

**KTM Sportmotorcycle UK Ltd**

## **UK Tax Strategy**

### **1. Scope**

The PIERER Mobility Group, with its seat in Austria, is Europe's leading manufacturer of powered two-wheelers („PTW“). With its motorcycle brands KTM, HUSQVARNA Motorcycles and GASGAS the group is one of the technological and market leaders, especially for premium motorcycles (for further details please refer to the website [www.pierermobility.com/en/](http://www.pierermobility.com/en/) ).

KTM AG – as a subsidiary of PIERER Mobility Group – has a subsidiary with its seat in UK.

The KTM AG Group Tax Strategy as provided in this document outlines the tax principles as they relate to KTM AG subsidiary in UK, named **KTM Sportmotorcycle UK Ltd** (in short “KTM UK subsidiary”).

### **2. Compliance with legislation**

The strategy is published in accordance with the requirements of Schedule 19, Part 2, paragraph 22(2), Finance Act 2016 and will be reviewed for adjustments regularly. The tax strategy is relating to business year 2021.

The principles of the Group include to follow all laws and regulations relating to taxes that are required in the UK. Furthermore, an open and honest relationship should be maintained with the tax authorities. Another principle is to ensure an appropriate governance though applying diligence and care in the management of any procedures and processes that related to taxes.

The KTM AG Group, and therefore also the KTM UK subsidiary, has a strong commitment to corporate social responsibility. Therefore, the professional management of tax compliance, and the fulfilment of all its tax responsibilities is one of the basic principles.

These basic principles relate to all legal representatives and employees of KTM UK subsidiary. Employees of KTM UK subsidiary are required to comply with the KTM Group Code of Conduct.

### **3. How KTM manages UK tax risks**

One of the objectives of KTM AG Executive Board is to ensure worldwide tax compliance of KTM Group. Therefore, tax risk in the UK is managed with the diligent care and judgement of the professionals involved. KTM AG has set up a department for Group Accounting and Taxes with detailed knowledge on processes for all subsidiaries worldwide to identify any tax risks. Regular meetings and conferences are held with local employees to notice any changes in short time. Due to the size of the companies in UK, the KTM AG Group team as well as the local employees are supported by specialized external tax advisors to ensure tax compliance.

#### 4. KTM's attitude to tax planning

The general business model of KTM AG Group and therefore the worldwide sales processes precede over strategic tax planning possibilities, and all tax planning processes are undertaken in this context. However, the commercial needs will never override tax legislation.

For the KTM UK subsidiary it is ensured that the taxes are duly paid and KTM AG Group will not engage in tax planning that would adversely affect the brand or reputation.

Where the tax law is unclear or subject to interpretation, written advice would be requested by external tax consultants, including discussing the matter with HMRC for advance clearance where appropriate, to ensure that the position taken is more likely than not to be settled in KTM UK subsidiary favor should it be challenged by HMRC.

#### 5. The level of risk to accept for UK taxation

KTM AG Group seeks to minimize the level of tax risk through submitting all UK tax returns on a timely basis with appropriate disclosures, and well as paying taxes at time to operate in a manner of a responsible taxpayer. Due to the small size of the companies in UK, the tax calculations are done by specialized external tax advisors.

Transactions between KTM AG Group companies are conducted at an arm's-length basis and in accordance with OECD principles. Therefore, KTM AG's Group Accounting and Tax department ensures compliance in terms of transfer pricing.

The KTM AG Executive Board requires from the KTM AG's Group Accounting and Tax department to identify, monitor and manage tax risks within the business and to identify where specialist external advice is required to ensure compliance. Therefore, specialized external tax advisors are used to assist the business in achieving its core tax principles.

#### 6. How your business works with HMRC

In order to meet statutory and legislative tax requirements in UK, KTM AG Group takes into account the principle of a timely filing of returns and disclosures as well as responds to queries and information requests. Furthermore, it is important for KTM AG Group to be open and transparent about governance, decision-making and tax planning and to seek clarification from HMRC or the judiciary, where any points are unclear or uncertain.

Dated December 31, 2025