statistik der European Automobile Manufacturers Association (ACEA) im Jahr 2019 knapp 60% aller PKW-Neuregistrierungen auf benzinbetriebene Fahrzeuge. Ihr Anteil erhöhte sich im Vergleich zum Vorjahr um 5,2%, während sich der Anteil der neuregistrierten dieseltriebenen PKW um 13,9% auf 30,5% verringerte. Ungeachtet dessen wurden in Deutschland – dem größten Automobilmarkt Europas – um 3,7% bzw. 41.600 Stück mehr Diesel-PKW neu registriert als im Vorjahr. Die Absatzentwicklung im vierten Quartal 2019 hatte – auf Basis niedriger Vorjahreswerte – dazu beigetragen.

Zwischen Oktober und Dezember 2019 stiegen in einigen Märkten die Registrierungen von Diesel-PKW wieder an. Neben Deutschland (+4,3%) lag auch der große französische Markt mit 7,3% im Plus, zweistellige Zuwachsraten bei Diesel-PKW verzeichneten Belgien (+17,7%), Schweden (+30,5%), Rumänien (+31,1%), Ungarn (+18,4%) und Slowenien (+18,2%).

Bereits 10,6% (Vorjahr: 7,5%) der Neuregistrierungen entfielen im Gesamtjahr 2019 auf Fahrzeuge mit anderen Antrieben als reine Benzin- oder Dieselmotoren. Sie gliederten sich in 3,1% (Vorjahr: 2,0%) elektrisch aufladbare PKW (ECV), 5,8% (Vorjahr: 4,0%) hybrid-elektrische PKW (HEV) und 1,7% (Vorjahr: 1,5%) alternativ betriebene PKW (betrieben mit Flüssiggas, Ethanol oder anderen Kraftstoffen).

2018 war Italien noch das Land mit der absolut höchsten Anmeldezahl von Fahrzeugen mit alternativen Antriebstechniken gewesen. 2019 übernahm Deutschland mit 16.600 Stück Platz eins in dieser Anmeldestatistik. 317.600 Fahrzeuge (+74,6%) mit anderen Antriebstechniken wurden 2019 in Deutschland registriert, in Italien lag die Zahl bei 301.000 (+18,6%). Das Vereinigte Königreich belegte mit 229.000 Fahrzeugen (+47,9%) Platz drei unter den fünf wesentlichen Märkten, gefolgt von Frankreich mit 176.900 (+25,9%) und Spanien mit 151.400 Anmeldungen (+39,6%).

#### ZULASSUNGEN NEUER NUTZFAHRZEUGE IN DER EUROPÄISCHEN UNION

in Stück	2019	Anteil	2018	Anteil	Veränderung
Leichte Nutzfahrzeuge </=3,5 t	2 115 700	83,0%	2 058 600	82,8%	2,8%
Mittelschwere Nutzfahrzeuge >3,5 t bis </=16 t	75 600	3,0%	72 400	2,9%	4,4%
Schwere Nutzfahrzeuge >16 t	312 700	12,3%	312 500	12,6%	0,1%
Mittelschwere und schwere Busse >3,5 t	42 800	1,7%	42 000	1,7%	1,8%
<b>EUROPÄISCHE UNION</b>	<b>2 546 800</b>	<b>100%</b>	<b>2 485 500</b>	<b>100%</b>	<b>2,5%</b>

Bei den Nutzfahrzeugen stiegen die Neuzulassungen in der EU im Verlauf des Jahres 2019 um rund 61.300 Stück. Dies entspricht einem Wachstum von 2,5% (Vorjahr: 3,2%).

Alle fünf bedeutenden europäischen Absatzmärkte verzeichneten im Gesamtjahr ein Registrierungsplus. In Deutschland fiel das Plus mit 6,1% am deutlichsten aus. Der Markt belegte bei den absoluten Zahlen mit 409.800 Fahrzeugen den dritten Platz. Einmal mehr bildete Frankreich mit einem Wachstum von 4,3% auf 541.400 Neuzulassungen den größten Markt in diesem Segment. Das Vereinigte Königreich konnte im Jahr 2019 mit plus 3,0% (Vorjahr: -1,9%) bzw. 431.000 Nutzfahrzeugen wieder einen Registrierungszuwachs vorweisen. Der italienische Markt wuchs um 1,9% auf 215.600, während Spanien lediglich ein Plus von 0,3% auf 243.000 Stück verzeichnete.

Leichte Nutzfahrzeuge bis 3,5 Tonnen bildeten in der EU mit einem Marktanteil von 83,0% weiterhin die bei weitem wichtigste Fahrzeugklasse. Obwohl die neuen, auch für leichte Lieferwagen geltenden WLTP-Standards zu schwankenden Registrierungszahlen führten, konnte auch hier ein Zuwachs verzeichnet werden. Zum zweiten Mal in Folge überschritten die Registrierungen 2019 die 2-Millionen-Marke.

Die Absatzzahlen von schweren LKW mit mehr als 16 Tonnen beliefen sich 2019 gerade noch auf Vorjahresniveau. Die ab Mitte Juni 2019 verpflichtenden Smart-Tachographen führten zu vorgezogenen Käufen im ersten Halbjahr. Im weiteren Jahresverlauf entwickelte sich der Absatz in allen Monaten deutlich schwächer. Neben diesem Vorkaufeffekt war für die sinkende Nachfrage auch der Beginn eines zyklischen Abschwungs mitverantwortlich, der sich im Jahr 2020 fortsetzen dürfte.

Quellen: Verband der Deutschen Automobilindustrie (VDA), European Automobile Manufacturers Association (ACEA), Automobil-Industrie

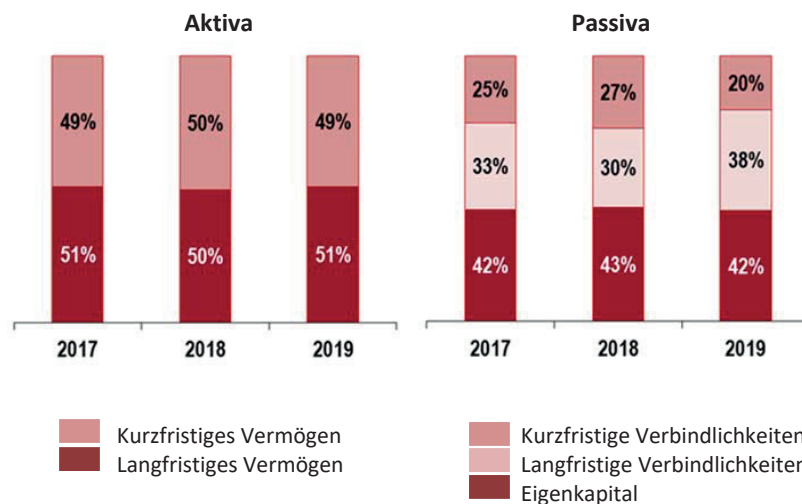
## 2. GESCHÄFTSENTWICKLUNG UND LAGE DES KONZERNS

### KENNZAHLEN DER POLYTEC GROUP

	Einheit	2019	2018	2017
Umsatz	EUR Mio.	627,1	636,4	676,4
EBITDA	EUR Mio.	68,4	67,1	82,3
EBITDA-Marge (EBITDA/Umsatz)	%	10,9	10,5	12,2
EBIT	EUR Mio.	32,6	40,1	55,1
EBIT-Marge (EBIT/Umsatz)	%	5,2	6,3	8,1
Ergebnis nach Steuern	EUR Mio.	23,1	30,0	39,0
Durchschnittliches Capital Employed	EUR Mio.	400,4	341,8	297,5
ROCE vor Steuern (EBIT/Durchschnittliches Capital Employed)	%	8,2	11,7	18,5
Ergebnis je Aktie	EUR	1,02	1,32	1,74
Dividende je Aktie (Vorschlag an die Hauptversammlung)	EUR	0,25	0,40	0,45

Der Konzernumsatz der POLYTEC GROUP reduzierte sich im Geschäftsjahr 2019 gegenüber dem Vorjahresniveau um 1,5% auf EUR 627,1 Mio. (2018: EUR 636,4 Mio.). Die Folgen der Umstellung auf den neuen und seit September 2018 anzuwendenden Abgas- und Verbrauchsstandard WLTP blieben auch im Berichtsjahr bemerkbar. Das Vorjahresniveau konnte gehalten werden.

### BILANZSTRUKTUR DER POLYTEC GROUP



	Einheit	2019	2018	2017
Nettofinanzverbindlichkeiten (+)/-vermögen (-)	EUR Mio.	156,8	101,8	78,7
Nettofinanzverbindlichkeiten (+)/-vermögen (-)/EBITDA	-	2,29	1,52	0,96
Gearing (Nettofinanzverbindlichkeiten (+)/-vermögen (-)/Eigenkapital)	-	0,62	0,43	0,36

Die Nettofinanzverbindlichkeiten erhöhten sich im Wesentlichen durch die Erhöhung der Bankverbindlichkeiten gegenüber dem Bilanzstichtag 31. Dezember 2018 um EUR 55,0 Mio. auf EUR 48 Mio. Korrespondierend dazu erhöhte sich die Kennzahl für die fiktive Schuldentilgungsdauer von 1,52 auf 2,29. Die Gearing-Ratio (Verschuldungsgrad) stieg von 0,43 auf 0,62.

### 3. GESCHÄFTSENTWICKLUNG DER POLYTEC HOLDING AG

#### KENNZAHLEN DER POLYTEC HOLDING AG

	Einheit	2019	2018	2017
Umsatz	EUR Mio.	23,0	16,3	14,3
EBIT	EUR Mio.	1,8	1,0	1,0
EBIT-Marge (EBIT/Umsatz)	%	7,9	6,1	7,0
Beteiligungsergebnis	EUR Mio.	-0,1	9,8	14,2
Zinsergebnis	EUR Mio.	1,7	2,2	1,6
Ergebnis nach Steuern	EUR Mio.	4,1	16,3	18,1
Finanzanlagen	EUR Mio.	195	154,4	159,5
Finanzierungssaldo verbundene Unternehmen	EUR Mio.	141	149,2	119,4
Ergebnis je Aktie	EUR	0,19	0,74	0,82
Dividende je Aktie (Vorschlag an die Hauptversammlung)	EUR	0,25	0,40	0,45

Die POLYTEC Holding AG erzielte im Geschäftsjahr 2019 ein Betriebsergebnis in Höhe von EUR 1,8 Mio., vorwiegend aus der Erbringung von Dienstleistungen vor allem zur Unterstützung des operativen Geschäfts der Konzerngesellschaften.

Das Beteiligungsergebnis reduzierte sich von EUR 9,8 Mio. auf EUR -0,1 Mio. (Erträge aus Beteiligungen und Erträge aus Einlagenrückzahlungen, sowie Abschreibungen auf Finanzanlagen), im Wesentlichen wurde den Entwicklungen und der Unsicherheiten in Zusammenhang mit dem Brexit Rechnung getragen und der Beteiligungsansatz der operativen Gesellschaft in UK, der POLYTEC CAR STYLING UK Ltd., Bromyard, Großbritannien, um EUR 8,9 Mio. wertberichtigt. Das Zinsergebnis (Saldo aus Zinserträgen und Zinsaufwendungen) reduzierte sich von EUR 2,2 Mio. in 2018 auf EUR 1,7 Mio., durch eine weitere Reduzierung der Zinslandschaft.

Die Summe aus Finanzanlagen und dem Finanzierungssaldo verbundener Unternehmen stieg vor allem wegen erhöhtem Working-Capital-Aufbau und Investitionen in ein neues Projekt zur Produktion von LKW-Teilen mit Produktionsstart Anfang 2020, dem Erwerb und der Anschubfinanzierung der POLYTEC CAR STYLING Weierbach GmbH, Idar-Oberstein, Deutschland sowie dem Werksaufbau in Südafrika.

Der Steuerertrag beträgt EUR 0,6 Mio. (Vorjahr: EUR 3,2 Mio.) und reduzierte sich durch niedrigere erhaltene Steuerumlagen.

Die POLYTEC Holding AG erzielte somit im Geschäftsjahr 2019 einen Jahresüberschuss in Höhe von EUR 4,1 Mio. (Vorjahr: 16,3 Mio. EUR).

	Einheit	2019	2018	2017
Eigenkapital	EUR Mio.	195,5	200,2	193,8
Bilanzsumme	EUR Mio.	378,9	365,2	310,6
Eigenkapitalquote	%	51,6	54,8	62,4

Die Bilanzsumme erhöhte sich um EUR 13,7 Mio., vor allem durch die Erhöhung der Finanzanlagen um EUR 37,9 Mio., gegenläufig war die Reduktion der Cash-Position um EUR 23,4 Mio. auf EUR 24,0 Mio. (Vorjahr: EUR 47,4 Mio.). Die Reduktion der Cash-Position, sowie die Aufnahme eines zusätzlichen Schuldscheindarlehens in Höhe von EUR 28,5 Mio. war erforderlich um das auslaufende Schuldscheindarlehen in Höhe von EUR 39,5 Mio. zu refinanzieren. Die Finanzierung des Anstiegs im Finanzanlagevermögen wurde vorwiegend durch die Aufnahme von Beteiligungsfinanzierungen in Höhe von EUR 30,0 Mio. erreicht.

Die Immateriellen Vermögensgegenstände (EUR 4,9 Mio.; Vorjahr: EUR 4,2 Mio.) und das Sachanlagevermögen (EUR 2,8 Mio.; Vorjahr: EUR 1,6 Mio.) erhöhten sich durch die umfassende Digitalisierungs-offensive, die vor allem in der POLYTEC Holding AG abgebildet wird.

Der Jahresüberschuss führte – nach Berücksichtigung der Dividendenausschüttung von EUR 8,8 Mio. – zu einem Eigenkapital von EUR 195,5 Mio. Die Eigenkapitalquote ist somit weiterhin auf einem sehr soliden Niveau von 51,6 % (Vorjahr: 54,8 %), obwohl sich die Bilanzsumme und das zu finanzierende Volumen erhöht hat.

#### **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 Innovationkraft und Flexibilität einen ausgezeichneten Ruf im Automotive-Bereich erarbeitet. Durch umfassende Forschungs- und Entwicklungstätigkeit leistet POLYTEC einen wichtigen Beitrag zur laufenden Verbesserung der Produkte ihrer Kunden, was sich letztlich positiv auf die Umwelt auswirkt. So wird durch Materialsubstitution das Gesamtgewicht von Fahrzeugen reduziert, bei manchen Bauteilen sind gegenüber Stahl Gewichtersparnisse von bis zu 60% möglich. Das reduzierte Gewicht führt zu weniger Kraftstoffverbrauch und transitiv zu einem reduzierten CO<sub>2</sub>-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 seinen Kunden durchgeführt. Die 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 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 sowohl eine ökologische als auch eine ökonomische Notwendigkeit. Innerbetrieblich werden dazu die Fertigungsschritte ständig verbessert, sodass Energie eingespart und der Rohstoffverbrauch reduziert werden können. Prozesswasser und diverse Reinigungslösungen werden nahezu ausschließlich im geschlossenen Kreislauf verwendet. Bei der Verarbeitung von Lacken erfüllt POLYTEC hohe Standards hinsichtlich Innen- sowie Abluft. Sie dienen dem Schutz der Mitarbeiter und der Umwelt gleichermaßen.

Der Großteil der von POLYTEC entwickelten Teile, hochwertigen Modulen und multifunktionellen Kunststoffsystemen wird nach zertifizierten Entwicklungs- und Produktionsprozessen hergestellt. Sämtliche Standorte der für den Automotive-Bereich produzierenden Business Units der POLYTEC GROUP sind nach der Qualitätsmanagement-Norm IATF 16949 zertifiziert. Die überwiegende Anzahl der Produktionsstandorte von POLYTEC ist weiters nach international anerkannten Umwelt- und Energiemanagement-Normen wie ISO 14001 bzw. 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 findet im Werk Ebensee derzeit die Implementierung einer Software zur besseren Steuerung von kundenspezifischen Anforderungen hinsichtlich IATF 16949 statt. Nach einer erfolgreichen Testphase im ersten Werk soll die Software 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. Die Implementierung der Software stellt einen gruppenweit geltenden Standard und einen durchgängigen Prozess sicher.

### STRATEGISCHE ZIELE

Umwelt- und Klimaschutz bilden einen essenziellen Bestandteil der Geschäftsprozesse von POLYTEC. Dies wird auch durch die strategischen Umweltziele unterstrichen, die POLYTEC seit 2015 verfolgt: Rohstoffverbrauch reduzieren, Energieeffizienz steigern und Recycling forcieren. Die zu diesen Schwerpunkten in den vergangenen Jahren gestarteten Pilotversuche in einzelnen Werken der POLYTEC GROUP wurden nach erfolgreicher Erprobung sukzessive auch an weiteren Standorten der Gruppe implementiert.

Mit dem Ziel, den Nachhaltigkeitsgedanken noch stärker im Unternehmen zu verankern, arbeitet POLYTEC seit 2019 an einer Anpassung und Schärfung ihrer Umweltziele. Die sich daraus ergebenden Maßnahmen sollen in den kommenden Jahren im Rahmen des Umwelt- und Energiemanagements des Unternehmens umgesetzt werden. Im Zuge dieses Prozesses wurden die Schwerpunkte der Umweltstrategie von POLYTEC angepasst:

**1. Ressourcen schonen:** Die bisher definierten strategischen Ziele, den Rohstoffverbrauch zu reduzieren und Recycling zu forcieren, werden künftig im Schwerpunkt „Ressourcen schonen“ vereint. Damit wollen wir dem gesamtheitlichen Ansatz verstärkt Rechnung tragen, dass wir entlang des gesamten Produktionsprozesses sowohl auf einen schonenden Einsatz sämtlicher Rohstoffe als auch auf verstärktes Recycling achten, um die zur Verfügung stehenden Ressourcen schonend einzusetzen und optimal zu nutzen. Dies umfasst auch den Verbrauch natürlicher Ressourcen wie Wasser sowie Ressourceneinsparungen, die wir durch die Leichtbauweise oder Funktionsintegration unserer Bauteile erzielen. Den Verbrauch von Rohstoffen verringern wir weiters durch die vermehrte Verwendung von Regranulaten, den Einsatz moderner Dosieranlagen 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 Druckluftkompressoren und ähnlichem mehr. Mithilfe von Energiemanagement-Systemen überprüfen wir einzelne Produktionsschritte auf ihre Energieeffizienz hin und leiten davon gegebenenfalls Verbesserungsmaßnahmen ab. Projekte zur Wärmerückgewinnung wurden bereits erfolgreich abgeschlossen, weitere Vorhaben zum umfassenden Umstieg auf LED-Beleuchtungstechnik teilweise 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 wird der CO<sub>2</sub>-Ausstoß (Scope 1 und Scope 2) der POLYTEC GROUP ab 2020 verstärkt erfasst und ausgewertet. Von dieser Auswertung sollen anschließend Maßnahmen zur Reduktion von Emissionen abgeleitet und deren Resultate gemessen werden. Daneben bauen wir unter diesem Aspekt auch unsere bereits bestehenden Programme zur Abfallvermeidung sowie zur Reduktion von umwelt- und gesundheitsgefährdenden Stoffen weiter aus.

POLYTEC ist sich ihrer Verantwortung als Industrieunternehmen bewusst und setzt durch die genannten Maßnahmen kontinuierlich und konsequent weitere Schritte, um die Produktionsprozesse nachhaltiger und ressourcenschonender zu gestalten.

#### MITARBEITER

Die durchschnittliche Anzahl der Beschäftigten (inklusive Leiharbeiter) der POLYTEC GROUP und der POLYTEC Holding AG und ihre geografische Verteilung in den letzten drei Jahren stellten sich wie folgt dar (Personenangaben in Vollzeitäquivalenten – FTE):

in FTE	2019	2018	2017
Österreich	544	566	539
Deutschland	2.089	2.158	2.211
Sonstige EU-Länder	1.508	1.541	1.591
Sonstige Länder	193	200	186
<b>POLYTEC GROUP</b>	<b>4.344</b>	<b>4.465</b>	<b>4.527</b>
<b>POLYTEC Holding AG (in Österreich-Zahl enthalten)</b>	<b>75</b>	<b>56</b>	<b>44</b>

## 5. BERICHT ÜBER DIE VORAUSSICHTLICHE ENTWICKLUNG UND DIE RISIKEN

### AUSBLICK AUF DIE ENTWICKLUNG IN DER AUTOMOBILBRANCHE

Die globale Automobilindustrie ist weiterhin großen Herausforderungen und maßgeblichen Veränderungen ausgesetzt. Trends wie E-Mobilität, autonomes Fahren, Connectivity und Shared Mobility fordern von den Automobilherstellern und deren Zulieferunternehmen die rasche Entwicklung neuer Lösungen und damit hohe Investitionen in zukunftsfähige Technologien und Produkte. Die Klimaveränderung hat sich im Jahr 2019 zu einer omnipräsenten globalen Thematik entwickelt. Der politische Druck, rasch wirkungsvolle Gegenmaßnahmen herbeizuführen, nimmt in vielen Gesellschafts- und Wirtschaftsbereichen zu, insbesondere in der Automobilindustrie.

Experten der Automobilbranche gehen davon aus, dass die Zahl der weltweit produzierten Autos im Jahr 2020 und in den Folgejahren sinken wird. Wesentliche Marktteilnehmer stellen sich auf geringere Produktionszahlen ein und rechnen frühestens für 2025 wieder mit Steigerungen. Folglich wird es nötig sein, die Produktionsstrukturen und -kapazitäten, die auf die höhere Nachfrage früherer Jahre ausgelegt sind, anzupassen und noch mehr auf die Kosten zu achten.

Im Bereich Nutzfahrzeuge wird nach den Boomjahren mit einer Seitwärtsbewegung der Neuregistrierungen gerechnet. Nach einer spürbaren Abnahme der Auftragseingänge haben europäische LKW-Hersteller ihre Produktion zu Jahresbeginn bereits gesenkt. Das langsamere Wirtschaftswachstum und die aktuell relativ junge LKW-Flotte der Spediteure könnten zu einem rückläufigen Markt führen. Auch der US-Markt für Trucks könnte 2020 zyklusbedingt unter dem Vorjahresniveau bleiben.

Quellen: Verband der Deutschen Automobilindustrie (VDA), Automobilwoche

## AUSBLICK AUF DIE ERGEBNISENTWICKLUNG

Ein verlässlicher Ausblick auf die Ergebnisentwicklung der POLYTEC GROUP für das Geschäftsjahr 2020 ist derzeit noch verfrüht. Insbesondere ein äußerst volatiler Konjunkturverlauf sowie Marktveränderungen hinsichtlich der Antriebstechnologien von Personenkraftwagen erschweren den Ausblick. Selbst kurzfristig sind die konkreten Kundenbedarfe schwer zu planen. Zudem lassen sich die Auswirkungen der weiteren Verbreitung des Coronavirus nicht abschätzen.

Zusätzlich müssen zur Begegnung der aktuellen sowie der sich abzeichnenden Marktlage Produktionskapazitäten angepasst werden. Die Auswirkungen diesbezüglicher Maßnahmen erschweren zusätzlich den Ausblick.

Für die POLYTEC Holding AG geht man von einem gleichbleibenden Betriebsergebnis aus, da die Konzernleistungen sich in absehbarer Zeit nicht wesentlich verändern werden. Das Zinsergebnis wird sich durch das gestiegene Finanzierungsvolumen etwas erhöhen. Das Beteiligungsergebnis wird stark von der weiteren Entwicklung und von der Liquiditätssituation der verbundenen Unternehmen abhängen und ist daher schwer vorhersehbar.

## 6. RISIKOBERICHTERSTATTUNG UND FINANZINSTRUMENTE

Die Anfang 2019 von Managern der Automobilindustrie und Wirtschaftsexperten geäußerten Einschätzungen über die anstehenden Herausforderungen der Branche bestätigten sich im Jahresverlauf. Vor allem die deutlich schwächere Entwicklung des chinesischen Automarkts, die Auswirkungen der Dieselkrise, strengere Klimaschutzvorgaben, der Strukturwandel in Richtung Elektromobilität sowie die sich global abschwächende Konjunktur bereiteten der Automobilbranche im Jahr 2019 Sorgen. Und auch 2020 dürfte sich laut Analysten und Experten das herausfordernde wirtschaftliche Umfeld aus Sicht der Automobilindustrie nicht verbessern. Mit hoher Wahrscheinlichkeit ist wieder mit einem Rückgang der PKW- sowie der LKW-Produktion und in weiterer Folge mit weniger Neuregistrierungen zu rechnen.

Autohersteller und deren Zulieferer sehen sich angesichts dieser sich fortsetzenden Entwicklung weiterhin vor große wirtschaftliche Herausforderungen gestellt. Die Entscheidungsträger in den Unternehmen werden noch intensiver auf Kosten achten und Produktionsstrukturen und -kapazitäten an das geänderte Umfeld anpassen müssen, da Abrufkürzungen und Umsatzeinbußen auch in Zukunft nicht ausgeschlossen werden können.

Zusätzlich zum ohnehin schwächeren gesamtwirtschaftlichen Wachstum des chinesischen Markts, der durch bestehende und drohende internationale Handelsbarrieren belastet ist, trat im Jänner 2020 das neue Coronavirus auf. Der auch Covid-19 genannte Virus könnte sich Experten zufolge auf viele Branchen negativ auswirken, insbesondere aber die Automobilindustrie stark treffen. Denn wesentliche durch den Erreger ausgelöste Produktionsausfälle wären angesichts der zentralen Rolle Chinas in der Automobilbranche besonders schnell und deutlich zu spüren. Das Land ist sowohl der größte Absatzmarkt für Neuwagen, als auch wichtiger Produktionsstandort für Hersteller und Zulieferer. Alleine in der besonders betroffenen Provinz Hubei werden an gut einem Dutzend Standorte fast zwei Millionen Autos jährlich hergestellt, das entspricht einem Anteil von rund 8% an der gesamten chinesischen Fahrzeugproduktion. Insgesamt sollen in der Region mehr als 700 ausländische und chinesische Zulieferunternehmen mit Standorten aktiv sein. Zeitlich nicht abschätzbare Produktionseinschränkungen könnten daher wesentliche globale Folgen für die Lieferkette haben, da China einer der größten Exporteure von Fahrzeugteilen ist. Die durch diese ansteckende Lungenkrankheit verursachten logistischen und wirtschaftlichen Auswirkungen auf die weltweite Automobilindustrie sind aktuell noch nicht abzuschätzen.



Der Austritt des Vereinigten Königreichs aus der Europäischen Union wurde – nach wiederholten Verschiebungen – letztlich per 31. Jänner 2020 vollzogen. In der Übergangsphase bis Jahresende 2020 müssen sich EU und UK nun über umfangreiche neue Regelungen einigen, um einen harten Brexit abzuwenden. Wie viele Betroffene, hofft auch die Automobilindustrie auf Rechtssicherheit und einfach gestaltete Handelsvereinbarungen ohne Zölle oder zusätzliche administrative Barrieren, die zu sinkenden Verkaufs- und Produktionszahlen im zweitgrößten Automarkt Europas führen könnten.

Aktuell kann nicht umfassend abgeschätzt werden, ob die genannten oder etwaige weitere Risiken und Ungewissheiten künftig einen Einfluss auf die Umsatz- und Ertragsentwicklung der POLYTEC GROUP haben werden. 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 die mittelbaren Auswirkungen der Entwicklung 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 durch Innovation und einer gezielten Vertriebsstrategie sich auf den neuen Märkten klar zu positionieren. Die Automobilzulieferindustrie galt bisher schon als Markt mit hohem Wettbewerb und war dabei geprägt von der Konsolidierung und Restrukturierung von Mitbewerbern. Diese Phase wird sich noch verstärken und die Chancen der Marktkonsolidierung gilt es dabei für POLYTEC 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, wie dies mit dem Ausbruch des Corona-Virus wieder verdeutlicht wurde. Die Internationalen Handelskonflikte brachten auch Nachfragerückgänge und Komplexität in die globalen Lieferbeziehungen, es besteht das Risiko, dass diese Unsicherheiten auch in den nächsten Jahren noch die Automobilindustrie negativ beeinflussen.

**Volumenrisiko:** Dies 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, welche zu Lieferverzögerungen und somit zu Reputationschäden führen können. Andererseits führen fehlende Abrufe zu Auslastungsproblemen, welche eine Fixkostenunterdeckung zur Folge haben können. Die POLYTEC GROUP trachtet durch einen ausgewogenen Kunden- und Auftragsmix, die Abhängigkeit von einzelnen Lieferbeziehungen so gering wie möglich zu halten.

Durch die Konzentration der OEM 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 heißt das, dass man die Abrufsituation und die Entwicklung der Modelle sehr genau beobachten muss. Auf wesentliche Veränderungen muss kostenseitig reagiert werden, 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 Investitionsprojektes schwanken. Die Schwankunganfälligkeit (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 in der Anschaffung von Maschinen und Anlagen bis hin zum Bau von ganzen Produktionswerken. 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 OEM 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, welche eine instabile oder fehlerhafte Ausbringung zur Folge haben, was wiederum zu Stückzahlenschwankungen sowie Bandabrissen 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 laufende Verbesserungen im Produktionsprozess (POLYTEC Performance Systems, Digitalisierungsoffensive, etc.) erzielt, sowie laufende organisatorische Maßnahmen zur Verbesserung der Prozessqualität erarbeitet werden.

## Finanzielle Risiken und deren Management und Sensitivität

**Kreditrisiko:** Aufgrund der Kundenstruktur – beinahe 90 % des Umsatzes werden mit den OEM 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 2019 wurden rund 61 % (Vorjahr: 58%) 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 Management setzt zukünftig auf eine höhere Diversifizierung durch die Verbreiterung der Kundenbasis im Bereich Non-Automotive.

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 geringem 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 die Türkische Lira. 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, vor allem aber 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 Risikobereich im operativen Geschäft geworden. Die internen Kontrollen der POLYTEC GROUP wurden laufend verschärft sowie die Sensibilisierung der Mitarbeiter hinsichtlich dieses Themas 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.

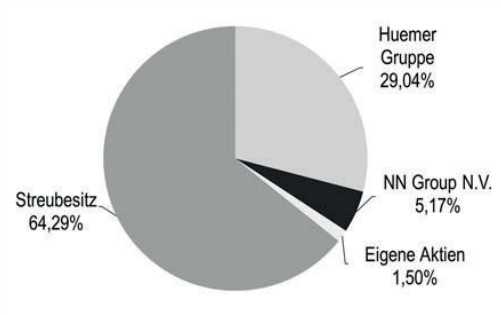
## **8. ANGABEN ZU KAPITAL-, ANTEILS-, STIMM- UND KONTROLLRECHTEN UND DAMIT VERBUNDENEN VERPFLICHTUNGEN GEMÄSS § 243A UGB**

Das Grundkapital der POLYTEC Holding AG betrug zum Bilanzstichtag 31. Dezember 2019 unverändert EUR 22,3 Mio. und war in 22.329.585 auf Nennwert lautende Aktien unterteilt. Weitere Aktiengattungen 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 2019 die Huemer-Gruppe. Sie hielt 29,04% (16,00% Huemer Holding GmbH und 13,04% Huemer Invest GmbH) des Grundkapitals der POLYTEC Holding AG. Gegenüber dem Bilanzstichtag 31. Dezember 2018 blieb der Anteilsbesitz der Ing. Friedrich Huemer zurechenbaren Gesellschaften an der POLYTEC Holding AG unverändert. 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.

Während des Geschäftsjahres 2019 wurden der POLYTEC Holding AG seitens der Aktionäre keine Stimmrechtsmitteilungen gemäß § 130 BörseG 2018 übermittelt.

Zum 31. Dezember 2019 stellte sich die Aktionärsstruktur der POLYTEC Holding AG auf Basis der ausgegebenen 22.329.585 Aktien – im Vergleich zum 31. Dezember 2018 unverändert – wie folgt dar:



Nach dem Bilanzstichtag wurden der POLYTEC Holding AG keine Änderungen von bedeutenden Beteiligungen bekanntgegeben.

#### EIGENGESCHÄFTE VON FÜHRUNGSKRÄFTEN

Während des Geschäftsjahres 2019 wurden 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 gemäß Artikel 19 MAR übermittelt. Nach dem Bilanzstichtag wurden der POLYTEC Holding AG ebenfalls keine Eigengeschäfte von Führungskräften bekanntgegeben.

#### EIGENE AKTIEN

Während des Geschäftsjahres 2019 hat die Gesellschaft keine eigenen Aktien erworben oder verkauft. Die POLYTEC Holding AG hielt somit am Bilanzstichtag 31. Dezember 2019 unverändert 334.041 Stück eigene Aktien bzw. rund 1,5% am Grundkapital. Der Kurswert am Bilanzstichtag betrug rund EUR 2,9 Mio. (Vorjahr: EUR 2,8 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](http://www.polytec-group.com)

Hörsching, am 5. März 2020

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 2019, 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 2019 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 ausreichend und geeignet sind, um als Grundlage für unser Prüfungsurteil 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 Ganzem 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 Diskontierungsszinssätzen 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 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 vier Fällen und im Fall der Ausleihungen an sowie der finanziellen Forderungen gegenüber verbundenen Unternehmen in sechs 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 Konsultation 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 zwölf Anlässfällen 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.

### **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 – beabsichtigten oder unbeabsichtigten – falschen Darstellungen 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 – beabsichtigten oder unbeabsichtigten – falschen Darstellungen 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 – beabsichtigter oder unbeabsichtigter – falscher Darstellungen 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 betrügerisches 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 kann. 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 10. Mai 2019 als Abschlussprüfer gewählt und am 20. Jänner 2020 vom Aufsichtsrat mit der Abschlussprüfung der Gesellschaft für das am 31. Dezember 2019 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.

### **Auftragsverantwortlicher Wirtschaftsprüfer**

Der für die Abschlussprüfung auftragsverantwortliche Wirtschaftsprüfer ist Frau Dr. Elisabeth Rebhan-Briewasser.

Linz, am 5. März 2020

KPMG Austria GmbH  
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft



Dr. Elisabeth Rebhan-Briewasser  
Wirtschaftsprüfer

# SERVICE

## CORPORATE CALENDAR 2020

27 March 2020	Friday	Publication of the financial statements and annual report for 2019
7 May 2020	Thursday	Publication of the interim report for Q1 2020
8 May 2020	Friday	Record date "AGM"
18 May 2020	Monday	20 <sup>th</sup> Ordinary Annual General Meeting for the 2019 financial year, Hörsching, 10 a.m.
22 May 2020	Friday	Ex-dividend day
25 May 2020	Monday	Record date "Dividends"
26 May 2020	Tuesday	Dividend pay-out day
7 August 2020	Friday	Publication of the financial report for HY1 2020
6 November 2020	Friday	Publication of the interim report for Q3 2020

## INVESTOR RELATIONS



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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 financial statements and annual report for 2019 were published on 27 March 2020 and are available for downloading on the POLYTEC Holding AG website at [www.polytec-group.com](http://www.polytec-group.com), section Investor Relations, Publications.

Editorial closing date: 5 March 2020

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# GLOSSARY

## Company and technology

ABS	Acrylonitrile butadiene styrene is a plastic suited to the coating of metals.
CEO	Chief Executive Officer: Chairman of the Board of Directors, responsible for M&A, investment management, corporate strategy, corporate communications, purchasing, IT, human resources
CFO	Chief Financial Officer: Responsible for finances, controlling, accounting, investor relations, internal audit, legal affairs
Class A painting	Painting of the visible surfaces of interior and exterior parts
CMR substances	Carcinogenic, mutagenic and toxic to reproduction substances
COO	Chief Operations Officer: Responsible for operations, innovation, industrial engineering
CSO	Chief Sales Officer: Responsible for sales, engineering, marketing
D-LFT	Direct process for the use of long fibre-reinforced thermoplastics in exceptionally tough parts
ERP	Enterprise resource planning: The prompt, needs-based planning and control of resources
In-mould decoration	A special type of plastic part decoration using a coloured, scratch-resistant coating
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
LWRT	Lightweight reinforced thermoplastics: Lightweight, glass fibre-reinforced thermoplastic mixed fibre webs with high acoustic efficiency
MES	Manufacturing execution system: Systems solution for efficient production control
OEM	Original equipment manufacturer
PA	Polyamide: Thermoplastic with high strength, rigidity and toughness
Powertrain	Drive train in a combustion engine
PP	Polypropylene: Thermoplastic
PPS	POLYTEC Performance System: The POLYTEC GROUP's lean management programme
PUR	Polyurethane: Plastic or synthetic resin
SMC	Sheet moulding compound: Press mass consisting of duroplastic reactive resins and glass fibres for the production of fibre-plastic compounds
Tier 1 supplier	Direct supplier to an OEM
WLTP	Worldwide harmonised light vehicles test procedure: A uniform exhaust gas testing system used globally for cars and light trucks

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**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
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
Equity ratio	Equity/balance sheet total
EUR k	Euro thousands
Free cash flow	Cash flow from operating activities less cash flow from investing activities
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

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