TeamViewer

2021

Annual Financial Statements of TeamViewer AG

A_ Combined Management Report

B_ Annual Financial Statements of TeamViewer AG

C_ Further Information

COMBINED MANAGEMENT REPORT

01 Group fundamentals

TeamViewer's portfolio consistently develops and expands in step with global megatrends | Strategic M&A activities advance with the acquisition and integration of Xaleon, Upskill, Visocpic and Hapibot | Billings in enterprise business grow by 75% | Strong marketing partnerships in sports increase global brand awareness in strategic growth markets | Short-term excellence programme ReMax aims to accelerate growth and stabilise cost base

TeamViewer, founded in 2005, is a global technology company and provider of a cloud-based platform enabling digital connectivity between people and devices and the digital support of processes in industrial environments. Next to the high number of private users who can use portions of the product portfolio free of charge, TeamViewer's customer base comprises companies of different sizes and various industries. The TeamViewer Group employs 1,477 people globally. The Group's parent company is TeamViewer AG whose shares are listed on the Frankfurt Stock Exchange and in various indices, including the German MDAX and TecDAX.

Business Model

As digital technologies continue to evolve, the way people work and interact is also changing. For companies, the need to connect both employees and a wide range of devices and applications – anywhere and anytime – is increasing, driving the digital transformation of their business processes. The ever-growing demand for connectivity solutions is largely motivated by several global megatrends. These trends include the proliferation of hybrid work models (e. g. home offices), the continuous increase in Internet-enabled endpoints and devices, the push to greatly reduce the carbon footprint, further advancements in automation, increased use of robotics and advances in augmented reality. In the 2021 fiscal year, as in the prior year, the COVID-19 pandemic proved to be another strong driver of digitalisation at companies worldwide.

Increase in the number of employees

2020
1,256

2021
1,477
+18%

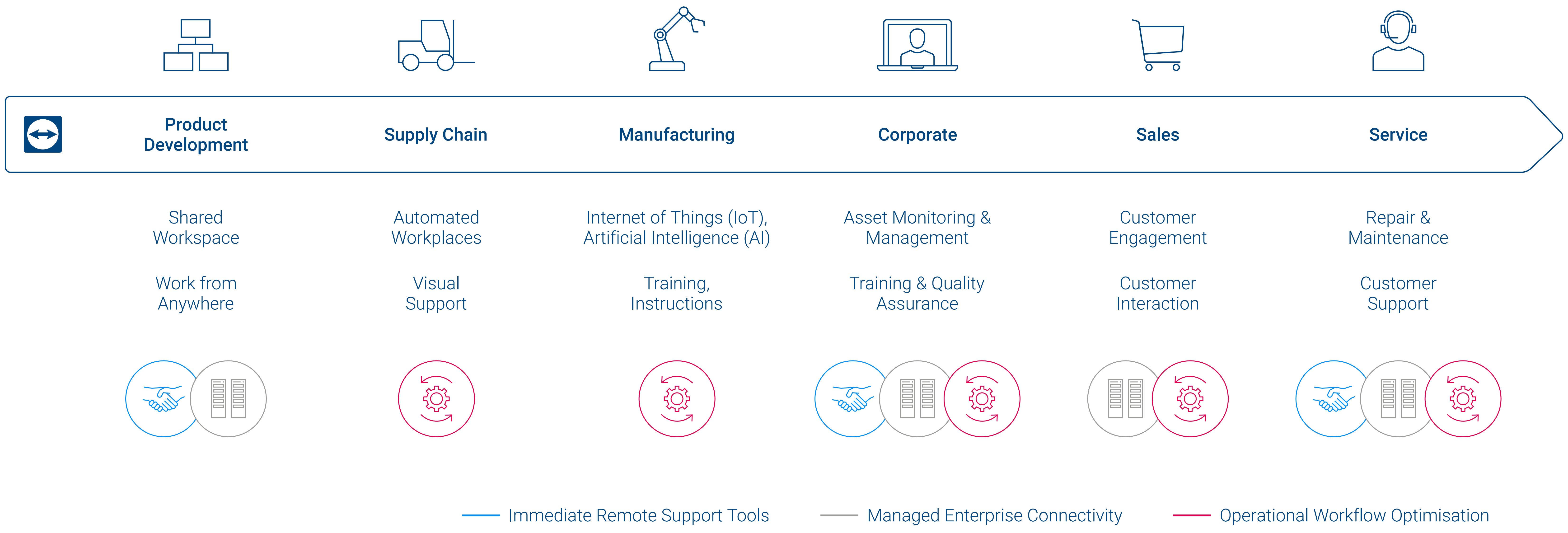
Full-time equivalents (FTE) as per 31 December 2021

TeamViewer's product portfolio is aligned with these megatrends and offers solutions to both private customers and companies to meet the resulting challenges. Based on its own Remote-as-a-Service platform, TeamViewer has a wide range of industry-leading solutions for a broad variety of application areas and target groups.

TeamViewer's portfolio enables companies of all sizes in all industries to digitalise their processes along the entire value chain and thereby generate added value. For a more detailed presentation of TeamViewer's product portfolio, please refer to the section entitled "Markets and Sales Model".

The majority of TeamViewer's revenue stems from the sale of its own software solutions. Since 2018, these solutions have been sold on a subscription basis, with the subscription period generally spanning twelve months. TeamViewer also offers services for implementing more complex solutions, such as those in an Internet of Things (IoT) environment or based on augmented reality (AR). In order to offer customers holistic solutions, hardware from other manufacturers is also sold in the AR area but accounts only for a low share of the total revenue.

Selected TeamViewer use cases along the entire value chain



Strategy

TeamViewer's strategy is oriented along three growth dimensions:

- Expanding TeamViewer's software to cover new use-cases.
- Continuing the development of the already comprehensive TeamViewer portfolio for all customer segments – from private users to global companies.
- Expanding geographically and further penetrating international markets.

Within the framework of these three dimensions, TeamViewer is focused on organic growth and strategic acquisitions such as those made over the past two years to selectively supplement its solutions portfolio and technological knowhow. This includes the successful integration of AR specialist Ubimax in 2020; the acquisitions of TeamViewer Austria (formerly Xaleon/Chatvisor GmbH) and its portfolio of solutions for online customer engagement; the US tech company Upskill, also focused on AR solutions; the German 3D and mixed reality specialist Viscopic; and the Portuguese software development office Hapibot, which took place in 2021. These acquisitions are now fully integrated into the TeamViewer Group and support TeamViewer's ranking at market research companies such as ABI Research (study from December 2021) as one of the leading providers of augmented reality solutions.

An essential pillar for advancing along the three aforementioned growth dimensions is not only acquiring new customers but also follow-on sales to TeamViewer's more than [627,000] existing subscribers. In its existing customer business, TeamViewer focuses on concluding higher revenue contracts, among others, by selling additional solutions for other uses ("cross-selling") and expanding existing use cases ("upselling").

Expanding use cases
TeamViewer enables the connecting of all types of devices across all relevant operating systems. This makes the potential applications for TeamViewer's software virtually unlimited. Customers use TeamViewer's solutions to remotely access, monitor, control, maintain, and repair devices and machinery/equipment. Beyond the pure networking of devices, TeamViewer creates added value through the use of new technologies such as augmented and mixed reality, IoT and artificial intelligence (AI). The digital transformation offers considerable scope for further use cases, particularly in the industrial sector. For example, a large number of applications access, analyse and intelligently use machine data and, at the same time, provide digital support to skilled on-site workers and service technicians for their activities outside of the office environment. TeamViewer's large base of users and customers and their continuous feedback are important sources for developing new use cases. New use cases are addressed either by adding new functionalities to existing solutions or on a selective basis through new applications. In addition to providing directly deployable solutions, TeamViewer also supports companies in the digital transformation of their business processes by offering precisely tailored solutions for individual industries or segments of the value chain.

Coverage of customer segments

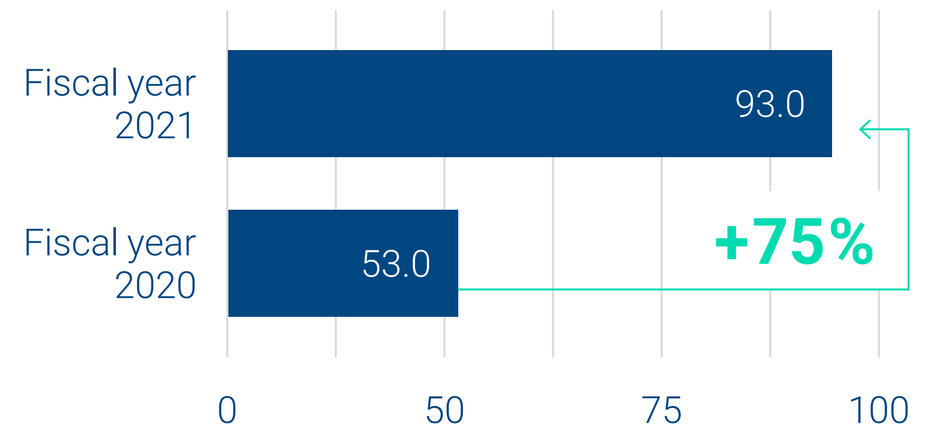
TeamViewer's product portfolio covers a broad customer spectrum from private individuals who can use the software free of charge for non-commercial purposes (free user community) to commercial users who are offered a variety of solutions and subscription models. TeamViewer focuses on two customer groups: small and medium-sized businesses (SMB) and large enterprise[1]).

In the SMB segment, demand is mainly for remote access and support solutions. Customers in this segment are primarily supported online or by our internal sales force. This makes the ongoing development of internal expertise in digital marketing and direct sales essential for further growth. TeamViewer utilises a web store and an internal sales force serving 30 languages to achieve global coverage without the need to be locally present in every country with its own employees. TeamViewer's historical roots are in the SMB sector, and it continues to generate a significant portion of its billings from this area.

Prior to its IPO in 2019, TeamViewer had already started to build up its Enterprise business with its own connectivity product for large customers. The TeamViewer Tensor enterprise suite also offers remote access and support but includes enhanced functionalities for management and security. Another growth driver in the large customer segment is the digitalisation of sales and customer service engagements, which are now being addressed by the new TeamViewer Engage product. With the AR solution TeamViewer Frontline, TeamViewer also optimises the operational workflows of employees who do directly work in an office environment. The broader product portfolio offers companies the opportunity to use TeamViewer in different departments and for diverse application scenarios, which also opens up the strong potential for cross-selling.

At the time of its IPO (end of Q3 2019), TeamViewer had 590 enterprise customers; by the end of 2020, this figure had already reached 1,885, growing further to 2,712 by the end of 2021. This resulted in customer growth in the Enterprise segment of 44% versus 2020 and a [fivefold] increase since the IPO in 2019. This was achieved despite the fact that the onboarding of new sales colleagues and face-to-face meetings with enterprise customers were both limited as a result of the COVID-19 pandemic. Accordingly, billings in the enterprise business developed from EUR 17.4 million (2019) to EUR 53 million in 2020 (+204% year-on-year) and EUR 93 million in 2021 (+75% year-on-year).

Billings performance in the enterprise business



In EUR million,
enterprise billings (min. EUR 10,000 volume)
in the past twelve months

Geographic expansion and global brand recognition
TeamViewer is a global company with users and customers in nearly every country worldwide. Its long-standing central sales offices in Germany, the United States and Australia have been joined in recent years by additional sales locations in the APAC region. In 2021, the Company acquired the Portuguese software company Hapibot and developed it into a new software development site for TeamViewer in Portugal. TeamViewer also increased its sales and marketing activities in 2021 in strategic growth markets across all regions.

[1] Customers with invoiced billings across all products and services of at least EUR 10,000 in the past twelve months.

TeamViewer plans to continue establishing and expanding local sales activities with dedicated teams in the future. Adapting more closely to local conditions will significantly leverage TeamViewer's potential, particularly in its strategic growth markets. An important step in expanding the Company's positioning in the Asian region was establishing a new management position with responsibility for the entire APAC region. This position was filled in the fourth quarter of the fiscal year by Sojung Lee as President APAC.

TeamViewer's strategic orientation is aligned with the overriding goal of achieving long-term growth and a continuous increase in the Company's value. To help achieve this, extensive investments in brand value were made in spring 2021. The initial five-year partnerships as a Principal Shirt Partner of Manchester United and as Team Partner of the Mercedes-AMG Petronas Formula 1 Team and the Mercedes-EQ Formula E Team (until the end of the 2022 season) aim to increase TeamViewer's global brand awareness in strategic growth markets. Not only will they serve as an advertising platform but they will also help jointly develop and subsequently market various use cases for TeamViewer products. By integrating TeamViewer's IT and AR solutions into Manchester United processes, TeamViewer can demonstrate its solutions to the club's more than 1.1 billion fans and followers. Through its partnership with Formula 1 and Formula E, TeamViewer becomes part of a global high-tech ecosystem. The rigorous, data-driven environment of these racing series places extreme demands on connectivity solutions. Together with Mercedes, use cases can be found that are transferable from the race track to the industrial environment, which can also serve to generate potential added value for TeamViewer customers.

ReMax short-term excellence programme

To achieve its short-term goals, the ReMax excellence programme was established in the fall of 2021. The focus of the programme is accelerating growth and stabilising the cost base. Specifically, it consists of ten growth and cost initiatives that are to take effect in various areas of the Company. Next to an adjustment in the personnel structure following a disproportionate personnel increase over the past 2 to 3 years, the most important components of this programme are the following:

- A short-term innovation plan for the TeamViewer core product for remote maintenance and access that should improve the overall user experience by simplifying the user interface, expanding product features and renewing the design. This will be accompanied at the same time, by a discontinuation of research and development for solutions aimed outside of the focus products.
- A realignment of digital marketing focused on improving the customer journey and the performance of the web store. Essentially this relates to the global consistency of marketing initiatives, an increased focus on the latest marketing technologies for new customer acquisition, and the adequate online representation of our SMB as well as our enterprise business.
- A new structure for the APAC region, which will focus on key markets (Australia, China, Japan, New Zealand) and core products (TeamViewer Tensor and Frontline) under new management in order to return the region to a better growth trajectory. This also includes targeting closer cooperation between direct and indirect (resellers, partners) sales channels and better solution-oriented marketing of success stories, such as from the healthcare and logistics sectors.
- The global implementation of best practices for sales, allowing for faster onboarding and better cross- and upselling across all industries.
- A changed management structure with clear regional responsibilities and a leaner set-up of the senior leadership team to enable more focus across the organisation.

Medium-term growth targets

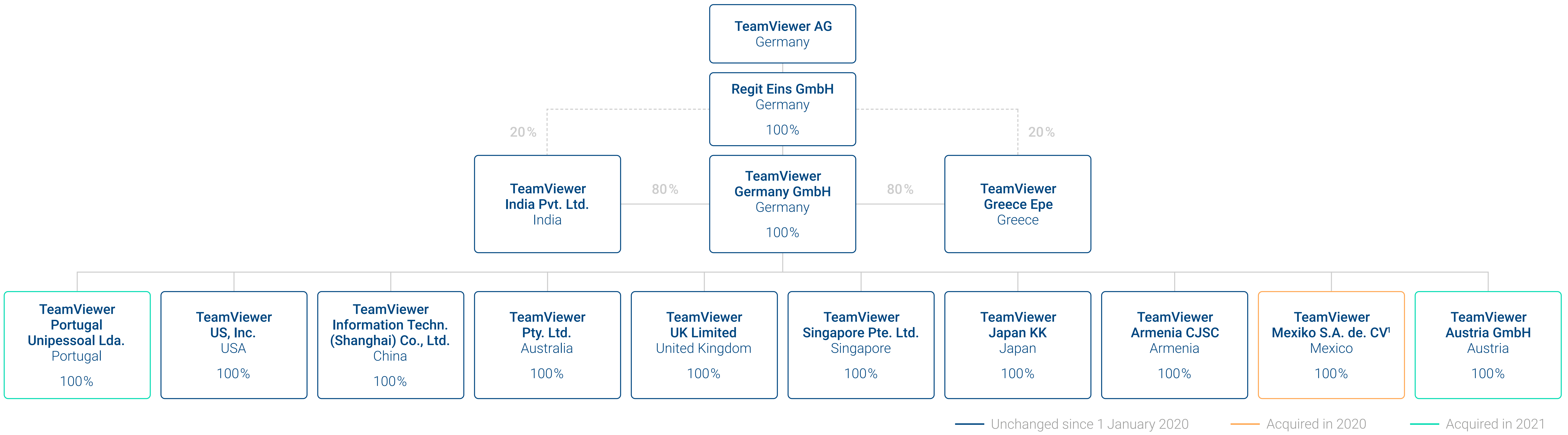
Supported by the aforementioned strategic growth initiatives – successive expansion of use cases, expansion of (enterprise) customer segments, and geographic expansion – TeamViewer continues to set ambitious targets for its future. The Company targets an increase in billings to EUR 625 to 640 million in 2022, and for fiscal 2023 and beyond, annual percentage billings growth in the range of 15 to 20%, percentage revenue growth (IFRS) in the range of 12 to 17%, and a recovery of the adjusted EBITDA margin in the range of 45 to 47%.

Group structure and organisation

Legal structure

The TeamViewer Group consists of TeamViewer AG, based in Göppingen, and its total of fourteen subsidiaries. TeamViewer AG acts solely as a holding company for the TeamViewer Group and is responsible for the Group's uniform management and control. The operating business is managed by TeamViewer Germany GmbH, an indirect wholly-owned subsidiary of TeamViewer AG, and its subsidiaries.

Structure of the Group



[1] Share in TeamViewer Mexico S.A. de CV is held by Regit Eins GmbH.

In fiscal year 2021, the Group's scope of consolidation changed as a result of the following acquisitions:

Acquisitions of **TeamViewer Germany GmbH:**

- January 2021: TeamViewer Austria GmbH (formerly XALEON/Chatvisor GmbH)
- May 2021: Viscopic GmbH
- May 2021: TeamViewer Portugal, Unipessoal Lda (formerly Hapibot Studio, Unipessoal Lda)

Acquisition of **TeamViewer US, Inc.:**

- February 2021: Upskill, Inc.

Viscopic GmbH was merged into TeamViewer Germany GmbH following its entry into the commercial register on 5 October 2021. The merger is retroactive as of 1 January 2021. Ubimax Inc., USA, was merged into TeamViewer US Inc. on 29 January 2021 and Upskill Inc. on 30 September 2021.

Locations

TeamViewer has locations in thirteen countries. The Group's headquarters are situated in Göppingen (Germany), which also serves as the central development location and sales centre for the EMEA region. Other central sales locations include Largo, Florida (USA) for the AMERICAS region and Adelaide (Australia) for the APAC region. TeamViewer also has local sales offices in Tokyo (Japan), Mumbai (India), Shanghai (China), and Singapore, as well as further development sites in Bremen (Germany), Yerevan (Armenia), Ioannina (Greece), Porto (Portugal) and Linz (Austria).

Segments

The TeamViewer Group is managed on a single-segment basis with the TeamViewer platform serving as the foundation. Reporting on the platform is based on the geographic regions of the EMEA, AMERICAS and APAC as the reporting units.

Management system

Description of the management system

To manage and monitor the Group's development, TeamViewer uses an internal corporate management system based on financial performance indicators complemented by nonfinancial performance indicators.

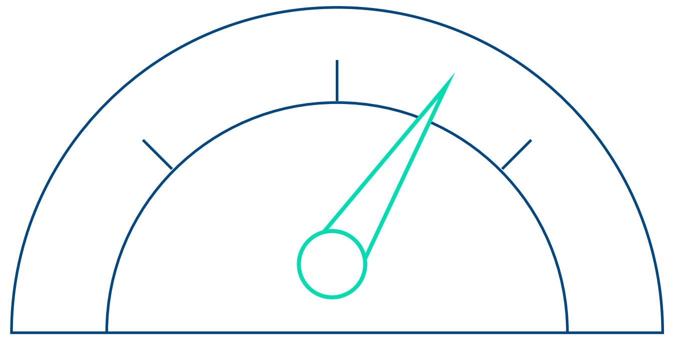
These performance indicators involve TeamViewer-specific definitions, which are not defined or explained in applicable accounting frameworks, but the relevant financial performance indicators can be reconciled to indicators included in the IFRS consolidated financial statements. All performance indicators reflect the management team's view of the Company. Performance indicator levels are defined during the annual planning process and monitored on a monthly basis during the year. Actual values are compared with budgeted and prior-year values, and corrective action is taken where necessary. In some cases, the performance indicators are measured on a regional basis and serve to manage various regional initiatives. TeamViewer distinguishes between primary performance indicators with high internal management priority and secondary performance indicators that have subordinate internal management priority but still represent important informational metrics.

Primary performance indicators

The following performance indicators were the primary indicators used by TeamViewer in the 2021 fiscal year for the management of the Group:

- Billings
- Adjusted EBITDA

Performance Indicators



Primary Performance Indicators

Billings

Adjusted EBITDA

Secondary Performance Indicators

Net Retention Rate

Number of Subscribers

Number of Employees

4 successful company acquisitions in 2021

Billings

Billings represent the value (net) of invoiced goods and services billed to customers within a period and which constitute a contract as defined by IFRS 15. Billings are derived directly from customer contracts and are not affected by the timing of revenue recognition. Although the business model was changed, revenue in fiscal years 2020 and 2021 still include revenue from perpetual licences because licence fees are recognised as revenue over three years. In the view of the Company's management, billings are a better reflection of the TeamViewer Group's underlying business development than revenue because they are no longer impacted by perpetual licences. For this reason, the TeamViewer Group uses billings as a key performance indicator to measure and assess the Company's performance. Billings can be calculated from revenue under IFRS, adjusted for the change in deferred revenue recognised in profit or loss.

Adjusted EBITDA

Adjusted EBITDA is defined as operating income (EBIT) according to IFRS, plus depreciation and amortisation of tangible and intangible assets (EBITDA), adjusted for the change in deferred revenue recognised in profit or loss in the period under review and for certain business transactions (income and expenses) defined by the Management Board in agreement with the Supervisory Board. Business transactions to be adjusted relate to share-based compensation schemes and other material special items that are presented separately to show the underlying operating performance of the business.

Secondary performance indicators

In addition to the primary performance indicators, the following secondary performance indicators represent important informational metrics:

- Net retention rate (NRR LTM)
- Number of subscribers
- Number of employees

As a performance indicator to measure customer loyalty, the net retention rate (NRR LTM) is defined as recurring billings (subscription renewals, upselling and cross-selling activities) over the last twelve months (LTM) attributed to existing subscribers (subscribers who were already subscribers in the previous twelve-month period), divided by the total recurring billings of the previous twelve-month period. The number of subscribers and the number of employees also represent important information metrics for assessing the business performance of the TeamViewer Group.

TeamViewer's products and solutions are applicable in almost all industries

Markets and sales model

TeamViewer distributes its products and solutions in almost all countries worldwide. Geographically, TeamViewer divides its sales markets into the EMEA (Europe, Middle East and Africa), AMERICAS (North, Central and South America) and APAC (Asia, Australia and Oceania) regions. In fiscal year 2021, the EMEA region was once again the largest sales region, followed by the AMERICAS and APAC regions. On a country level, the USA remained the market with the highest revenue, followed by the home market of Germany. Sales markets are not further subdivided as TeamViewer's products and solutions are applicable in almost all industries. More information on the regional revenue breakdown can be found on the economic report.

Since the Company's founding, a key element of the sales strategy has been the provision of numerous TeamViewer products – especially the core product for remote access – free of charge for private use. Free private use combined with easy, accessible installation and high product performance have led to high brand awareness and a large user base. The partnerships entered into with Manchester United and the Mercedes-AMG Petronas Formula 1 and Mercedes-EQ Formula E teams in 2021 are also expected to increase brand awareness and broaden the user base. This benefits the entire sales model, particularly when it comes to selling commercial licences.

The sales model is based on numerous sales channels focused on different customer groups and licences.

Standardised licences for TeamViewer products are primarily sold via the Company's own web store or by telephone and include the TeamViewer Business, Premium, Remote Management, Corporate licences and licences for TeamViewer AssistAR, the augmented reality (AR) product. These products function according to the "plug & play" principle and can be used directly by customers without a major effort for installation.

To create customised solutions for enterprise customers from its own proprietary product portfolio, TeamViewer employs a dedicated solution sales organisation. In addition to the TeamViewer Tensor product, which focuses on remote access and support tailored to the needs of enterprise customers, solutions for use cases in the IoT and AR areas are also important. Since the acquisition of Ubimax GmbH in 2020, TeamViewer has been continuously developing its sales and product capabilities for AR solutions and has gained further strength technologically (Viscopic, Mixed Reality) and geographically (Upskill, USA) with targeted acquisitions in fiscal year 2021. TeamViewer is now one of the world's top three providers of AR-based process optimisation. Through its acquisition of the Austrian provider Xaleon (now TeamViewer Austria GmbH), TeamViewer has also been able to expand its product range in the SMB and Enterprise segments to include online customer engagement as a new use case.

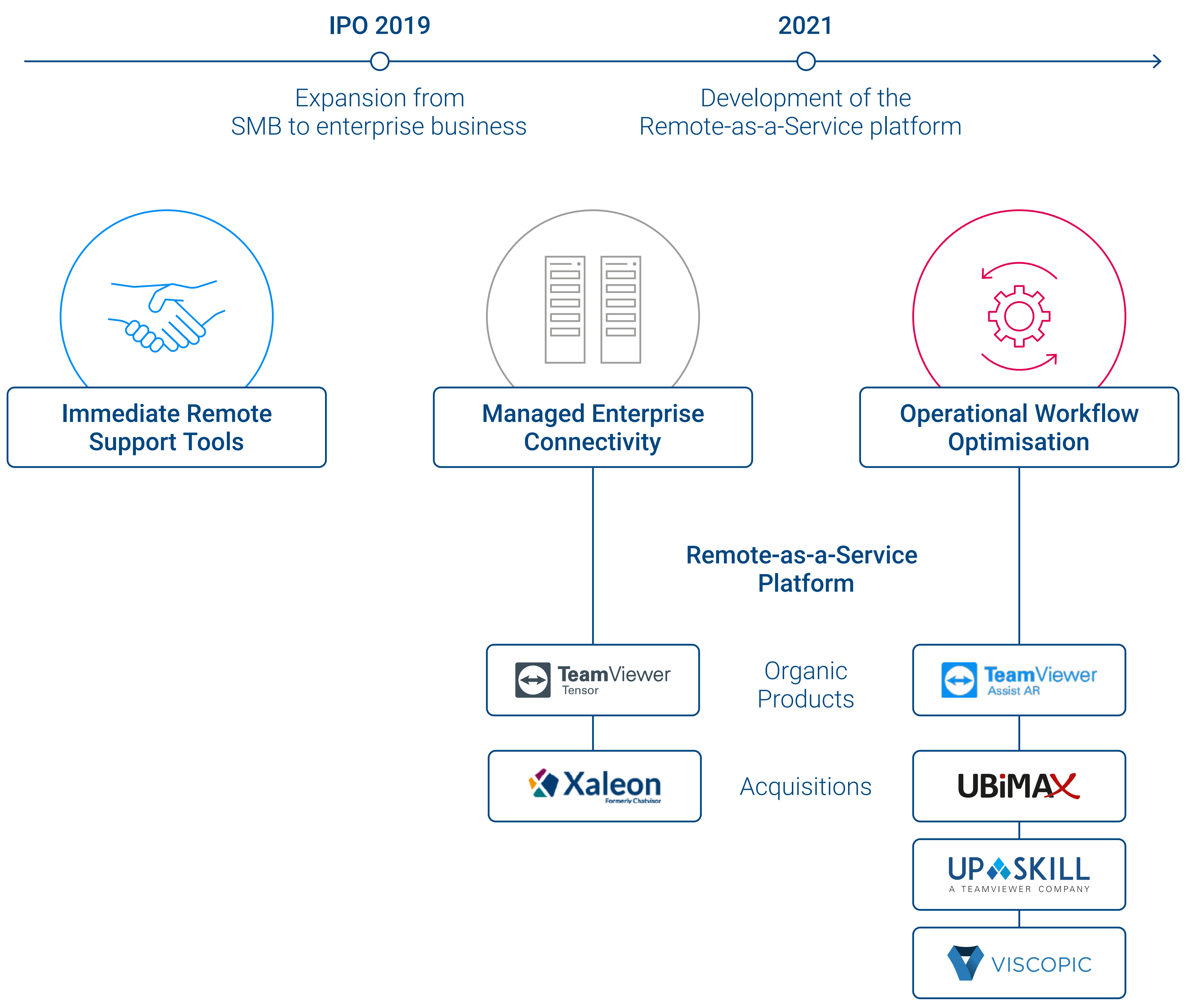
In addition to the aforementioned sales channels, TeamViewer works with various sales partners, who – depending on the partner – also sell standardised licences and develop and implement complex solutions.

TeamViewer works continually on integrations with strategic partners. In 2021, partnerships were concluded with SAP and Google Cloud, among others. Together with the Industry Cloud introduced by SAP, for example, TeamViewer simplifies access to innovative, customised solutions developed by SAP and its partners on an open platform. These AR-based processes can significantly increase productivity while reducing operating errors and machine downtime, and thereby cut costs.

The goal of the cooperation with Google Cloud is to make TeamViewer's AR portfolio available on the Google Cloud Platform. As part of the cooperation, both partners will also develop and market AR solutions for the Google Cloud that companies can use to digitalise their business processes. An example of this is the first jointly developed application called "Assisted Order Picking", which makes hands-free order picking possible and is particularly focused on use in grocery stores and retailers.

Focus: Integration of solutions acquired in 2020 and 2021 into the existing TeamViewer platform

Selected TeamViewer use cases

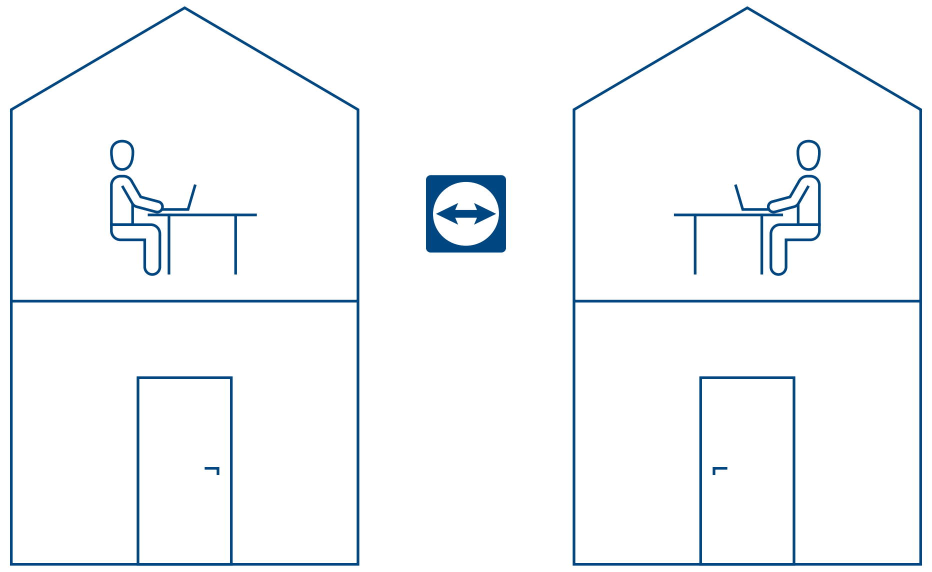


Solutions for digitalising the entire value chain

TeamViewer is a cloud-based Software-as-a-Service platform for digitalising processes along the entire operational value chain. The solutions developed by TeamViewer offer connectivity between a wide range of devices and operating systems. TeamViewer develops its products always in line with its mission to create a world that works better together. To accomplish this, TeamViewer is working on the future applications of ubiquitous connectivity, smart embedded devices, augmented and mixed reality (AR & MR) and artificial intelligence (AI). TeamViewer's solutions are highly compatible with one another, secure, scalable and easy to implement and intuitive to use. TeamViewer's goal in the further development of its product portfolio is to solve a wide variety of challenges in the digital transformation of companies in a targeted manner – solutions that could also involve the combination of several TeamViewer products. Regardless of their industry or size, companies are supported in implementing their digitalisation projects either step-by-step or as a whole. TeamViewer's technology platform is not limited to offices but goes beyond to digitalise workflows that typically take place outside the office, such as in the field, in manufacturing and in logistics. To further support this, TeamViewer placed a strong focus in fiscal year 2021 on successfully integrating the solutions acquired in 2020 and 2021 into the existing TeamViewer platform.

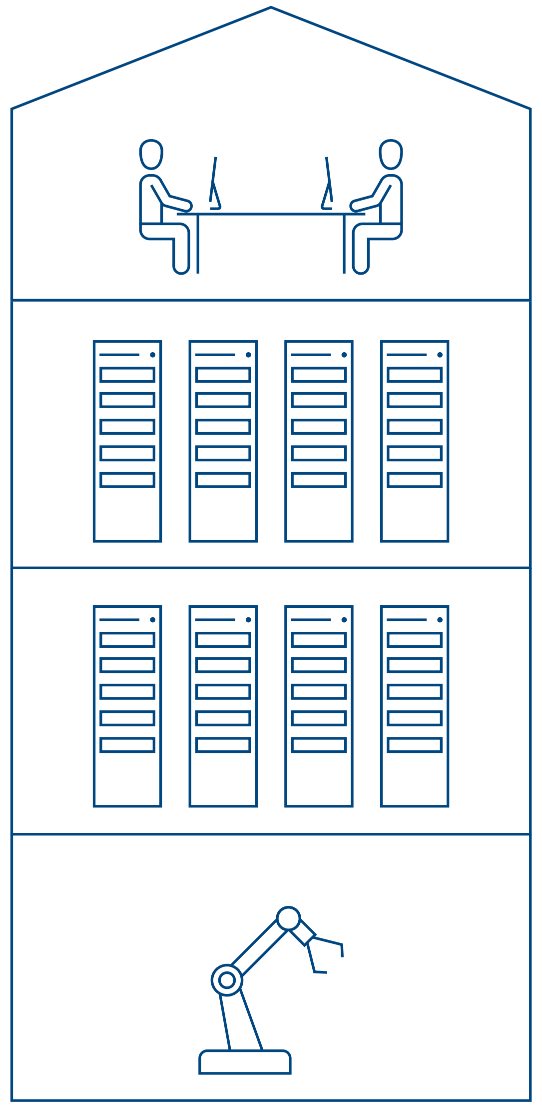
The solutions portfolio is based on the TeamViewer tech stack and can be divided into the areas of "Immediate Remote Support Tools", "Managed Enterprise Connectivity" and "Operational Workflow Optimisation". Together, these three areas represent the full range of the Company's solutions and reflect the Remote-as-a-Service concept.

Immediate Remote Support Tools



Immediate remote support tools
Solutions in the area of Immediate Remote Support Tools enable uncomplicated problem solving through fast, secure and device-agnostic connectivity. The best-known solution, which is also called TeamViewer and can be used free of charge by private users, has significantly shaped the perception of TeamViewer as a company. Remote access to another device enabled via the software remains the most common use case among customers. The software therefore continues to occupy the position of one of the Group's core products.

Managed Enterprise Connectivity

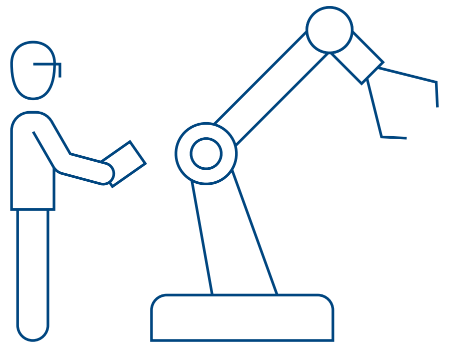


Managed enterprise connectivity
For companies looking to manage their entire IT and OT (Operational Technology) landscape, TeamViewer offers fully integrated solutions that enable connectivity in the areas of IT infrastructure and OT equipment. Fundamentally, the Managed Enterprise Connectivity area includes the functionalities of the Immediate Remote Support tools, but these can be individually adapted to the needs of the customer. A particular focus of the software is on network and access security. As one of the core areas in the rapidly growing enterprise customer segment, TeamViewer places a special focus on the further development of these enterprise solutions.

Operational workflow optimisation
Beyond the existing connectivity solutions, TeamViewer also offers solutions for the optimisation of business processes through AR and MR (mixed reality) supported workflows as a third area. AR- and MR-supported workflows are step-by-step instructions for processes in logistics, quality assurance, training, and manufacturing that are displayed on smart glasses or a mobile device. Real-time information and predefined workflows can be displayed directly in the employee's field of vision via smart glasses. A major advantage is that employees have both hands free while working. In the area of AR- and MR-supported workflows, TeamViewer enables connectivity to a variety of backend systems and thus simple integration into existing IT landscapes. With this offering, TeamViewer has established a market-leading position among European competitors within a short period of time.

Operational Workflow Optimisation

Assisted order picking



Maintaining machines and robotics with smart glasses

Solutions for the future – Engineering and development in 2022

Realignment of the development priorities

Driven by innovations and ever-evolving customer requirements, the software industry is developing dynamically. An important success factor for software companies is the ability to develop new solutions and bring them to market quickly. Therefore, the TeamViewer Group sees development activities as crucially important for future success and makes them a high priority. In fiscal year 2021, the focus was on realigning the further development of products and research projects.

Priorities included improving the user experience for the core remote maintenance and access product and further developing other core products such as the Frontline platform and AssistAR. The development of applications outside the core products in contrast was largely discontinued in order to realise the cost savings targeted under the ReMax programme.

Focus on usability
The user experience when using TeamViewer software for the first time is crucial for success in the small and medium-sized business (SMB) segment as well as for popularity among non-licenced users. This is why TeamViewer focused on improving the user interface during the past fiscal year and decided, among other things, to prioritise the TeamViewer focus product as part of its ReMax programme. This will secure TeamViewer's long-term lead as the most popular remote access solution. Additionally, TeamViewer is revising the browser-based version to continue to provide broad compatibility with a wide range of operating systems.

460

FTEs in research and development

Customer-oriented development
Other focus products in development are the AR solutions TeamViewer Frontline and AssistAR. TeamViewer has moved up to second place globally[2] in the field of AR solutions for enterprises as a result of the strategic acquisitions in fiscal years 2020 and 2021. In the European region, TeamViewer is the leading company in this field. In the further development of its solutions, TeamViewer works closely with customers to identify real challenges and develop practical solutions. This includes, for example, improving low and no-code tools for creating AR workflows. These are software interfaces that rely on the "drag and drop" principle, allowing customers to create AR-based instructions for workflows without IT knowledge and transfer them directly to smart glasses.

[2] ABI Research studies can be found at https://www.abiresearch.com/market-research/product/7779381-enterprise-augmented-reality-platforms/

An eye on AI
TeamViewer also continues the development in the area of image recognition artificial intelligence. The Company's intelligent image recognition software can already be used by Frontline customers today. Warnings can be automatically recognised, and the wearer of the smart glasses made aware of them, for example, when special protective clothing must be worn in an area. The development focus is on enabling customers to easily train the AI themselves. This means that the software is not limited to one use case but can be trained to recognise any object without any programming knowledge.

Further development of AI expertise and existing AI-based solutions will continue to be a priority in the years ahead. AI and AR are two megatrends of the future that can also be profitably combined. Together, they have the potential to support people with intelligently processed data that is superimposed directly on the field of vision.

Future research projects
TeamViewer is involved in a number of university, public and private research projects to strengthen its own development expertise and exchange ideas. In this area, for example, data from wearables is being analysed to optimise personalised assistance systems. In one project, research is being conducted into how live data can be displayed via smart glasses to ship pilots during navigation. Various application scenarios of AR-supported systems are also being researched to support medical professionals as well as to explore the possibilities of remote access and control of medical devices for diagnostics and treatment.

R&D organisation

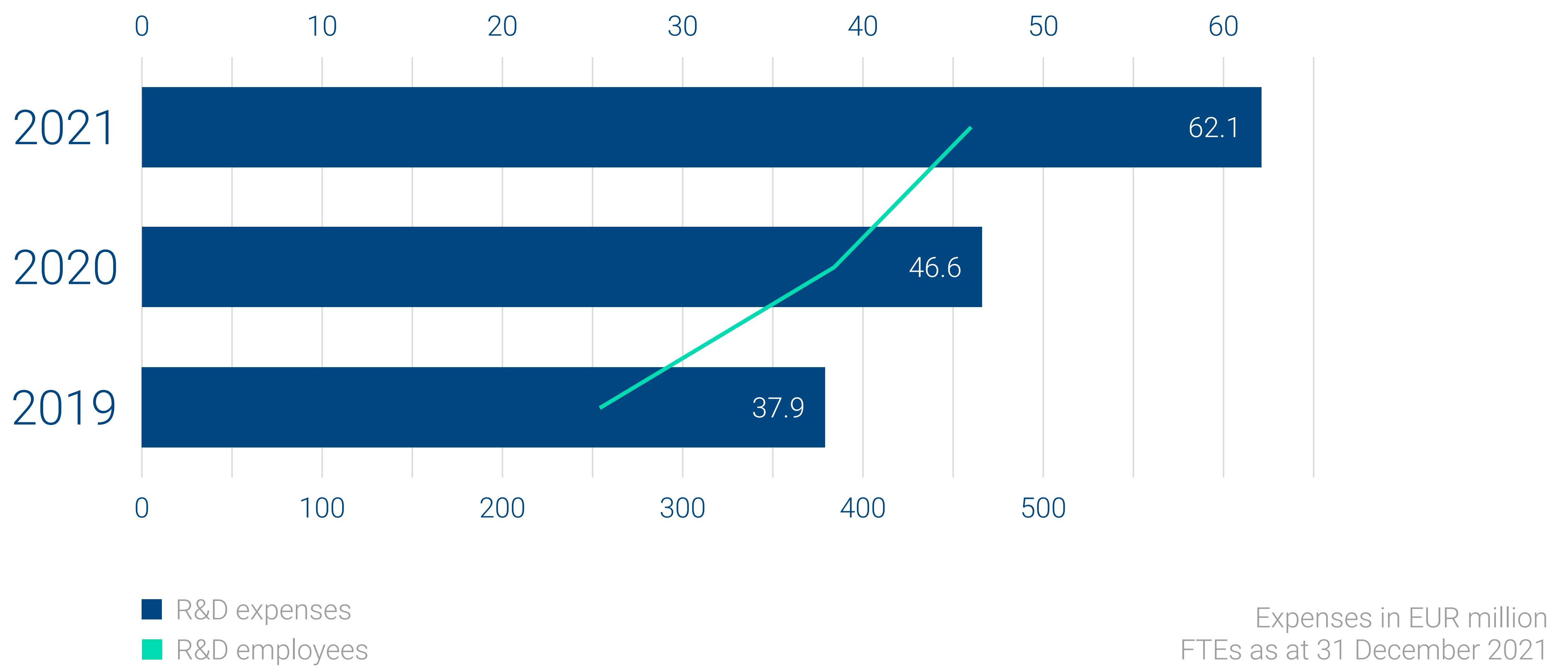
At the end of the fiscal year, 460 FTEs were employed in R&D throughout the Group (previous year: 384). This corresponds to an increase of 20%. The majority of employees work in Germany, primarily in Göppingen, as well as in the university-based locations of Stuttgart, Karlsruhe and Bremen (former Ubimax development site). Additionally, TeamViewer maintains R&D locations in Armenia, Greece, Austria, Portugal and the USA. The locations in Austria, Portugal and the USA were brought into the TeamViewer Group through the acquisitions of Chatvisor GmbH, Hapibot Studio Unipessoal Lda and the former Upskill Inc. These international locations provide the Group with access to a qualified local workforce and the further expansion of the acquired technologies.

R&D expenses

Research and development expenses amounted to EUR 62.1 million in fiscal year 2021 (2020: EUR 46.6 million). They include personnel costs, costs for work performed by service providers and cooperation partners and services rendered, as well as depreciation and amortisation.

TeamViewer's R&D expenses, excluding depreciation and amortisation and including adjustments made under the definition of adjusted EBITDA, amounted to EUR 46.0 million (2020: EUR 34.8 million). This corresponds to a share of 8.4% of billings (2020: 7.6%).

R&D: Expenses and employees



Security and data protection

Millions of businesses and people worldwide rely on TeamViewer solutions every day for business-critical processes as well as for private applications, resulting in high demands being placed on privacy and cybersecurity. It is therefore of central importance for TeamViewer's business to ensure data protection as well as IT and product security in the best possible way at all times. To meet these requirements, the TeamViewer Group has invested more than EUR 30 million in cybersecurity and data protection over the past five years and assembled several dedicated teams with a total of more than 50 experts.

EUR 30 million invested in cybersecurity and data protection over the past five years

More than 50 experts on the cybersecurity and data protection teams

Infrastructure and product security

To ensure the highest possible level of IT security and cyber hygiene, TeamViewer makes it a priority to ensure the ongoing sensitisation of all employees to these topics. Periodic questions on the contents of a total of 26 internal policies and guidelines provide permanent and freelance employees practical guidance for an effective security culture. The latest expertise on the patterns of possible attack attempts and the necessary actions for defence are also taught within the scope of 12 mandatory training courses annually. In 2021, a total of 35 circulars on specific security readiness topics were distributed to the workforce.

26 internal guidelines, 12 annual training-courses, 35 circulars

TeamViewer's security strategy follows a best-of-breed approach that prescribes the best available solution for each security application. In this way, the world's leading resources can be integrated into a comprehensive protection concept. Two dedicated IT security and product security teams are responsible for ensuring that TeamViewer's global IT infrastructure and all of the Group's products receive the best possible protection. These teams are supported by internal staff from other areas, alongside external consultants and providers of recognised security solutions. TeamViewer's system landscape, for example, is monitored around the clock by an external 24/7 security operations centre (SOC). The Group's security architecture is audited in accordance with HIPAA/HITECH, SOC 2, SOC 3, and TISAX, and all data centres processing TeamViewer data are ISO 27001 certified. TeamViewer's security level ranks in the highest category of the BitSight Cyber Security Rating and belongs to the top 10% of the global tech industry in a peer comparison.

The security concept also encompasses the physical security of all global offices. TeamViewer regularly conducts detailed security reviews of its corporate locations to ensure they meet the respective security requirements at all times. Reviews are conducted at both existing properties and for the opening of new locations. A standardised process makes it possible to conduct comparable periodic reviews of compliance with protection definitions and security objectives along defined audit areas.

24/7 security operations centre

TeamViewer has a Computer Security Incident Response Team (CSIRT) and a Product Security Incident Response Team (PSIRT), whose permanent readiness is based on a regularly updated security incident response plan and other security playbooks. As a certified member of the internationally renowned Forum of Incident Response and Security Teams (FIRST), the Group actively participates in the global exchange of information and experience regarding current threat situations. TeamViewer's IT infrastructure, entire solutions portfolio and relevant supply chain partners are regularly subjected to detailed security audits by leading service providers and discussed in the weekly meetings of the Security Steering Board. In 2021, a total of 400 person-days spread over the year were spent on the penetration testing of TeamViewer products. Specialised security service providers carried out four major consulting projects, including stress tests of the existing infrastructure, to review and improve IT security.

Certified member of the Forum of Incident Response and Security Teams (FIRST)

400 person-days for penetration testing of the entire product portfolio

Leader in the tech industry, according to BitSight Cyber Security Rating

TeamViewer strives for the highest level of product security by means of a Secure Software Development Life Cycle (S-SDLC) in all phases of software development. TeamViewer's software is signed using DigiCert Code Signing Certificates. The TeamViewer Group supports the Responsible Disclosure principle and works closely with independent security researchers through the Vulnerability Disclosure Program (VDP). It also works together with the Bug Bounty Programme run by the vendor YesWeHack to identify and fix any potential vulnerabilities in the TeamViewer software. These fixes are communicated publicly as security bulletins in the TeamViewer Trust Centre. TeamViewer has been a partner of the weekday briefing "Tagesspiegel Background Cybersecurity" sponsored by the daily newspaper "Tagesspiegel" since the end of 2021. Through these media partnerships it demonstrates its support for the development of a platform for an informed debate on cybersecurity in Germany.

CVE Numbering Authority (CNA) as one of only nine German companies

Contributor to the weekday briefing "Tagesspiegel Background Cybersecurity"

In 2021, TeamViewer continued to enhance its software functionalities in the security area. Among others, multifactor authentication (i. e. the login confirmation via a second device) for incoming connections is now available in addction to multi-factor authentication for accounts. This allows users to set up each connection so that it must first be authorised with a previously registered mobile device. The corresponding TeamViewer app can also be protected using biometric authentication. Based on artificial intelligence, efficient mechanisms have also been implemented to protect against brute force attacks and fraud attempts. In mid- 2021, TeamViewer discontinued the functionality of legacy versions 8, 9 and 10, offering all users of the deactivated versions the opportunity to upgrade to the latest version and use it for 10 years as of the respective date of purchase. With this offer, TeamViewer can ensure that all users benefit from the most up-to-date software and security architecture possible. For the same reason, TeamViewer only offers free use of its software to private users using the latest version.

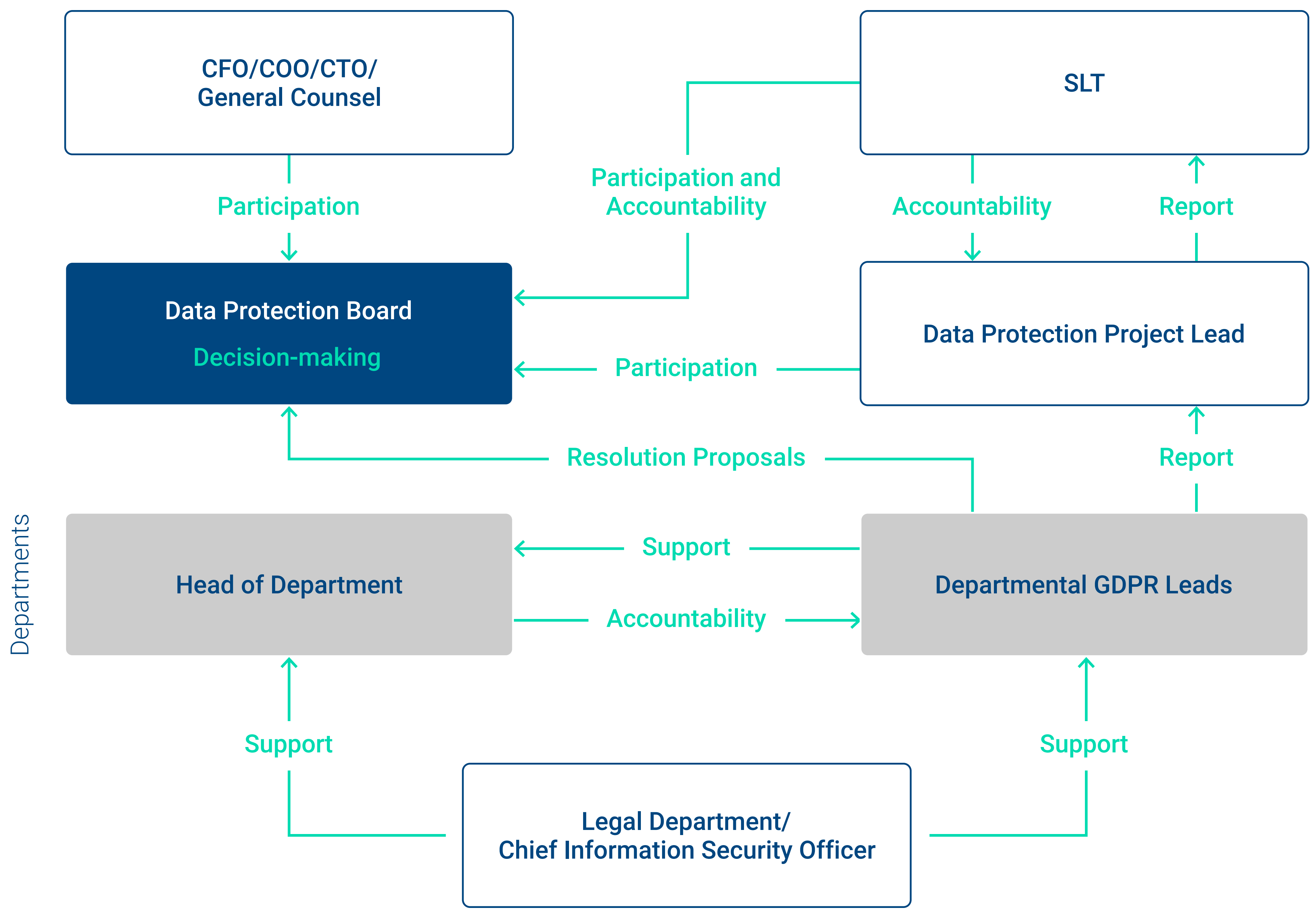
Innovative multi-factor authentication for individual connections

Highly effective fraud prevention based on artificial intelligence

The Management Board is kept continually informed of the current IT and product security developments and involved in the relevant discussions. The Management Board also reports regularly to the Supervisory Board regarding strategic cyber security issues. A Senior Leadership Team (SLT) deals with in-depth reports from the responsible experts for IT and product security at a detailed operational level. The security organisation is led by the Security Steering Board, which is chaired by the chief technology officer (CTO) and holds weekly meetings attended by all relevant department heads.

Regularly discussed by the Supervisory Board, Management Board, and Security Steering Board

TeamViewer's data protection organisation



Data protection

TeamViewer attaches very high importance to the protection of personal data. The Group's compliance policy places a special emphasis on adhering to the principles of personal data processing pursuant to Article 5 of the General Data Protection Regulation (GDPR). TeamViewer and all its affiliated companies, as data controllers and processors, fully acknowledge the resulting obligations.

The company-wide data protection organisation, established in 2017, has been continuously expanded and includes the Privacy Management Framework, which contains all data protection-related provisions, policies and procedures, including the Privacy Handbook, which is an internal set of rules containing the relevant processes and policies. In accordance with Article 5 GDPR, TeamViewer regularly and at least once annually prepares an accountability report on the implementation of the Privacy Management Framework. The current report is dated November 2021 and did not identify any relevant violations or deficiencies in the data protection organisation.

Each specialist department at the Company has a minimum of one dedicated and qualified employee known as the "GDPR Lead", who is responsible for GDPR compliance in the respective department. The tasks of the GDPR Leads include maintaining a complete inventory of processing activities, reviewing and concluding order processing contracts with contractors, and conducting data protection impact assessments. Appropriate technical and organisational measures are also implemented to ensure the security of all personal data entrusted to TeamViewer. In addition, the implementation of the principles "data protection through technology design" and "data protection through data protection-friendly default settings" is addressed.

Using a decentralised departmental structure, TeamViewer creates a strong link between data protection and GDPR compliance and operational responsibility. Responsibility for the implementation and compliance with the data protection organisation lies with the responsible department heads in the Senior Leadership Team (SLT), who declare themselves personally accountable for this in writing annually by means of a confirmation letter. As an integral component of data protection, the experts from the TeamViewer Legal department provide the data protection organisation with ongoing support. TeamViewer has also appointed an external, independent data protection officer in accordance with Article 37 GDPR, who supports TeamViewer in an advisory and auditing capacity and represents TeamViewer vis-à-vis the supervisory authorities.

Each specialist department has at least one GDPR lead

Governance

When collecting data, TeamViewer acts in accordance with the principle of data minimisation (Article 5 GDPR). An example of the measures TeamViewer takes to minimise the processing of personal data is the mobile device testing process. When TeamViewer sends data to its third-party provider as part of the mobile device testing process, the data exchange is limited to dummy/non-customer data. TeamViewer will ensure that testing as part of this sharing is performed by TeamViewer employees. These restrictions serve to limit the sharing and processing of personal data, especially customer data.

When collecting data, TeamViewer acts in accordance with the principle of data minimisation

In 2021, TeamViewer finalised a company-wide deletion concept that is centrally monitored and continuously maintained at a departmental level. This includes retention periods and timelines, as well as applied deletion mechanisms per system and programme, (automated or manual) to ensure a consistent approach to data deletion.

Additionally, once each year, as part of the company-wide data deletion month, all employees are asked to delete the unstructured data they keep in their systems for which they are responsible. These concerted and systematic efforts take into account the requirement that personal data under the definition of the GDPR may only be stored for as long as it is necessary for the purpose for which it is processed (Article 25 (2) and Article 5 (1) lit b and e) GDPR in conjunction with recitals 39 and 66).

TeamViewer has implemented an appropriate level of security using defined technical and organisational measures (TOMs) to ensure that the requirements of Article 32 in conjunction with Article 25 GDPR are met.

Among other things, access to systems containing personal data is controlled by a mixture of role-based access control (RBAC) and user rights management. This ensures that access to and use of data is minimised both in terms of general processing and in terms of the list and scope of access for TeamViewer employees. These access controls vary depending on the sensitivity of the data stored and operational requirements.

Requests for information from data subjects are processed within one month according to internal guidelines. A corresponding email request to privacy@teamviewer.com generates a ticket in the Freshdesk ticket system used for customer support. The request is verified by a dedicated employee to determine whether or not the data subject is authorised for the information and confirm whether the data subject is a customer, a free user or a (former) employee. The information in the systems containing personal data is collected by an internal ticket system. The data subject receives the link with the personal data as a response in the corresponding Freshdesk ticket.

Training and certification

TeamViewer has developed and implemented a structured and holistic training programme for data protection and data security that focuses on raising awareness regarding data protection in general and the requirements of the GDPR in particular and promoting a sound data protection culture within the Company.

All permanent and freelance employees receive regular mandatory training on data protection and GDPR topics, both in person and via the TeamViewer internal learning management platform. The training is based on a mixture of externally and internally created content. Training is conducted regularly at least every two months and as needed to all employees or those in specific departments.

The following data privacy training courses were rolled out in fiscal year 2021:

- 8 data protection training sessions, 180 minutes for each employee: refresher on data privacy basics as well as policies and processes (e.g. a new policy on home office data protection, handling data breaches, deletion of unstructured data)
- 5 data protection training sessions, 240 minutes for each new employee: mix of data protection basics as well as a clarification of internal processes

In addition to the general employee training programme, TeamViewer offers a qualification programme that provides interested employees, and particularly those who deal with data protection in the broadest sense as part of their job, with the opportunity to obtain certifications in the area of data protection, such as the Certified Information Privacy Professional/Europe (CIPP/E) certification. This certification is awarded by the International Association of Privacy Professionals (IAPP), of which TeamViewer maintains a Gold membership. Among others, this membership enables employees to access numerous online resources on the topic of data protection and to regularly participate in data protection workshops and congresses. The CIPP certifications were offered for the first time in 2020 and have since been successfully acquired by 59 employees.

The management also decided to subject the processing activities within the product to an external data protection audit with subsequent certification in accordance with Article 42 GDPR. The procedure is carried out by TÜViT, which accompanies the process as an external provider. For the certification itself, the EuroPriSe data protection seal was chosen, a certification for IT products and IT-based services. The certification process is expected to be completed and the data protection seal awarded by May 2022. The initial scope includes the TeamViewer core product for remote maintenance. The next step will be to decide whether to certify additional products (TeamViewer Engage, Classroom, or Frontline).

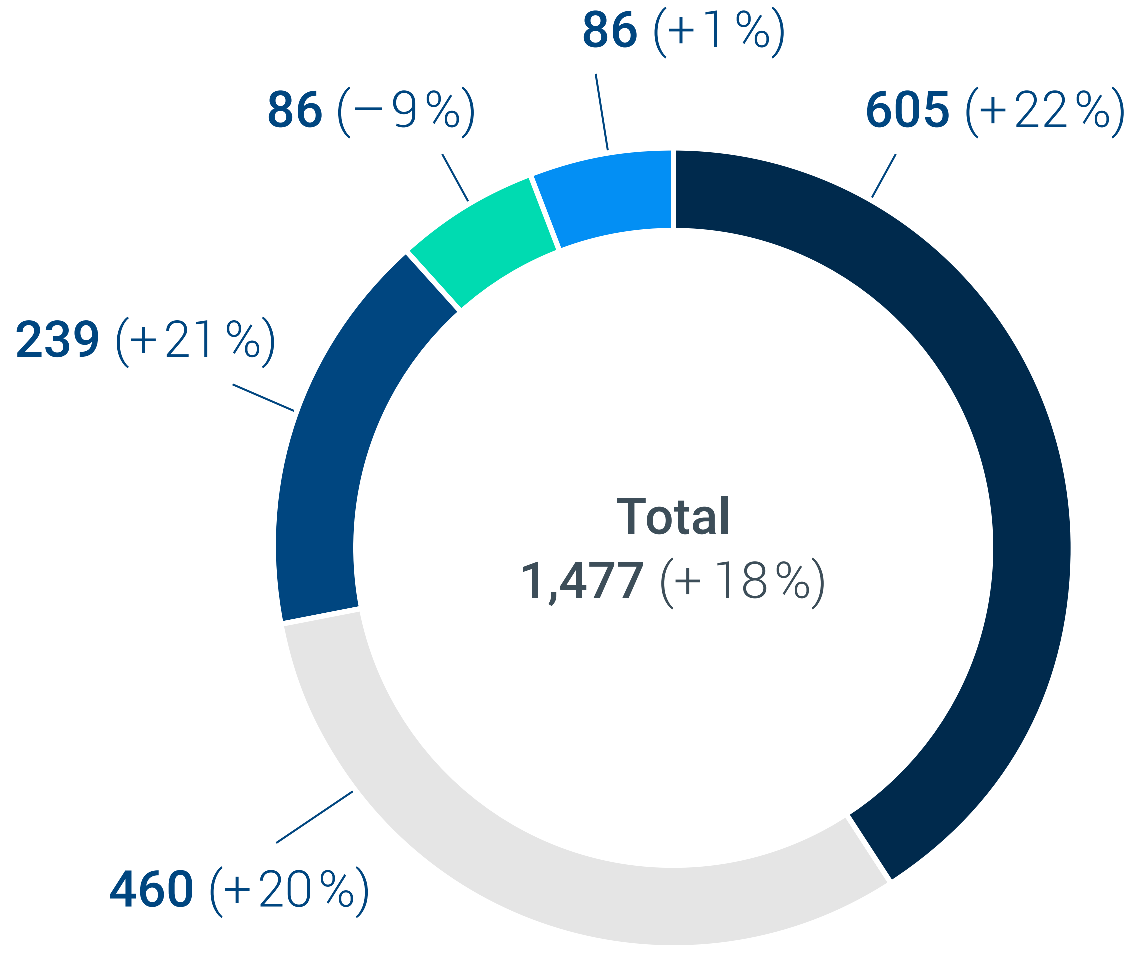
02 Employees

Increase in headcount (FT Es) of 18%

As at 31 December 2021, the Group employed 1,477 people worldwide (31 December 2020: 1,256 FTEs), representing a year-on-year increase of roughly 18%, in line with the growth in business volume. The largest percentage increases in headcount were in the APAC (+21%) and Americas (+20%) regions. In the EMEA region, the number of employees increased by 16%. In terms of specialty areas, the majority of new hires were in sales (+22%).

For more information on employee matters, please see the Non-Financial Report.

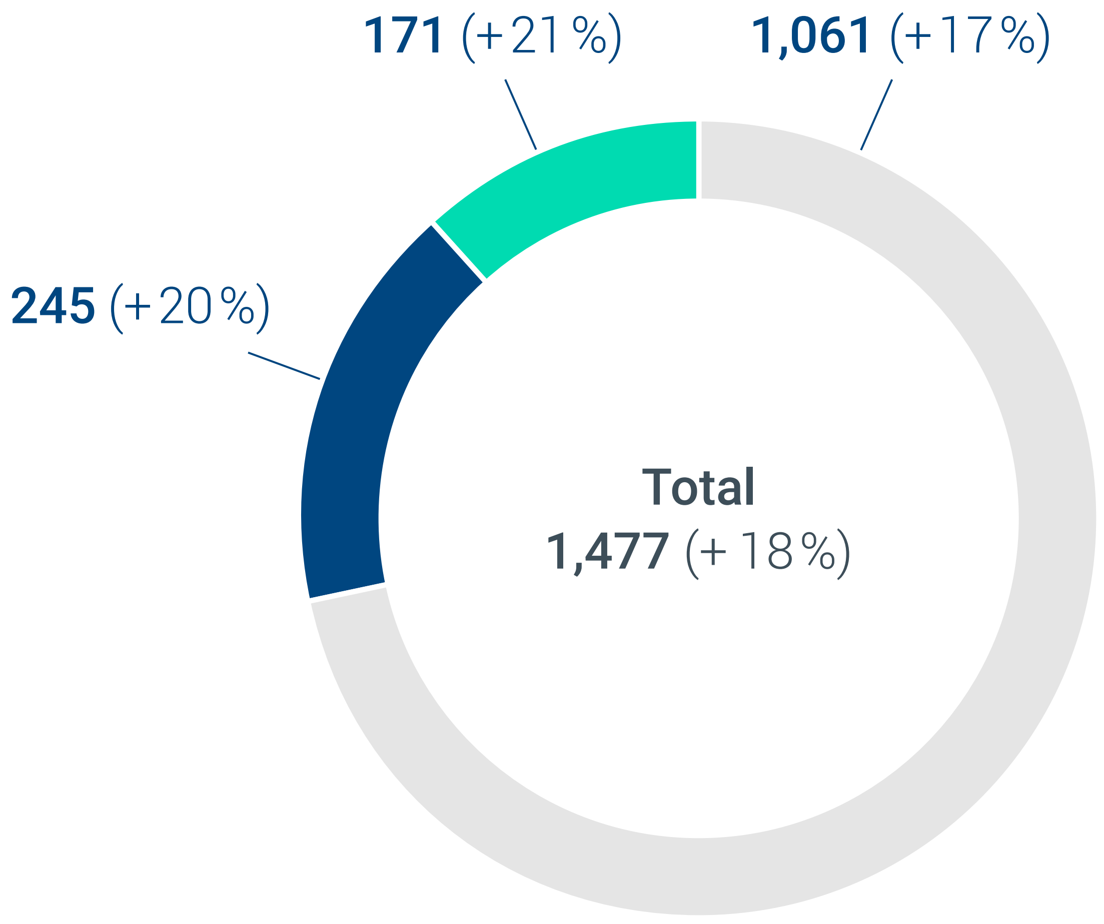
Breakdown of employees by function



605	(495)	Sales
460	(384)	Research & Development
239	(198)	Admin
86	(94)	Marketing
86	(85)	Tech Support
1,477	(1,256)	Total FTEs

As at 31 December 2021 (2020) in FTEs; change vs. previous year in percent

Breakdown of employees by regions



1,061	(911)	EMEA
245	(204)	AMERICAS
171	(141)	APAC
1,477	(1,256)	Total FTEs

As at 31 December 2021 (2020) in FTEs; change vs. previous year in percent

03 Corporate responsibility

Achieving climate neutrality no later than 2025 | Practicing a business model that takes social concerns into account by making software solutions available to private individuals free of charge | Joining the UN's Women Empowerment Principles programme to strengthen the advancement of women in leadership positions

TeamViewer aims to leverage its innovation to positively influence the world and lead the Company as an example of what it means to be a good local, regional, national and international partner.

TeamViewer divides its corporate responsibility according to the following three major categories of the ESG concept:

- E – Evirnonment
- S – Social
- G – Governance

Environment

In 2021, TeamViewer's particular focus was geared towards the further progress of its climate strategy. TeamViewer is aware of its corporate responsibility and believes it is important to take a pioneering role in tackling the climate crisis. In line with this belief, it brought forward its target horizon for reaching climate neutrality for the entire company by five years, from 2030 to 2025. At the same time, it defined internal measures to help reduce CO_2e emissions by 50% (in relation to sales). Joining the Science-Based Targets Initiative (1.5°C path) further illustrates the level of ambition. A detailed description of the climate strategy, targets, and measures can be found in the Non-Financial Report.

Social

The Company attributes its greatest social impact to its business model. Through the use of TeamViewer solutions, millions of individuals gain access to digital infrastructure and free remote access, as well as remote control and support capabilities. TeamViewer products enable people to help others while simultaneously decreasing the need for travel and reducing associated CO_2e emissions.

For a detailed description of TeamViewer's approach to managing social responsibility and about related projects, please refer to the Social Responsibility chapter of the Non-Financial Report.

Governance

TeamViewer is committed to global standards of sustainable corporate governance, such as the UN Global Compact, which it already joined in 2020. TeamViewer places a special emphasis on the topics of diversity and equal opportunity, including the promotion of women to executive positions. To underscore this emphasis, TeamViewer joined the UN's Women Empowerment Principles (WEPs) programme in 2021 to expand on its UN commitments.

A detailed presentation of governance topics can be found in the Corporate Governance Statement chapter and in the comments on Security and data privacy and Employees.

In the past fiscal year, TeamViewer's ESG performance was evaluated by several rating agencies resulting in an "AA" rating (on a scale of AAA-CCC) for TeamViewer AG from MSCI ESG Ratings (for more information, please refer to the Non-Financial Report).

Categories of the ESG concept

04 Economic report

Strategically well positioned in attractive growth markets | Billings growth of 19% | Adjusted EBITDA slightly lower due to increased marketing expenses | Debt further reduced: net leverage decreases from 1.7 x to 1.3 x | Enterprise business growing very rapidly

Economic conditions

Macroeconomic conditions

According to the Kiel Institute for the World Economy (IfW), the global economic recovery lost momentum in the second half of 2021. For 2021, the IfW expects global gross domestic product (GDP) growth of 5.7% for the year as a whole. In addition to the ongoing burdens of the COVID-19 pandemic, the economic recovery was hampered by increasing supply bottlenecks, associated restrictions on the production of goods, and increased inflationary pressure. In the advanced economies, economic activity had weakened noticeably by the end of 2021. In the United States, less fiscal stimulus, which was a particular driver of private consumption in the first half-year, as well as increasing problems in the procurement of intermediate products in industries, led to a slowdown in production growth. For the United States, the IfW expects GDP growth of 5.6% in 2021. Due to the high level of COVID-19 infections in the European Union and the related containment measures, the IfW expects GDP in the EU to have increased by 5.0% in the 2021 reporting period.[3]

Sector-specific environment

After a weaker year in 2020 as a result of the pandemic, global IT spending increased by 9.5% to around USD 4.2 trillion[4] in 2021, according to estimates by the market research institute Gartner Inc. At the same time, the pressure to digitise, which became even more prevalent with the onset of the pandemic, remained at a high level. A study from consulting firm McKinsey & Company shows that the pandemic had led to pull-forward effects in 2020 in many areas, including in the areas of remote work and digital engagement with customers. This led to a level of adoption rates within a very short time that would have[5] otherwise taken several years to achieve without the influence of the COVID-19 pandemic. These pull-forward effects caused a slowdown in growth in the remote access and remote support markets in 2021, as many companies in 2020 had already made the investments that had been originally targeted for 2021. In contrast to this, the market for enterprise augmented reality applications continues to be characterised by strong growth. According to the projections of market research institute ABI Research, this market is anticipated to grow 66% annually[4] until the year 2026. Consequently, the environment in the market segments relevant to the Group in the reporting year was characterised by sustained growth, albeit at a somewhat slower pace than in the previous year.

[3] Kiel Economic Reports of the Kiel Institute for the World Economy (IfW) Global Economy, Winter 2021.

[4] https://www.gartner.com/en/newsroom/press-releases/2021-10-20-gartner-forecasts-worldwide-it-spending-to-exceed-4-trillion-in-2022

[5] https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/how-covid-19-has-pushed-companies-over-the-technology-tipping-point-and-transformed-business-forever

[6] https://www.abiresearch.com/press/demand-augmented-reality-enterprise-and-consumer-markets-create-us175-billion-ar-market-2026/

The market for enterprise augmented reality applications continues to be characterised by strong growth

Business development

In 2021, TeamViewer took strategically important decisions to secure its future growth trajectory. It strengthened its product portfolio by acquiring Upskill Inc. and Viscopic GmbH, which are both active in the fast-growing field of augmented reality solutions. The offerings of these companies, whose customers include global corporations such as Ford, DHL, DB Schenker and Airbus, were fully integrated into the Frontline augmented reality platform during the reporting year. With its acquisition of Xaleon (now: TeamViewer Austria GmbH), TeamViewer also entered the customer engagement software segment, thereby expanding its portfolio along the value chain to include solutions for sales and customer support.

In addition, TeamViewer entered into numerous partnerships with leading companies from a variety of industries. Among the most important partnerships are the collaborations with SAP and Google Cloud. They represent an important pillar of TeamViewer's long-term growth as they accelerate the expansion into strategically relevant industries and enable the Company to broaden its sales presence. These partnerships also underscore the quality of TeamViewer's enterprise offering and the Company's prominence in the global tech ecosystem.

TeamViewer is investing heavily in its brand and increasing the marketing of its expanded product offering across all customer segments. Two important cornerstones to strengthen TeamViewer's brand awareness and bring the Company closer to its goal of becoming a global technology brand are the five-year partnership with Manchester United Football Club and the long-term partnerships with the Mercedes Formula 1 and Formula E racing teams. In the long term, these partnerships should intensify business growth with small and medium-sized businesses, as well as with large enterprise customers.

At the Capital Markets Day in November 2021, TeamViewer announced several initiatives to re-accelerate the Company's growth and stabilise its cost structure.

In December 2021, TeamViewer appointed Sojung Lee as President for the Asia-Pacific (APAC) region. Her appointment will drive TeamViewer's growth in the core markets of the APAC region, which includes China, Japan, India, Australia and New Zealand. As a further expert for the Asian markets, Hera Kitwan Siu was also appointed as a new member of the Supervisory Board in November 2021.

Comparison of actual versus forecast business development

In the 2020 management report, the TeamViewer Group projected billings of EUR 585 million to EUR 605 million (an increase of 29% to 33% compared to 2020) and revenue in the range of EUR 525 million to EUR 540 million for 2021. The expectations for the adjusted EBITDA margin ranged between 55% and 57%. In the course of the year, this forecast had to be adjusted as growth fell short of the original expectations. The reasons for this were complex. One was the strong pull-forward effects in the area of remote work in 2020, when companies worldwide were taken by surprise by the pandemic. This led to a larger adjustment in the purchased volumes of remote connectivity in the 2021 contract renewals and, at the same time, increased competition within the entry level of this segment. In addition, with the corona restrictions remaining in place, it was difficult for the Company to optimally integrate newly hired employees in 2021, physically match them with experienced team members, and accelerate their learning curve. All of this meant that the targets set at the beginning of the year had to be adjusted. With the full-year 2021 results, billings and revenue slightly exceeded the expectations that had been revised in October. At 47%, the adjusted EBITDA margin also exceeded the revised forecast range of 44% to 46%, supported by the initial positive effects of the ReMax efficiency improvement programme announced in November 2021.

Original guidance for 2021 and adjustment in guidance in the course of 2021

In EUR million	Fiscal year 2020	Forecast (2020 Management Report)	Forecast (March 2021)	Forecast (October 2021)	**Fiscal year 2021**
Billings	460.3	585 to 605	585 to 605	535 to 555	547.6
Growth compared to previous year (in %)	+41.7	+29 to +33			+19.0
Revenue	455.6	525 to 540	525 to 540	495 to 505	501.1
Adjusted EBITDA	261.4				257.0
Adjusted EBITDA margin	+57	+55 to +57	+49 to +51	+44 to +46	+47

Earnings position of the Group

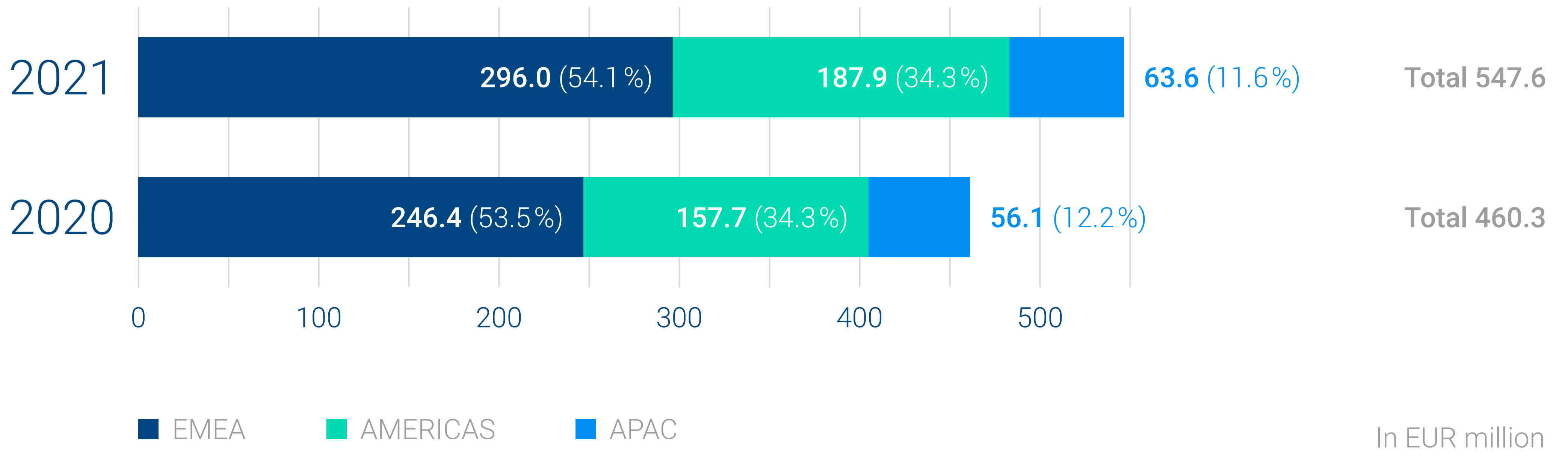
The following overview describes the development of the key earnings figures of the TeamViewer Group in fiscal year 2021 compared to the prior year. In addition to the most important items of the income statement according to IFRS, the overview also shows the reconciliation to the management view, in which the change in deferred revenue recognised in profit or loss and certain items defined by the Management Board in consultation with the Supervisory Board are adjusted. The individual items to be adjusted are explained in the section Operating profit (EBIT) and Adjusted EBITDA. TeamViewer management uses billings and adjusted EBITDA as primary financial performance indicators to manage the Group.

Key figures of TeamViewer Group's operating results

In EUR million	2021 IFRS	2021 Reconciliation	2021 Management view	2020 IFRS	2020 Reconciliation	2020 Management view
Revenue/billings	501.1	46.5	547.6	455.6	4.7	460.3
EBITDA[1]/adjusted EBITDA	168.3	88.7	257.0	205.1	56.3	261.4
EBITDA in % of revenue/ adjusted EBITDA in % of billings	33.6	13.3 pp[2]	46.9	45.0	11.8 pp[2]	56.8
EBIT	117.4			164.0		
Net income/(loss) for the year	**50.1**			**103.0**		

[1] EBITDA is not a key performance indicator according to IFRS but is included in the table for a clearer understanding.
[2] pp = percentage points.

Breakdown of billings by regions



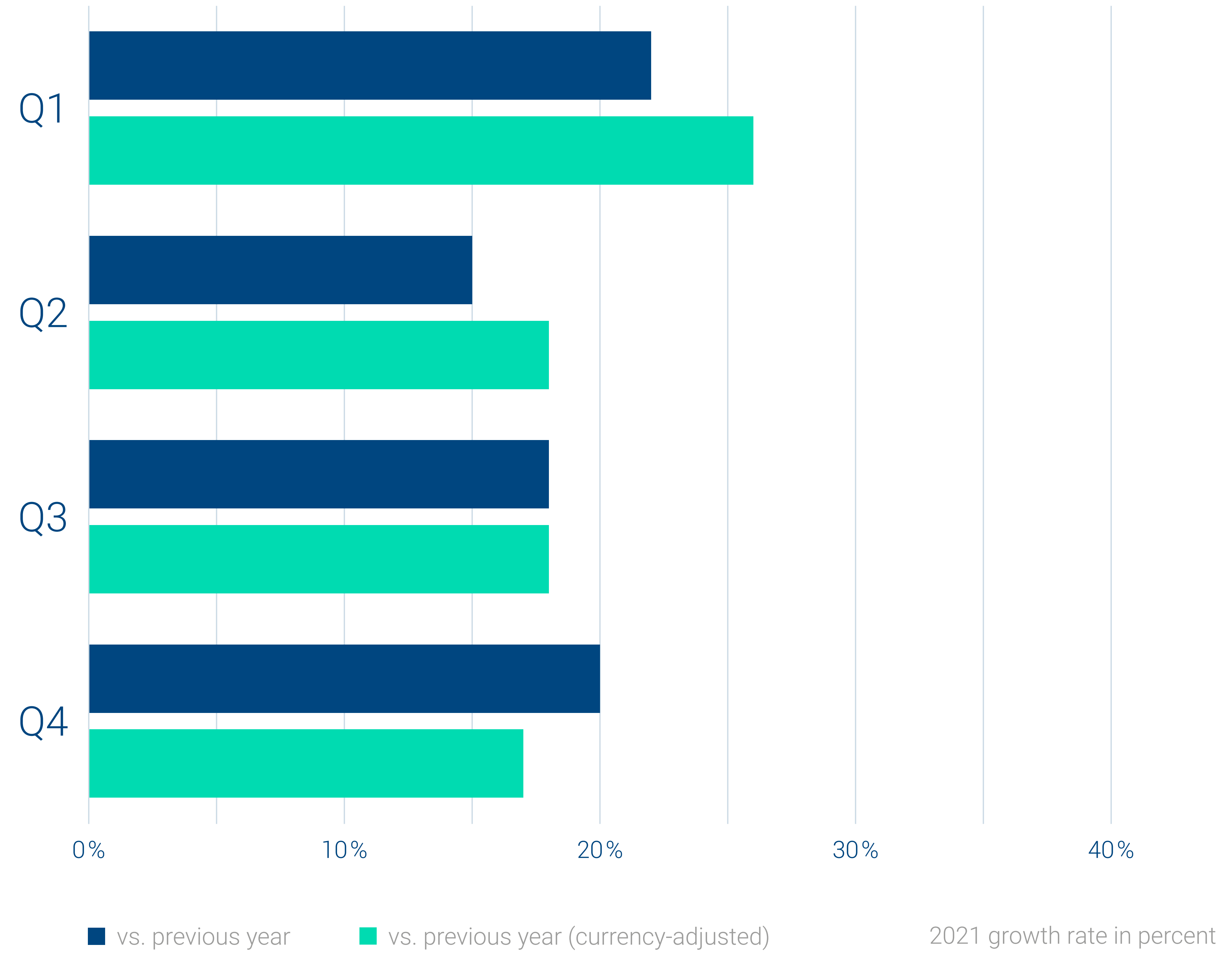
Billings

Billings represent the (net) value of goods and services invoiced to the customer within a specific period and which constitute a contract within the meaning of IFRS 15. Billings result directly from customer contracts and are not affected by the deferral of revenue. In the management's view, billings therefore reflect the underlying business performance of the TeamViewer Group better than revenue as they are no longer impacted by perpetual licences. Therefore, the TeamViewer Group uses billings as a primary performance indicator to measure and assess the performance of the Company. Billings can be reconciled from IFRS revenue, adjusting for the change in deferred revenue recognised in profit or loss.

The Group's billings in the 2021 reporting year increased by 19.0% to EUR 547.6 million (2020: EUR 460.3 million). Adjusted for currency effects, the increase was 19.8%[7]. The negative currency effect resulted primarily from the depreciation of the US dollar against the euro. For more information on currency translation, please refer to the explanations in the notes to the consolidated financial statement. The contribution of the companies acquired in the reporting year to the growth in billings was not significant.

[7] To determine the currency-adjusted billings of the fiscal year, the exchange rates used for the billings of the previous year are used and applied to the billings of the fiscal year. To determine the currency-adjusted growth, the currency-adjusted billings of the fiscal year are set in relation to the billings of the previous year.

Billings growth by quarter



The last two fiscal years were essentially atypical years: 2020 with unexpectedly high growth, largely driven by extreme extraordinary demand for TeamViewer's remote connectivity solutions as a result of the lockdowns caused by the COVID-19 pandemic; followed in 2021 by customers decreasing their contract volumes. TeamViewer's development on average over the past two years was very positive.

In the EMEA region, billings increased by 20.1% to EUR 296.0 million (2020: EUR 246.4 million) in the reporting year. This increase resulted from the continued growth in the business with small and medium-sized enterprises and a significant expansion in business with enterprise customers. With a slightly higher share of 54.1% of total billings (2020: 53.5%), EMEA remained the Group's most important region in the 2021 fiscal year. In the AMERICAS region, billings increased by 19.2% (adjusted for currency effects: 21.9%) and reached EUR 187.9 million (2020: EUR 157.7 million). Growth in the AMERICAS region was driven mainly by the Enterprise segment. In the APAC region, the Group generated an increase in billings of 13.4% (currency-adjusted: 14.1%) to EUR 63.6 million (2020: EUR 56.1 million) in fiscal year 2021. The growth in the APAC region was primarily a result of the billings growth in Australia (EUR +3.1 million) and India (EUR +1.1 million).

Revenue

Revenue of the TeamViewer Group pursuant to IFRS includes billings and changes in deferred revenue recognised in profit or loss. The Group usually bills its software products at the start of the contract in one amount. This amount is mostly recognised in revenue over a period of 12 months. This means that if billings rise, the revenue of a fiscal year is lower than the billings of the fiscal year. The following table shows the reconciliation of billings to revenue for fiscal year 2021 and the prior-year period.

After the conversion of the business model to a subscription model in fiscal year 2018, the Group no longer sells perpetual licences. The revenue deferred under the old licence model is released over a three-year period and will therefore expire gradually. The release of deferred revenue from perpetual licences year resulted in revenue of EUR 2.6 million (2020: EUR 46.2 million) in the 2021 reporting.

The transition is now complete, and there is no further significant deferred revenue from perpetual licence sales. The almost complete elimination of these licence sales however has had a considerable impact on reported revenue growth and, given the very high gross margin, a corresponding significant impact on the Group's EBIT.

In the subscription business, the revenue is deferred over the term of the subscription (usually on a monthly or yearly basis). The balance from the release or addition of deferred revenue from the subscription business during the 2021 reporting year resulted in an effect on revenue of EUR (49.0) million (2020: EUR (50.9) million).

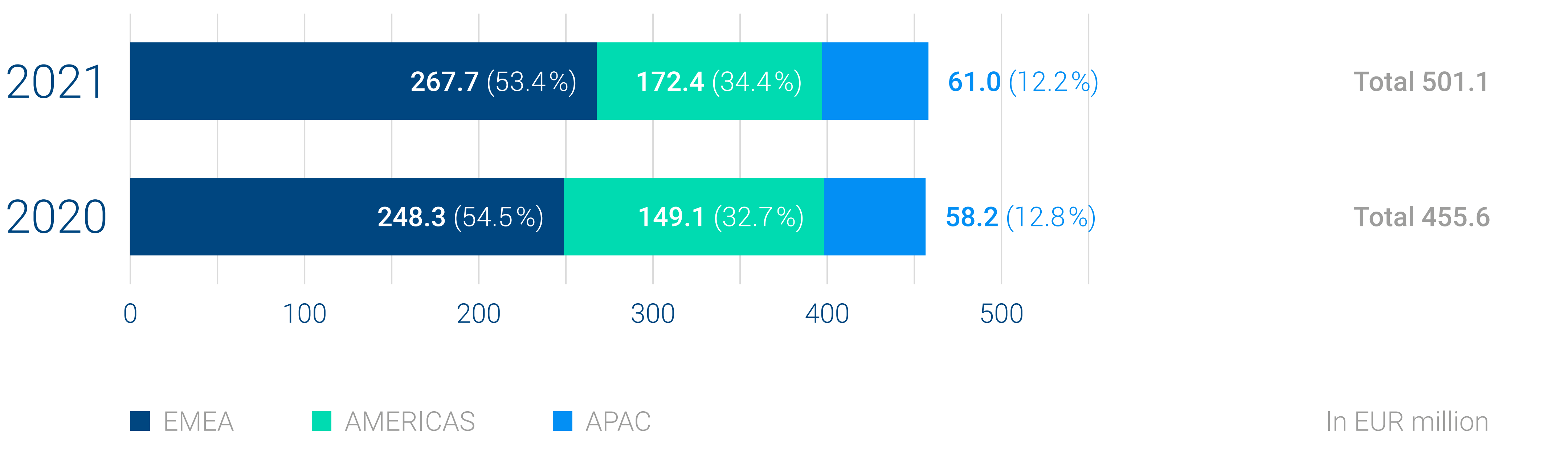
Reconciliation of billings to revenue

In EUR million	2021	2020	Change	In %
Billings	**547.6**	**460.3**	**87.3**	**19**
Change in deferred revenue recognised in profit or loss	(46.5)	(4.7)	(41.8)	(889)
of which from the subscription business	(49.0)	(50.9)	1.8	4
of which from perpetual licences	2.6	46.2	(43.7)	(95)
Revenue	**501.1**	**455.6**	**45.5**	**10**

Revenue Perpetual vs. Subscription

In EUR million	2021	2020	Change	In %
Subscription	498.5	409.3	89.2	21.8%
Perpetual	2.6	46.3	(43.7)	(94.4%)
Total	**501.1**	**455.6**	**45.5**	**10.0%**

Breakdown of revenue by region



Overall, the Group's revenue in the 2021 fiscal year increased by 10.0% to EUR 501.1 million (2020: EUR 455.6 million). The lower percentage increase compared to the development of billings resulted primarily from the lower release of deferred revenue for perpetual licences.

In the EMEA region, the TeamViewer Group achieved revenue of EUR 267.7 million in 2021 (2020: EUR 248.3 million). This corresponds to growth of 7.8%. The EMEA region remained the Group's strongest region in terms of revenue. In the AMERICAS region, revenue increased by 15.6% to EUR 172.4 million (2020: EUR 149.1 million) and in the APAC region by 4.8% to EUR 61.0 million (2020: EUR 58.2 million).

Total costs and other income

The Group's cost of sales increased by 10.7% to EUR 70.9 million (2020: EUR 64.1 million) in fiscal year 2021. The main reason for the increase in cost of sales is the higher amortisation of intangible assets from business combinations. Cost of sales as a percentage of revenue was 14.2%, almost unchanged from the previous year (2020: 14.1%).

Gross profit, defined as revenue less cost of sales, increased accordingly by 9.9% to EUR 430.2 million (2020: EUR 391.5 million).

R&D costs increased by 33.3% to EUR 62.1 million in 2021 (2020: EUR 46.6 million). The increase in the number of software developers was the main contributor to the higher costs.

The 149.8% increase in marketing costs to EUR 96.1 million (2020: EUR 38.5 million) is largely attributable to higher sponsorship and advertising activities.

The 14.8% increase in sales expenses in the reporting year to EUR 89.2 million (2020: EUR 77.7 million) resulted from the further expansion of the sales organisation.

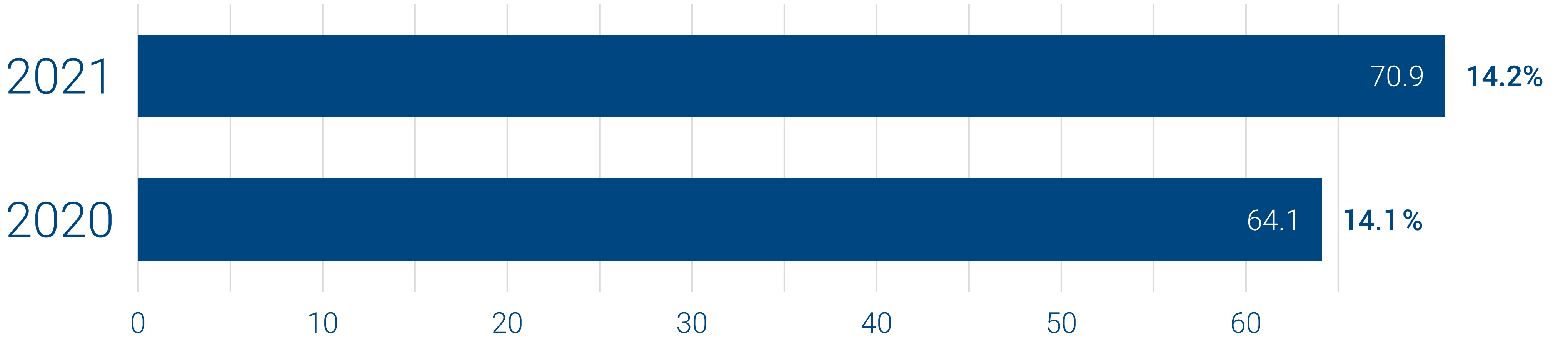
The 6.2% decrease in general and administrative expenses in the 2021 fiscal year to EUR 51.5 million (2020: EUR 54.9 million) mainly resulted from lower expenses for share-based compensation.

Other income amounted to EUR 5.0 million in the 2021 fiscal year (2020: EUR 5.3 million) and largely includes income from the measurement of contingent purchase price payments and government grants.

The increase in other expenses to EUR 2.9 million (2020: EUR 0.4 million) mainly includes expenses from the measurement of currency options in the amount of EUR 2.5 million.

Impairment losses on trade receivables increased by 9.6% to EUR 16.0 million in the 2021 fiscal year (2020: EUR 14.6 million). The increase is mainly due to the rise in revenue.

Cost of sales trend



In EUR million; in percent of revenue

Operating profit (EBIT) and adjusted EBITDA

Operating profit (EBIT) declined by 28.4% to EUR 117.4 million (2020: EUR 164.0 million) in fiscal year 2021. The EBIT margin in relation to revenue decreased from 36.0% to 23.4%, mainly due to the lower revenue from the release of deferred revenue from perpetual licences and the increase in marketing costs. In contrast, expenses for share-based compensation decreased by EUR 22.5 million. This is mainly due to a change in the estimate of the vesting period for the EPP programme.

Depreciation and amortisation on tangible and intangible assets, which are included in total costs, amounted to EUR 50.9 million in the reporting year (2020: EUR 41.1 million). This increase resulted mainly from additions to fixed assets in the context of business combinations. These mainly include software and customer relationships.

EBITDA, defined as EBIT plus depreciation and amortisation, decreased by 17.9% to EUR 168.3 million (2020: EUR 205.1 million). The EBITDA margin in relation to revenue fell from 45.0% in the fiscal year 2020 to 33.6%. In line with the development of the EBIT margin, this decline was mainly due to lower revenue from the release of deferred revenue from perpetual licences and the increase in marketing costs.

The table on the next page shows the reconciliation from operating profit to adjusted EBITDA, the Group's primary performance indicator for operating profit development. Adjusted EBITDA is defined as operating profit (EBIT) according to IFRS, plus depreciation and amortisation on tangible and intangible assets (EBITDA), adjusted for the change in deferred revenue recognised in profit or loss in the period under review and for certain business transactions (income and expenses) defined by the Management Board in consultation with the Supervisory Board. Business transactions to be adjusted are related to share-based compensation models and other precisely defined material special items, which are adjusted in order to show the underlying operational development of the Company.

Expenses for share-based compensation of EUR 22.0 million (2020: EUR 12.1 million) result from remuneration programmes of the TeamViewer Group and the business combination with Ubimax. In addition, TigerLuxOne S. .r.l. (TLO) has established remuneration programmes resulting in share-based compensation expenses of EUR 4.4 million (2020: EUR 36.8 million). Although the TeamViewer Group does not grant this share-based compensation itself, it is nevertheless obliged to account for it, because TeamViewer was part of the parent group of TLO and this share-based compensation represents share-based compensation transactions between group companies. The liquidity of the TeamViewer Group is not affected by these transactions.

Reconciliation from operating profit to adjusted EBITDA

In EUR million	2021	2020
Operating profit	**117.4**	**164.0**
Depreciation and amortisation	50.9	41.1
EBITDA	**168.3**	**205.1**
Change in deferred revenue recognised in profit or loss	46.5	4.7
Expenses for share-based compensation	26.4	48.9
Other items to be adjusted	15.8	2.7
Adjusted EBITDA	**257**	**261.4**

Other items to be adjusted include reorganisation expenses of EUR 7.2 million (2020: EUR 0.4 million), expenses from special IT projects of EUR 3.3 million (2020: EUR 1.9 million), expenses from the measurement of financial instruments of EUR 3.0 million (2020: revenue EUR 3.0 million), expenses for special legal disputes of EUR 0.6 million (2020: EUR 0.4 million) and expenses in connection with business combinations of EUR 0.0 million (2020: EUR 1.8 million). These include transaction costs in connection with business combinations of EUR 2.4 million (2020: EUR 1.8 million) and income from the measurement of contingent purchase price liabilities of EUR 2.7 million (2020: EUR 0.0 million).

The reorganisation expenses mainly relate to expenses from staff reductions in connection with the alignment of the workforce to growth areas and the optimisation of business processes.

In the 2021 fiscal year, adjusted EBITDA decreased by 1.7% to EUR 257.0 million (2020: EUR 261.4 million). The main reason for this decrease is higher marketing expenses due to the sponsorship contracts with Manchester United and Mercedes-AMG Petronas Formula 1 Team and Mercedes-EQ Formula E Team. The adjusted EBITDA margin as a percentage of billings decreased to 46.9% in fiscal year 2021 (2020: 56.8%).

Earnings before taxes (EBT)

Finance income fell from EUR 3.0 million to EUR 0.6 million in fiscal year 2021. The previous year's figure included primarily income from refinancing in 2020. Finance expenses fell to EUR 19.2 million (2020: EUR 22.9 million). The decrease of EUR 3.7 million resulted mainly from lower interest rates on bank loans, which more than compensated for the increased financing volume.

The balance of currency translation income and expenses amounted to EUR (13.5) million in the 2021 fiscal year (2020: EUR 26.3 million). The decrease of EUR 39.8 million is mainly due to the measurement of financial liabilities in USD and GBP as at the reporting date.

Based on these developments, profit before taxation (EBT) fell to EUR 85.4 million in the 2021 fiscal year (2020: EUR 170.4 million).

Net income/loss

In the 2021 reporting year, income taxes consisted of current tax expenses of EUR 38.4 million (2020: EUR 42.6 million) and deferred tax benefits of EUR 3.1 million (2020: tax expenses of EUR 24.8 million). In the 2021 fiscal year, this resulted in a total tax expense of EUR 35.3 million (2020: EUR 67.4 million), corresponding to a tax rate of 41.4% (2020: 39.5%). The reduction in the current tax expense is mainly due to the decrease in profit before taxation. The change in deferred tax benefits in 2021 of EUR 3.1 million compared to a deferred tax expense in 2020 of EUR 24.8 million mainly results from a decrease in deferred tax expense for deferred revenue of EUR 12.8 million, deferred tax benefits for financial liabilities in USD and GBP of EUR 19.3 million and other changes for deferred taxes of EUR (4.1) million.

The tax rate in the fiscal year of 41.4% (2020: 39.5%) exceeded the Group tax rate of 28.8%, mainly due to non-tax-deductible expenses from share-based compensation and from the non-capitalisation of loss carryforwards at the level of TeamViewer AG.

In the fiscal year 2021, the Group net income/loss was EUR 50.1 million compared to EUR 103.0 million in the previous year. This resulted in earnings per share of EUR 0.25 (2020: EUR 0.52).

Net assets and financial position of the Group

Net assets of the Group

The Group's total assets rose by 45.4% to EUR 1,546.7 million as of 31 December 2021 (31 December 2020: EUR 1,063.4 million). As in the previous year, non-current assets accounted for the majority of the assets side of the balance sheet at EUR 970.0 million (31 December 2020: EUR 948.1 million). Current assets totalled EUR 576.7 million (31 December 2020: EUR 115.3 million).

Asset side of the balance sheet

In EUR million	31 Dec. 2021 (Share of total assets)		31 Dec. 2020 (Share of total assets)	
Non-current assets	970.0	62.7%	948.1	89.2%
Current assets	576.7	37.3%	115.3	10.8%
Total assets	**1,546.7**	**100.0%**	**1,063.4**	**100.0%**

As at 31 December 2021, the Group's non-current assets comprised goodwill, intangible assets, property, plant and equipment, financial assets, other assets and deferred tax assets. In total, non-current assets increased by EUR 21.9 million or 2.3% in the reporting year.

The increase in non-current assets as at 31 December 2021 compared to the previous year resulted mainly from business combinations.

Goodwill increased by EUR 20.4 million to EUR 667.2 million (31 December 2020: EUR 646.8 million) in the fiscal year due to business combinations (Chatvisor GmbH, Upskill, Inc., Viscopic GmbH and Hapibot Studio Unipessoal Lda) and thus continued to represent the largest item within non-current assets. The decrease in intangible assets to EUR 248.2 million as at the reporting date (31 December 2020: EUR 255.3 million) resulted mainly from amortisation of EUR 39.3 million (2020: EUR 33.3 million). Additions resulted from business combinations in the amount of EUR 23.5 million (2020: EUR 37.6 million) and additions for software in the amount of EUR 8.6 million (2020: EUR 15.3 million), which mainly include capitalised implementation expenses for the ERP system in the amount of EUR 7.4 million. The increase in property, plant and equipment to EUR 45.5 million (31 December 2020: EUR 40.5 million) was due to investments of EUR 16.2 million (2020: EUR 26.2 million). This was offset by depreciation of EUR 11.6 million (2020: EUR 7.8 million).

The Group's current assets as at 31 December 2021 comprised trade receivables, other assets, tax receivables and cash and cash equivalents.

The increase in current assets as at 31 December 2021 resulted mainly from the increase in cash and cash equivalents due to the drawing of new bank loans and from the operating cash flow. At EUR 550.5 million (31 December 2020: EUR 83.5 million), cash and cash equivalents continued to be the largest item within current assets. The increase in other assets by EUR 5.4 million to EUR 13.0 million (31 December 2020: EUR 7.6 million) resulted mainly from capitalised costs for customer contracts. Trade receivables decreased in the reporting year to EUR 11.6 million (31 December 2020: EUR 19.7 million). This resulted from an increase in billings net yet due of EUR 11.1 million due to longer payment terms with Enterprise customers. The Group recognises trade receivables that are not due only in the amount of the services already rendered.

Equity and liabilities side of the balance sheet

In EUR million	31 Dec. 2021	(Share of equity and liabilities)	31 Dec. 2020	(Share of equity and liabilities)
Equity	320.1	20.7%	240.7	22.6%
Non-current liabilities	889.5	57.5%	471.7	44.4%
Current liabilities	337.1	21.8%	351.0	33.0%
Total equity and liabilities	**1,546.7**	**100.0%**	**1,063.4**	**100.0%**

The Group's equity rose by EUR 79.4 million to EUR 320.1 million as at 31 December 2021 (31 December 2020: EUR 240.7 million). The increase resulted mainly from the Group net income of EUR 50.1 million generated in the reporting year. In addition, the capital reserve increased by EUR 27.6 million due to the recognition of equity-settled sharebased payments. The equity ratio at the end of the fiscal year 2021 was 20.7% (31 December 2020: 22.6%). The decrease in the equity ratio results from the increase in total assets. The Group's non-current liabilities increased by EUR 417.8 million to EUR 889.5 million as at 31 December 2021 (31 December 2020: EUR 471.7 million). Their share of equity and total liabilities increased to 57.5% as at the end of fiscal year 2021 (31 December 2020: 44.4%). Within this item, non-current financial liabilities increased by EUR 402.3 million to EUR 842.5 million at the end of the 2021 fiscal year (31 December 2020: EUR 440.2 million), mainly due to new bank loans and promissory notes. Other financial liabilities include contingent purchase price payments from business combinations of EUR 8.4 million (31 December 2020: EUR 0.0 million) and fixed purchase price liabilities from business combinations of EUR 6.3 million (31 December 2020: EUR 0.0 million). After netting deferred tax assets and liabilities, deferred tax assets amounted to EUR 0.5 million as at 31 December 2021 (31 December 2020: EUR 0.2 million) and deferred tax liabilities to EUR 29.8 million (31 December 2020: EUR 29.2 million).

Current liabilities fell by EUR 13.9 million to EUR 337.1 million as at 31 December 2021 (31 December 2020: EUR 351.0 million). This was mainly due to the decrease in current financial liabilities by EUR 47.1 million to EUR 35.0 million (31 December 2020: EUR 82.1 million). This resulted primarily from the full repayment of the revolving credit line. In contrast, current deferred revenue increased by EUR 29.7 million to EUR 244.5 million (31 December 2020: EUR 214.8 million) due to higher billings in the reporting period.

For the 2019 syndicated loans, the Group has to make an annual mandatory repayment of at least 5% of the nominal value. In the fiscal year, the mandatory repayment amounted to EUR 25.2 million (31 December 2020: EUR 23.8 million). The Group has the unconditional right to repay the loans partially or completely early at any time.

The revolving credit facility was repaid in full in the reporting year and was not drawn down as at 31 December 2021. Drawdown is possible in various currencies up to an amount of EUR 150 million (2020: EUR 150 million).

The promissory note includes variable and fixed-interest tranches with different maturities. Repayments are made in one amount, at maturity of the respective tranche. The interest coupons are paid semi-annually from 4 September 2021. The reference interest rate (6M EURIBOR) is fixed at 0% for the variable tranches. The interest margins are linked to the assessments of the factors environment, social and governance in the Company (ESG ratings) prepared by the rating agency Sustainalytics and the Company's net leverage ratio.

EUR 550.5 million

cash and cash equivalents as at 31 December 2021

Financial liabilities

In EUR million	2021 Currency	Nominal interest rate	Year of maturity	Principal amount (EUR)	**Carrying amount (EUR)**
Loans					
2019 syndicated loan in USD	USD	1.88 %	2024	270.2	266.1
2019 syndicated loan in EUR	EUR	1.50 %	2024	112.5	110.7
2019 syndicated loan in GBP	GBP	1.93 %[1]	2024	71.3	70.2
2019 syndicated loan – revolving credit facility[1]	Diverse	Diverse	2024		
2021 bilateral bank loan	EUR	1.00 %	2025	100.0	100.0
Promissory notes					
3-year fixed promissory note	EUR	1.00 %	2024	27.0	27.0
3-year variable promissory note	EUR	1.00 %	2024	58.0	58.1
5-year fixed promissory note	EUR	1.20 %	2026	118.0	118.1
5-year variable promissory note	EUR	1.20 %	2026	75.0	75.1
7-year fixed promissory note	EUR	1.40 %	2028	13.0	13.0
10-year fixed promissory note	EUR	1.60 %	2031	9.0	9.0
Total interest-bearing liabilities				**854.0**	**847.3**

In EUR million	2020 Currency	Nominal interest rate	Year of maturity	Principal amount (EUR)	**Carrying amount (EUR)**
2019 syndicated loan in USD	USD	2.24 %	2024	263.2	257.9
2019 syndicated loan in EUR	EUR	1.75 %	2024	118.8	116.3
2019 syndicated loan in GBP	GBP	2.03 %	2024	70.4	68.9
2019 syndicated loan – revolving credit facility[2]	USD	1.89 %	2024	52.2	52.0
Total interest-bearing liabilities				**504.5**	**495.1**

[1] As at 31 December 2021, TeamViewer had a credit line of up to EUR 150.0 million, of which EUR 150.0 million had not been drawn as at the reporting date.
[2] As at 31 December 2020, TeamViewer had a credit line of up to EUR 150.0 million, of which EUR 86.0 million had not been drawn as at the reporting date.

The bullet bilateral bank loan matures on 31 March 2025. The interest rate is 1.00% p. a. The interest is payable for the first time on 30 June 2021 and thereafter quarterly in arrears on the last day of each calendar quarter.

The TeamViewer Group's net financial liabilities, defined as the sum of interest-bearing current and non-current financial liabilities less cash and cash equivalents, decreased to EUR 326.9 million as of 31 December 2021 (2020: EUR 438.7 million). Due to the cash flow from operating activities generated in the reporting year, the Group's liabilities declined further despite the acquisitions made in 2021.

The net leverage ratio, which compares the Group's net financial liabilities to the adjusted EBITDA of the past twelve months, improved to 1.3x at year-end 2021 (2020: 1.7x).

Development of net leverage ratio

In EUR million	**2021**	2020
Current financial liabilities	35.0	82.1
Non-current financial liabilities	842.5	440.2
Cash and cash equivalents	(550.5)	(83.5)
Net financial liabilities	**326.9**	**438.7**
Adjusted EBITDA	257.0	261.4
Net leverage ratio	**1.3 x**	**1.7 x**

Basic features of financial management

TeamViewer's financial management is designed to ensure the Group's financial stability, flexibility and liquidity. It includes capital structure management and the financing of the Company, cash and liquidity management and the monitoring and control of market price risks such as exchange rate and interest rate risks. TeamViewer's financing structure is geared towards maintaining financial room for manoeuvre to take advantage of business and investment opportunities. This is achieved through a balanced ratio of debt and equity.

Under the terms of the 2019 credit agreements, the Group is required to comply with certain leverage covenants defined in the respective credit agreements based on the ratio of net financial liabilities to pro forma EBITDA (See financial liabilities in the notes to the consolidated financial statements).

Financial position of the Group

Cash flows from operating activities reached EUR 194.0 million in the 2021 fiscal year (2020: EUR 224.5 million), a decrease of 13.6% compared to the previous year. The decline was particularly due to the lower profit before taxation as a result of increased marketing expenses.

Cash flows from investing activities was EUR (38.9) million in the 2021 fiscal year (2020: EUR (110.2) million). Investments in property, plant and equipment and intangible assets fell to EUR 15.2 million (2020: EUR 26.2 million). Business combinations led to a net cash outflow of EUR 23.4 million (2020: EUR 84.1 million).

Financial position

In EUR million	2021	2020
Cash and cash equivalents at the beginning of the period	**83.5**	**71.2**
Cash flows from operating activities	194.0	224.5
Cash flows from investing activities	(38.9)	(110.2)
Cash flows from financing activities	301.1	(95.8)
Other changes	10.8	(6.2)
Cash and cash equivalents at the end of the period	**550.5**	**83.5**

Cash flows from financing activities amounted to EUR 301.1 million in the 2021 fiscal year (2020: EUR (95.8) million). The repayment and assumption of financial liabilities resulted in a net cash inflow of EUR 322.1 million (2020: cash outflow of EUR 62.8 million). In addition, interest payments in the 2021 fiscal year led to cash outflows of EUR 14.1 million (2020: EUR 28.1 million).

TeamViewer's cash and cash equivalents increased to EUR 550.5 million as of 31 December 2021, compared to EUR 83.5 million as of the previous year's reporting date. The Group was able to meet its payment obligations at all times in the past fiscal year.

Levered free cash flow

In EUR million	2021	2020
Cash flows from operating activities (before income taxes)	**237.5**	**258.0**
Income taxes paid	(43.5)	(33.4)
Investments in property, plant and equipment and intangible assets	(15.2)	(26.2)
Payments for the redemption portion of lease liabilities	(6.9)	(4.9)
Interest paid on borrowed funds and leasing liabilities	(14.1)	(28.1)
Levered free cash flow	**157.8**	**165.4**
In % of adjusted EBITDA	**61**	**63**
In % of EBITDA	**94**	**81**

Overall statement on the economic situation

The year 2021 was an eventful year for TeamViewer with many ups, but also downs. The Company set several strategic courses for the future and entered into landmark partnerships. The product portfolio made major advances again, and TeamViewer took a leading position in the field of augmented reality software. TeamViewer also successfully expanded its enterprise business and boosted its global presence as well as its brand recognition.

Next to these important successes, the year 2021 also held some setbacks. Growth fell short of the original expectations, and the forecast had to be adjusted in the course of the year. The reasons for this were complex. One was the strong pull-forward effects in the area of remote work in 2020, when companies worldwide were taken by surprise by the pandemic. This led to a larger adjustment in the purchased volumes of remote connectivity in the 2021 contract renewals and, at the same time, increased competition within the entry level of this segment. In addition, with the corona restrictions in place, there was not sufficient success in optimally inducting newly hired staff in 2021, physically matching them with experienced team members and accelerating their learning curve. All this meant that the targets set at the beginning of the year had to be adjusted, resulting in extremely disappointing share price performance in 2021 for the TeamViewer share.

With the Capital Markets Day in November, TeamViewer presented plans to improve the execution of its growth initiatives and optimise its cost structure. The strong fourth quarter demonstrated that these measures are already taking effect.

The Management Board of TeamViewer AG is satisfied overall with the conclusion of the fiscal year and has set the course for continued profitable growth. Through key investments in its product portfolio, TeamViewer has built an industry-leading augmented reality platform, strengthening its position in key growth markets. In addition, partnerships with world-leading tech players such as SAP and Google Cloud are opening doors around the world and significantly expanding the Company's reach.

Financially, TeamViewer is in a very solid position based on its strong cash flow, attractive growth rates and continued very high profitability.

The Management Board of TeamViewer AG assesses the business development and the economic situation of the Group in the reporting year 2021 as positive overall.

05 Events after the reporting date

Share buyback programme resolved | Implementation of programme in fiscal year 2022 | Programme underscores TeamViewer's confidence in business development | Target leverage ratio of 1.5 x adjusted EBITDA

The Management Board of TeamViewer AG resolved a share buyback programme on 2 February 2022. The programme has a volume of up to EUR 300 million, or a maximum of 20 million shares, which corresponds to just under 10% of all of the Company's shares outstanding. The buyback will be carried out in accordance with the authorisation granted at the Extraordinary General Meeting on 3 September 2019. The programme was initiated on 3 February 2022 and will be completed within fiscal year 2022. The majority of the repurchased shares are to be cancelled, and the Company's share capital reduced accordingly.

The share buyback programme underlines TeamViewer's confidence in the future development of its business and the Company's objective to generate value for its investors by enabling shareholders to participate in the Company's success while ensuring sufficient flexibility for the Company's future strategic development. Against the backdrop of the strong, long-term secured financing structure and continued high cash flow, TeamViewer is targeting a sustainable leverage ratio of approximately 1.5x adjusted EBITDA as at year-end 2022 (31 December 2021: 1.3x).

As part of its growth strategy, TeamViewer intends to steadily expand its geographical presence, including its sales and marketing activities. In addition to external market factors such as economic trends, business activities are also influenced by changes in the political, and particularly, geopolitical environment as well as by financial changes. The Russia-Ukraine conflict at the beginning of 2022 has led to a sharp increase in the risks resulting from the geopolitical environment worldwide. The extent of the mediumto long-term consequences of this are nearly impossible to predict. TeamViewer has therefore classified the related risks to the results as high overall. The expansion of business activities in China, for example, may also be accompanied by an increased political risk for TeamViewer in the corresponding market.

The share buyback programme underlines TeamViewer's confidence in its future business development

06 Opportunity and risk report

Risk and control system as a key element of good corporate governance | No risks identified that could jeopardise the Group's continued existence | Growth opportunities for the Group are based on numerous technological and social trends

Material opportunities

Based on various technological and social trends, TeamViewer has a wide range of growth opportunities. The Management Board has identified the following opportunities in particular:

Digitalisation along the entire corporate value chain

The Group sees digitalisation and the associated potential for virtually all companies from all industries to increase their productivity within the entire value chain as an opportunity for itself. Since TeamViewer's product portfolio includes both horizontal solutions for use in corporate functions and in the IT context as well as vertical solutions for the digitalisation of logistics or production in the area of Operations Technology (OT), the Company can offer its customers solutions almost along the entire value chain.

Robotics, automation and Industry 4.0

TeamViewer sees opportunities in the increasing automation and process optimisation in the course of Industry 4.0., particularly for TeamViewer's Frontline augmented reality platform. With the help of AR-supported step-by-step instructions, the use of TeamViewer Frontline can increase the speed and efficiency of manual work processes and at the same time reduce the frequency of errors in the areas of logistics and manufacturing, maintenance, repair and aftersales. The fact that the software runs on smart glasses and thus enables people to work with both hands simultaneously is enormously important for many industries. The connection of these processes to the production or inventory systems of the respective customer makes the Frontline software so attractive. The acquisitions of Ubimax (2020), Upskill (2021) and Viscopic (2021) have also greatly contributed to this development, and their technology has been fully integrated into the Frontline platform. As a result, considerably more industrial use cases can now be covered than two years ago. But TeamViewer's strength in remote access to so-called "embedded devices", i. e. any non-IT devices outside the traditional office environment, also plays a major role in this context and supports IoT scenarios such as the networking of robots, industrial machines and similar equipment.

Smart devices need omnipresent connectivity

TeamViewer sees the global expansion of broadband Internet (5G) as an opportunity to support additional and more data-intensive use cases for connected devices with its products. The increasing spread of mobile devices and wearables such as smartphones, tablets and smart glasses in conjunction with the progressive introduction of IoT technology in commercial and industrial use cases is a megatrend from which TeamViewer can benefit. But not only here, the use of smart, internet-enabled devices and the associated possibility for use cases in the area of remote access and remote maintenance is also increasing in the non-commercial environment.

Strengthening the idea of sustainability

Environmental concerns and the reduction of one's own ecological footprint are becoming increasingly important for companies and governmental organisations, as well as private individuals. One example is the EU's commitment under the Paris Climate Agreement to reduce CO_2e emissions by 40% compared to 1990 levels by the year 2030. TeamViewer's connectivity solutions can contribute to reducing emissions by enabling people to interact with each other and control and manage devices remotely, thereby reducing travel. The Management Board therefore believes that this will result in further growth opportunities for the TeamViewer Group.

Mobile First

With the widespread use of smartphones and tablets, access to corporate software via mobile devices is also steadily increasing. The trend towards mobile software solutions is reinforced by the integration of the young, digital-native generation into professional life, the improved mobile connection performance, such as through the 5G network, and the focus of many development teams on mobile applications.

TeamViewer considers itself to be ideally positioned in this respect and will continue to expand its offerings for mobile end users. An example of this is the further development of the TeamViewer remote assist solution AssistAR, which lets employees in the field get AR-based support remotely on their mobile devices from technical experts.

Flexible and location-independent working

The changes in the modern working world, driven by an increasingly geographically distributed and flexible workforce, are seen by the Management Board as a further opportunity for the TeamViewer Group. Companies are increasingly giving their employees remote access to company systems, data and devices and allowing them to collaborate with colleagues, teams and third parties across locations. This presents an opportunity for TeamViewer to offer its solutions for secure remote access and online collaboration. In addition, device support and management is a growing challenge for corporate IT departments. Here, too, there are opportunities for TeamViewer's connectivity solutions to enable the centralised support and management of a globally distributed device landscape and IT infrastructure, thereby realising cost savings and efficiency gains.

The global coronavirus pandemic has rapidly accelerated the trend towards location-independent and increasingly digital work. The "new normal" is shaping today's working world. With its product offering, TeamViewer sees itself well-positioned to continue to benefit from this development.

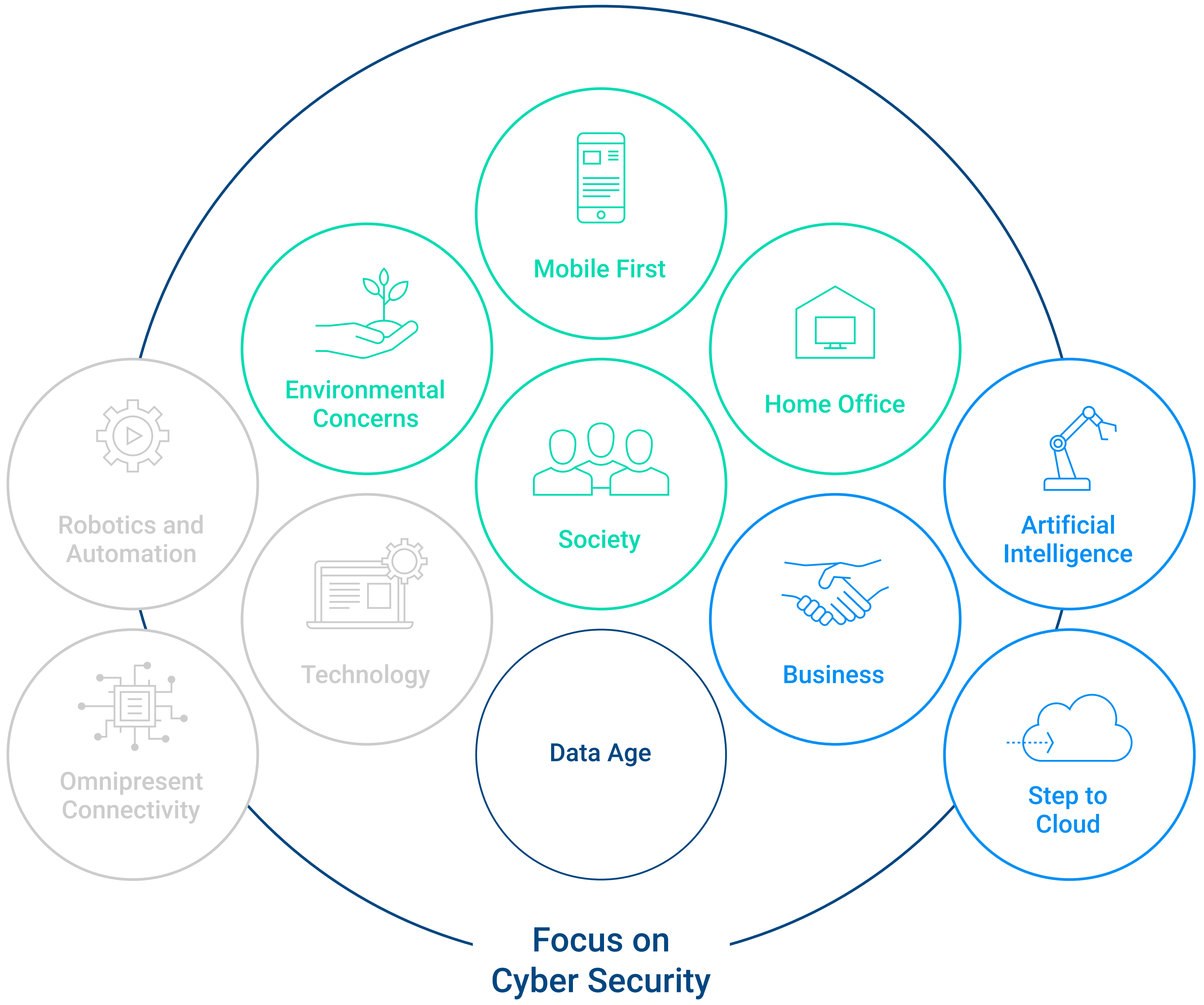
Artificial intelligence (AI)

TeamViewer sees an opportunity for its business from the increasing use of artificial intelligence to solve business-critical problems and optimise processes. For this reason, the Company integrates AI functionalities into its existing solutions and also works on proprietary innovations in this area. Data-driven decisions will become increasingly important in the future, especially in the industrial environment.

Partnerships

TeamViewer has massively expanded various marketing and distribution partnerships. This also presents numerous opportunities to expand its sales channels, reach and integration.

Material Opportunities



Risk management, internal audit and internal control system

Risk management

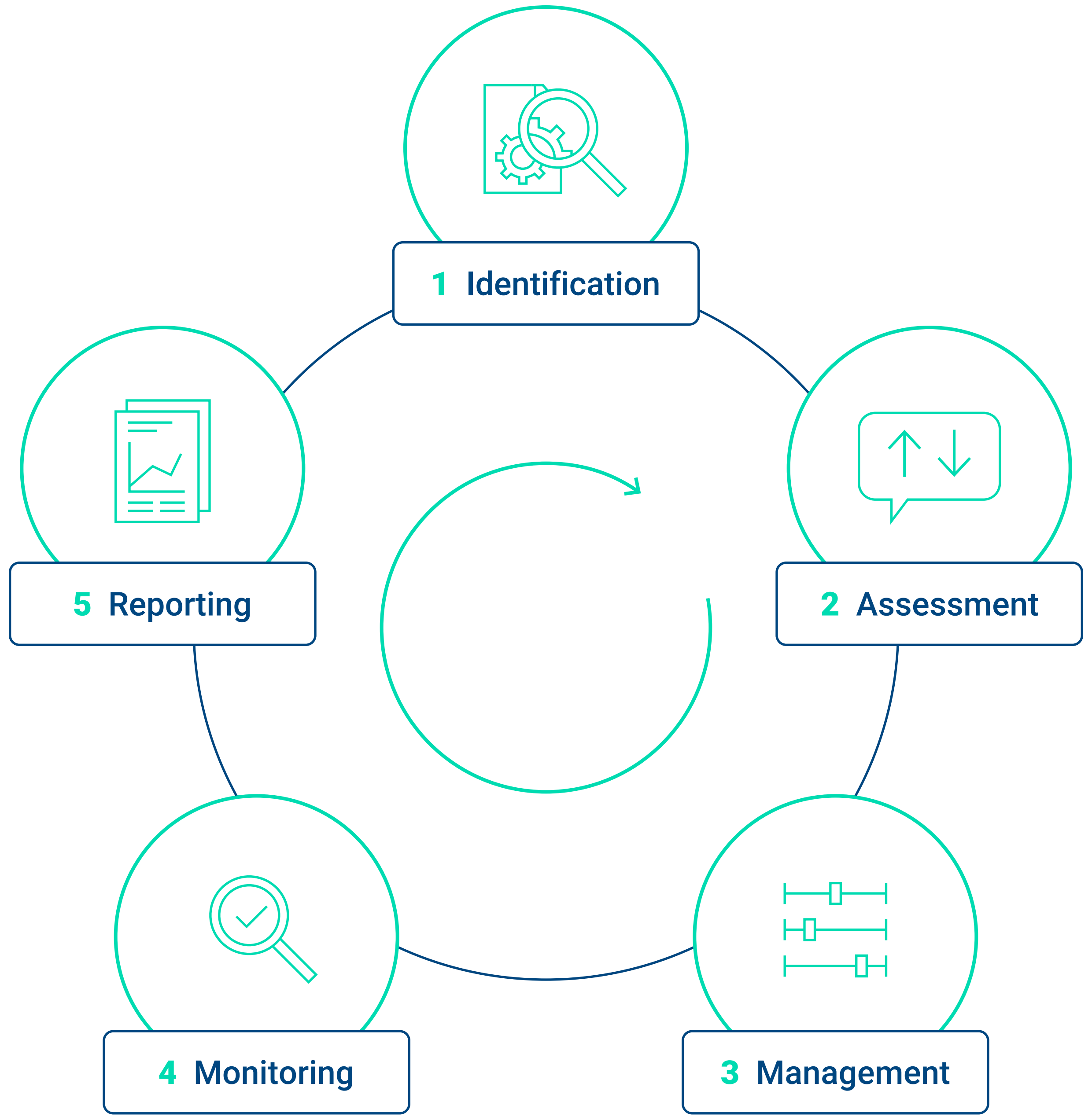
The TeamViewer Group seeks to progressively develop its products and adapt them to market and customer requirements, thereby continuously improving its market position. TeamViewer's success rests on its ability to systematically identify and seize opportunities while controlling risk in a targeted manner. TeamViewer has implemented a risk management and control system to ensure the early identification, assessment and controlled handling of potential risks. The risk and control system is considered one of the key elements of good corporate governance.

Risk management system

The continued evolution of the risk management system is ensured through the ongoing review and adaption to the Company's needs and the developments in the market.

TeamViewer's risk management system was implemented based on the Enterprise Risk Management Standard of the Committee of Sponsoring Organisations of the Treadway Commission (COSO) and the auditing standards PS 340 and PS 981 of the Institute of Public Auditors in Germany (IDW) and includes the identification and assessment of the Group's risks.

Risk management system



In the context of the updated version of auditing standard PS 340 (new version) and the resulting requirements for the risk management system, TeamViewer has reviewed its risk management system and has introduced a risk management application to ensure it fully complies with the new requirements.

The revisions focused specifically on the definition and review of the Company's risk-bearing capacity and the fully automated aggregation of risks (Monte Carlo simulation).

TeamViewer's risk management system consists of the following elements:

Aim of the risk management system

The aim of the risk management system is to provide the Management Board with an overview of risks and support the decision-making process on how to handle these risks at both the strategic and operational levels. The risk management system is designed to identify potential risks at an early stage, assess them and broadly mitigate them through controls and measures.

Identification and monitoring of risks

Risks are identified in a semi-annual cycle by the risk manager in cooperation with the respective risk officers appointed for each department. In addition to regular reporting, the risk officers are required to review risks on a continual basis. A further ad hoc reporting system is in place to inform the Management Board and the risk manager promptly of current risk events.

Assessment of the risks

All identified risks are assessed semi-annually based on their probability of occurrence and potential impact on the Company in relation to the achievement of financial and non-financial corporate objectives, corporate reputation and compliance. The evaluation and classification of the individual risks are carried out using the following matrix: In the past fiscal year, TeamViewer verified the precise quantification of all risks on a monetary basis so that a fully automated aggregation of the risks could be carried out based on the Monte Carlo simulation. The quantification of the risks of all categories has been carried out according to the value limits below:

Qualification of the risks

Scale	Category	Adjusted EBITDA (in EUR million)
1	Marginal	< 0.5
2	Minor	0.5–3
3	Moderate	3–5
4	Moderate	5–20
5	Major	> 20

Risk assessment matrix

Probability of occurence		Impact				
Description	Scale	1 Marginal	2 Minor	3 Moderate	4 Significant	5 Major
Certain	5	Medium	High	High	Major	Major
Probable	4	Medium	Medium	High	High	Major
Likely	3	Low	Medium	Medium	High	High
Possible	2	Low	Low	Medium	Medium	High
Unlikely	1	Low	Low	Low	Medium	Medium

The assessment is performed on both a gross and a net basis. The gross basis represents the risk before consideration of all risk mitigating measures and controls. The net risk refers to the risk remaining after all risk-mitigating measures and controls have been considered. The resulting net assessment is as follows:

Effectiveness of measures/controls

Risk	Inexistent	Partial effective	Effective
Low	Low	Low	Low
Medium	Medium	Medium	Low
Significant	Significant	Significant	Medium
High	High	High	Significant

In the following report on the main risks, the risks that could have a significant or high impact on the Group result on the basis of a gross assessment are explained.

Risk-bearing capacity and risk aggregation

The Management Board defines the Group's risk-bearing capacity in accordance with IDW PS 340 (new version). According to this, risk-bearing capacity is defined as the Group's ability to bear all potential losses from the risks inherent in the business so that business operations can be maintained. This includes ensuring that the Group has sufficient liquidity to bear the maximum possible losses from the existing risks. At the same time, the requirements for all financing and refinancing needs must be met.

When assessing risks, the Management Board considers both the probability of occurrence and the possible aggregated effects of various risks that may occur (aggregation of risks). The Management Board does this through the use of recognised methods for risk aggregation, such as he Monte Carlo simulation. The aggregated risks may at no time be higher than the risk-bearing capacity.

In addition, the Group has prepared potential alternatives for action in the event that the Group's risk-bearing capacity limit is reached or exceeded.

Risk control

Risk owners are responsible for ensuring that appropriate risk-mitigating measures and controls are developed and implemented within their area of responsibility. They analyse the responses in terms of the impact of the risk-mitigating measures and controls on the risk consequences and probabilities, their costs relative to the benefits, the resources available, the controls and measures in place and possible opportunities. Depending on the nature of the risk, they identified different risk strategies, such as risk acceptance, risk avoidance, risk mitigation and the transfer of risk to third parties.

Risk reporting

The Management Board and the Senior Leadership Team are kept informed semi-annually of the Group-wide risk situation, especially of the greatest risks and changes to the risk assessment. Ad hoc reports are made to the Risk Steering Group, which consists of the Management Board, the Risk Manager and the Risk Officer of the division concerned. There were no ad hoc reports during the past fiscal year.

Together with the Management Board, the Risk Manager informs the Audit Committee about risk management and existing risks at routine intervals.

Material risks

The TeamViewer Group subdivides its risks into strategic, operational, compliance-related, and financial risks. An overview of these risk categories follows below, including a detailed description of the risks deemed significant or high by the Company. The other risks are summarised in an overview. Risks classified as at least significant or high in the previous year and which were given a lower classification during the reporting year are shown in the following overview for illustrative purposes.

In the following overview, the risks were aggregated, and the highest-rated risk within each risk group was listed.

Risk assessment

	Group risk assessment (gross risk)	Group risk assessment (net risk)	Trend [1]
Strategic risks			
Macroeconomic risks			
General macroeconomic environment	High	High	→
Coronavirus pandemic	Significant	Significant	↘
Geopolitical environment	High	High	↗
Competitive environment	High	High	→
Partnerships	Significant	Significant	↗
Operational risks			
Product risks	Significant	Significant	→
Product and IT security	High	High	→
Sales risks	Significant	Significant	→
Migration of the heterogeneous IT system landscape	Medium	Medium	↘
Personnel risks	Significant	Significant	↗
Compliance-related risks			
General legal and regulatory risks	Significant	Significant	→
Data protection	Medium	Medium	↘
Financial risks			
Foreign currency risk	High	Significant	→

[1] Trend: Net risk level compared to the prior year.

Legend:
Lower net risk ↘
Unchanged net risk →
Higher net risk ↗

Strategic risks

TeamViewer defines strategic risks as all risks resulting from the strategic orientation of the business model. These may include risks that result from the market environment or the Group's internal strategic orientation.

Macroeconomic risks

General macroeconomic environment

The development of TeamViewer is influenced by macroeconomic developments and the general business climate. An economic downturn might result in a decline in product subscriptions, longer sales cycles, increased price competition and problems recruiting new customers, which could lead to a drop in revenue volume and profitability for TeamViewer. Small and medium-sized businesses, which account for most of TeamViewer's customers and customers in emerging markets in the Latin American and Asia-Pacific region with more volatile economies, are especially susceptible to macroeconomic changes. To counter this risk, TeamViewer closely monitors the different regional markets and offers market-specific solution portfolios meeting the requirements of the respective markets.

Coronavirus pandemic

TeamViewer classifies the risk of potential negative effects from the coronavirus pandemic as significant in principle. The coronavirus pandemic presents companies in general, as well as the TeamViewer Group in particular, with significant general, health and overall economic challenges. Although TeamViewer has so far been able to reduce health risks for employees to a large extent through measures such as work-from-home arrangements and the introduction of on-site shift work, the Group cannot rule out the future possibility of employee absences due to illness or the economic damage as a consequence. The medium- to long-term macroeconomic effects on customer behaviour as well as on the risks associated with sales travel activities are also difficult to assess.

Geopolitical environment
As part of its growth strategy, TeamViewer intends to steadily expand its geographical presence, including its sales and marketing activities. In addition to external market factors such as economic trends, business activities are also influenced by changes in the political, and particularly, geopolitical environment as well as by financial changes. The Russia-Ukraine conflict at the beginning of 2022 has led to a sharp increase in the risks resulting from the geopolitical environment worldwide. The extent of the mediumto long-term consequences of this are nearly impossible to predict. TeamViewer has therefore classified the related risks to the results as high overall. The expansion of business activities in China, for example, may also be accompanied by an increased political risk for TeamViewer in the corresponding market.

In terms of billings, the United States was TeamViewer's largest single geographical market in the past fiscal year. The TeamViewer Group has its own sales and marketing organisation in the United States which generates a significant portion of the Group's earnings. Political and macroeconomic developments in the United States may trigger uncertainty to a particular extent and have a negative impact on the investment decisions of TeamViewer's customers.

Competitive environment
The Group sees a particular risk in the competitive environment. A further increasing competition from existing competitors and/or new competitors could lead to increased price pressure, reduced margins, and the loss of market share. A high risk arises particularly when one of the major international software providers decides to expand its own products and solutions offering in such a way that it increasingly overlaps with TeamViewer's solutions portfolio. In addition, there is a risk of increased price pressure due to the emergence of new competitors, especially in the low-price segment. TeamViewer is closely monitoring the current market developments, at the same time maintaining close relations with the leading software firms. The Group is also making substantial investments in the continuous deepening and broadening of its solutions portfolio to set itself apart from competitors on a long-term basis.

Partnerships

TeamViewer maintains numerous partnerships relevant for the continued success of the business and has been expanding these partnerships successively over the past several years. In addition to sponsoring partnerships in the sports environment, these include various technology and sales partnerships. The Group now classifies the risks generally associated with partnerships as significant. This assessment is based, among others, on the variety of negative headlines in the sports environment which, in the context of sports sponsoring, could lead to mainly reputational risks for TeamViewer. Financial risks also exist due to the difficulty involved in quantifying and planning returns on investment in the sports sponsorship area. In relation to technology and sales partnerships, risk exists of an inability to monetise the product integration or sales channel expansion as planned.

Operational risks

TeamViewer defines operational risks as all risks associated with business operations such as product, product security, distribution, and infrastructure.

Product risks
Damage and interruptions may occur in the infrastructure used by TeamViewer and in the infrastructure provided by third parties. The damage or failure of the infrastructure could lead to data losses and disruptions or delays in the services provided by the Group. Internal processes have been established by TeamViewer to avoid such failures and disruptions, and remedy them as quickly as possible.

TeamViewer's software enables endpoint connectivity across a wide range of different operating systems. Updates and further developments of these operating systems as well as the introduction of new operating systems may result in the full or partial malfunction of TeamViewer's software solutions. This could have a negative impact on customer relationships and lead to a loss of TeamViewer's reputation. To counter this risk, the Group's R&D department is constantly monitoring updates to operating systems and is also in close contact with TeamViewer's customer support service to remedy any software malfunctions immediately.

Due to the rapidly changing software market, there is a fundamental risk that TeamViewer's innovative edge over its competitors could be lost, that the Group's product development may not meet market expectations with regard to new trends and innovations and that, as a result, the Group's products lose their appeal and customers switch to competitors. In order to recognise market expectations and to be able to react quickly to them, TeamViewer constantly incorporates customer feedback in the product development. Moreover, TeamViewer uses agile software development methods to allow it to respond more quickly to changes.

The software technology underlying TeamViewer's products is complex and may include material faults or shortcomings, especially when new products are launched or new functions or options are unlocked. The costs incurred during the analysis, correction or remedy of material software bugs or shortcomings may be significant. Although TeamViewer frequently issues software updates, it is possible that it may not be able to remedy vulnerabilities or errors promptly or in full, which could harm the Company's competitive position to a certain degree. Actual, potential, orperceived shortcomings may lead to disruptions in the availability of the software and result in lost or delayed market acceptance and sales, forcing TeamViewer to reimburse customers, or lead to liability claims in another way. Liability may also result from the continuing use of older versions of the TeamViewer software by customers.

Product and IT security
TeamViewer's business model includes providing solutions that enable end users to securely access devices and networks remotely (remote connectivity as well as Frontline solutions). Any unauthorised access, network disruptions, denial of service (an attack designed to prevent legitimate users from accessing the services) or similar malicious third-party influences have the potential to adversely affect the integrity, continuity, security and trust in the software, services or systems of TeamViewer or its customers. This may result in cost-intensive legal disputes, significant financial liabilities, increased regulatory controls, financial sanctions, and a loss of trust in TeamViewer's products. Existing or potential customers may, thus, opt for other IT solutions instead. Cyberattacks are becoming ever more sophisticated and increasingly originate from highly professional parties. Cloud-based platform providers of products and services and product offerings in remote connectivity are rapidly becoming attractive targets for such cyberattacks.

Alongside traditional cyberattacks such as computer hacking, malicious code (e.g. viruses or worms), theft or misuse by employees and denial-of-service attacks, TeamViewer is also seeing cyberattacks by highly professional and financially well-endowed players, often state-affiliated or politically motivated. Attacks may aim to damage TeamViewer and its users or they may form part of external or internal spying activities or acts of sabotage. Already the rumour of unauthorised access or supposed security vulnerabilities may have a significant impact on TeamViewer's reputation and business performance. TeamViewer's security team focuses on steadily improving the protection of its products and the underlying infrastructure. To this end, various measures have been taken to identify and prevent cyberattacks and attempts of unauthorised access to TeamViewer's networks and servers at an early stage. Potential risks are regularly assessed through threat modelling, penetration tests, risk classifications, testing and threat profiles. A security operations centre (SOC) monitors the IT and product infrastructure 24/7 to identify potential attacks immediately. In addition, the internal security structures are regularly reviewed and, where necessary, adjusted by internal and external parties. Switching off older product versions which no longer comply with current security standards is another security measure.

There is also a risk that TeamViewer's products could be misused for unauthorised purposes, such as employment of the product in connection with malware or for fraudulent business models. This may lead to reputational damage for TeamViewer and have an adverse effect on customer acquisition and customer loyalty. The product security measures described above also constitute risk-mitigating measures for these events. TeamViewer is, furthermore, working together with external specialist bodies to identify suspected cases early on and to take adequate security measures.

Sales risks
To a considerable extent, TeamViewer's success is dependent on its ability to gain new customers and to maintain and expand its business relationships with existing customers. There is a risk that customers will not renew their licence at the end of their subscription period, that they will cancel it or reduce its extent. TeamViewer seeks to counter this risk through various measures, especially through specific regional sales strategies and the targeted use of sales partners. However, it is not possible to ensure an ongoing customer retention and continuous expansion of the use of TeamViewer's product by existing customers in every case. The high net retention rate in recent years is proof of the strong degree of customer loyalty and thereby the success of the Group's sales measures.

The Group's sales risks vary by region and are very high in regions with unstable underlying economic and political conditions such as Asia and Latin America, in particular. As well as other factors, TeamViewer's growth strategy is based on the expansion of customer relationships in such regions. In these countries, TeamViewer is thus exposed to risks associated especially with business operations in emerging markets. The Group counteracts these risks through the continuous expansion of its regional sales structures in order to meet the specific requirements of each individual market.

Migration of the heterogeneous IT system landscape
The migration of the IT system landscape was not yet fully completed last year and was therefore classified as a significant risk. After the completion of this migration in the 2021 fiscal year, the risks associated with the TeamViewer Group's IT system landscape have now been classified as medium.

Personnel risks

Retaining highly qualified employees for the long term and attracting new qualified employees is a challenge for the Group, as it is for many other companies, especially in the technology sector. The loss of knowledge from the departure of key employees could lead to TeamViewer's inability to meet the market requirements for its products or its strategic initiatives not being sufficiently implemented. If TeamViewer is unable to recruit sufficient qualified employees due to the current shortage of professionals, there is a risk that the Group could miss its growth and innovation targets. To mitigate this risk, TeamViewer employs a variety of measures to retain and recruit talent, including flexible work schedules, appealing workplace models, the addition of new locations, and competitive remuneration, which includes a bonus programme.

TeamViewer's business model includes providing solutions that enable endusers to securely access devices and networks remotely

Compliance-related risks
TeamViewer understands compliance-related risks to include all legal and regulatory risks as well as corporate governance risks.

General legal and regulatory risks
TeamViewer defines general legal and regulatory risks as those resulting from infringements of the legal provisions and from contractual obligations. TeamViewer is exposed to a large number of different laws and underlying legal conditions in different jurisdictions, including those which regulate Internet use, privacy, data protection, IT security, consumer protection and conditions underlying the labour market. These underlying legal provisions are subject to change and may have a substantial impact on TeamViewer's business activities or their expansion into new areas of business.

Due to the continuous widening of its customer base and sales models, TeamViewer is increasingly exposed to contractual liability risks and product requirements of enterprise customers. This may lead to deviations from the standard end user licence agreement, the negotiation and ongoing checking of which may tie up significant resources at TeamViewer and delay the sales cycle. Furthermore, their technical integration into the operational requirements of enterprise customers is often complex and necessitates individually agreed development work. Breaches of contractual obligations may lead to liability claims by customers in respect of damages suffered and reputational damage. To minimise such risks where possible, TeamViewer's legal department subjects enterprise agreements and service level agreements to in-depth scrutiny prior to their conclusion.

TeamViewer offers its products to many customers all over the world, often without personal contact and via the Internet. This entails the risk of a breach of sanctions or export control restrictions. Such breaches may result in the payment of penalties, legal consequences, and reputational damage. TeamViewer has established comprehensive compliance mechanisms to counteract this risk.

Data protection

The Group's assessment of its data protection risk was reduced to medium in the 2021 fiscal year. This was based on the more experienced market practice in implementing the provisions of the new data protection environment, which also facilitated the better predictability of its application by market participants and authorities.

Financial risks

TeamViewer defines financial risks as all risks resulting in connection with financial resources, accounting, reporting and taxes.

Foreign currency risk

TeamViewer transacts business in around 180 countries and more than 40 currencies. In particular, the billings denominated in U. S. dollars contributed a considerable share to Group billings, revenue and accordingly the earning power of the Group in the 2021 fiscal year. Any changes in the exchange rate of these currencies against the euro thus harbour a currency risk for the Group. TeamViewer used derivative financial instruments to hedge the USD currency risk. The valuation of USD and GBP bank loans at the current exchange rates constitutes a foreign currency risk that runs counter to billings in these currencies.

The reporting currency of the TeamViewer Group is the euro. The TeamViewer subsidiaries report in different currencies, including the U.S. dollar, pound sterling, Australian dollar, Japanese yen, Indian rupee, Singapore dollar and Armenian dram. The income and expenses of the foreign subsidiaries are converted into euros at the average exchange rate applicable during the period.

Overall assessment of risks

The Management Board is convinced that the identified risks do not currently pose a threat to the continued existence of the Group or any of its material subsidiaries, either individually or in the aggregate.

Accounting-related internal control system

The accounting-related Internal Control System seeks to identify, assess and control all risks which may have a material impact on the due and proper preparation of the annual and consolidated financial statements. The following elements are covered with the control system:

- Functions which are material for the accounting process are separate and responsibilities are clearly assigned
- Statutory amendments and new accounting standards are analysed at regular intervals
- Financial statements across the Group are prepared using standard accounting policies and the principle of dual control is observed in all relevant processes
- The administration of accounts receivable and accounts payable, as well as internal recharging within the Group are managed centrally
- The individual companies a reconsolidated centrally using standard consolidation software; the data received is subject to random checks
- In the course of monthly report preparation, reporting figures are reviewed internally on a monthly basis
- Invoice-relevant measures are covered in the risk man agement system and in the Internal Control System
- The Code of Conduct mor eover describes the principles of correct and responsible action with respect to financial reporting; a corresponding set of policies has been implemented

The Internal Control System is a crucial element of corporate governance within the TeamViewer Group to ensure full and correct financial and other reporting. Based on the risks outlined in the risk management system, the Internal Control System ensures that the financial risks are mitigated by means of relevant controls.

Internal audit

Internal Audit is an active part of TeamViewer Group's corporate governance. It ensures that internal processes and organisational structures are audited and legally compliant, appropriate and economically efficient. It also seeks to create added value for the TeamViewer Group by assessing the effectiveness and efficiency of business processes. Internal Audit reports directly to the Management Board and the Audit Committee and operates worldwide. Together with the Management Board, the divisions and issues to be analysed for the upcoming fiscal year are defined and submitted to the Audit Committee, which approves the annual audit programme. The Audit Committee is kept regularly informed of the progress of the projects.

The Management Board is convinced that the identified risks do not currently pose a threat to the continued existence of the Group or any of its material subsidiaries, either individually or in the aggregate

07 Outlook

Billings growth in the range of EUR 630 million to EUR 650 million | Adjusted EBITDA margin in the range of 45% to 47%

Expected macroeconomic and sector-specific situation

For 2022, the Kiel Institute for the World Economy (IfW) expects global production to grow by 4.5%, following an increase of 5.7% in 2021. This forecast is based on the assumption that the economic impact of the COVID-19 pandemic will decline despite new waves of infection. Supporting this assumption is the fact that vaccination rates are very high, and a large proportion of the population has already come into contact with the virus, which means the health consequences are likely to be limited. As production capacities and value chains increasingly adjust to the changed demand structure, supply bottlenecks, which have had a restraining effect, should gradually be overcome. For the European Union, the IfW expects GDP to increase by just under 3.5% in 2022 and by around 3.2% in 2023. For the United States, GDP is expected to rise in the next two years at rates of 4.4% and 3.2%[8].

The market research institute Gartner expects global IT spending to grow by 5.5% to USD 4.5 trillion in 2022, which is lower than in the previous year (9.5%)[9]. The digital transformation market, in contrast, is expected by the market research institute IDC to achieve annual growth of 16.4% (CAGR) in the period 2021 – 2025, with investments accelerating in 2022, particularly to meet long-term strategic digitisation goals[10]. For the enterprise augmented reality market, high growth rates are expected both for 2022 and beyond. The market research institute ABI Research is forecasting growth in this area of 66% annually (CAGR)[11] until 2026.

Future development of the Group

TeamViewer expects demand for its solutions to continue to grow in the coming quarters. Global megatrends surrounding digitalisation, connectivity, and sustainability will continue to support the Company's growth path in 2022. TeamViewer continues to target billings growth rate in the high teens and expects billings in fiscal year 2022 in the range of EUR 630 million to EUR 650 million (2021: EUR 547.6 million). Revenue is expected to grow in the mid-teens to EUR 565 million to EUR 580 million (2021: EUR 501.1 million). Adjusted EBITDA margin is expected to be between 45% and 47%. The Company also expects a significant increase in cash flow from operating activities compared to 2021 (2021: EUR 194.0 million).

Overall assessment of future development

The Management Board is confident that the TeamViewer Group will be able to build on the achievements of the 2021 fiscal year and expects continued positive business development in fiscal year 2022.

[8] Kiel Economic Reports of the Kiel Institute for the World Economy (IfW) Global Economy, Winter 2021.

[9] https://www.gartner.com/en/newsroom/press-releases/2021-10-20-gartner-forecasts-worldwide-it-spending-to-exceed-4-trillion-in-2022

[10] https://www.idc.com/getdoc.jsp?containerId=prUS48372321

[11] tps://www.abiresearch.com/press/demand-augmented-reality-enterprise-and-consumer-markets-create-us175-billion-ar-market-2026/

Global megatrends surrounding digitalisation, connectivity and sustainability will continue to support the Company's growth trajectory in 2022

08 Remuneration report

Compensation structure geared to sustainable entrepreneurial development | Malus and clawback conditions anchored

The remuneration report describes the basic principles of the remuneration system for members of the Management and Supervisory Boards as well as the individual remuneration amounts for members of TeamViewer's corporate bodies that were received or granted in the 2021 reporting year. This report complies with the legal requirements of Sec. 162 AktG, the relevant accounting provisions (HGB, IFRS) and the recommendations of the German Corporate Governance Code (GCGC) as amended on 16 December 2019. In preparing the remuneration report, the Management Board and Supervisory Board of TeamViewer AG have prioritised clear, comprehensible and transparent reporting. The remuneration report was audited by the auditor in accordance with 162 (3) sentences 1 and 2 AktG.

Remuneration for fiscal year 2021 in retrospect

Performance in fiscal year 2021

The development of the TeamViewer AG in fiscal year 2021 shows a mixed picture. Despite some challenges, the Company achieved a strong result. Billings increased by 19% year-on-year and came to EUR 547.6 million, and the adjusted EBITDA margin was 47%. The Company's financial profile continues to be characterised by double-digit growth, high profitability, and very good cash flow. Nevertheless, expectations for both billings growth and adjusted EBITDA margin were significantly higher following the exceedingly strong, corona-related extraordinary demand in fiscal year 2020. The Company's own growth forecast was set too optimistically based on the exceptional year 2020 and had to be reduced in the course of 2021. Previously, the new sports partnerships in soccer and racing and the associated additional marketing costs had already led to a revision in the margin target. The adjusted forecast was then fully met at the end of the year and even exceeded in terms of the adjusted EBITDA margin. Overall, the Management Board has set an important strategic course for the future: TeamViewer acquired several smaller companies and fully integrated their technology into its product range. This significantly expanded the solution portfolio, which explains TeamViewer's increased relevance as an enterprise software provider. Strategic partnerships were also concluded with major technology pioneers to ensure future growth.

The failure to achieve the original forecast for billings and adjusted EBITDA resulted, among other things, in the complete omittance of STI payments to the Management Board in fiscal year 2021. The principle of the remuneration system, that exceptional performance should be appropriately rewarded and missed targets should result in a reduction in remuneration, so-called Pay for Performance, is thereby reflected here, in particular, and in the Management Board remuneration for the fiscal year 2021 presented below.

Changes in Corporate Governance

In the 2021 reporting year, there were changes in both the Management Board and the Supervisory Board of TeamViewer AG. In the period from 19 April 2021 to 31 December 2021, Lisa Agona was a full member of the Management Board. Following the pre-term departure of the previous member of the Supervisory Board of TeamViewer AG, Holger Felgner, Hera Kitwan Siu has been court-appointed as a substitute member of the Supervisory Board as of 26 November 2021. The confirmation by the Annual General Meeting will be carried out at the regular Annual General Meeting in 2022. Apart from these, there were no other changes in the Management Board and Supervisory Board of TeamViewer AG.

In the 2021 reporting year, the new remuneration system for the Management Board and the Supervisory Board of TeamViewer AG was also introduced and approved by the Annual General Meeting. This system sets out the principles of remuneration, which are explained in more detail below.

Principles of Management Board remuneration

Objective of the remuneration system

The remuneration system for the members of the TeamViewer AG Management Board was adopted by the Supervisory Board on 17 March 2021 at the recommendation of its Nomination and Remuneration Committee. It was then approved by the Company's Annual General Meeting on 15 June 2021, with a 96.23% majority of the votes cast. The remuneration system incorporates the requirements of the German Stock Corporation Act, in compliance with the Second Shareholder Rights Directive (SRD II), and complies with all recommendations of the GCGC.

The new remuneration system is designed to promote the Company's business strategy as well as its long-term positive development. Above all, it creates effective incentives for driving growth and profitability and aims to improve non-financial performance, including sustainability aspects (Environmental, Social, Governance – ESG aspects). The remuneration system is an important tool for ensuring that TeamViewer's growth strategy is implemented and achieved while giving appropriate consideration to the individual tasks and performance of the Management Board's members as well as the overall situation and performance of TeamViewer.

Structure of Management Board remuneration

The remuneration for the members of the Management Board encompasses a mix of short- and long-term remuneration components intended to effectively promote the Company's strategy and sustainable, long-term development. Non-financial performance targets are included in addition to the financial performance targets. These non-financial performance targets incorporate ESG aspects related to TeamViewer's corporate and sustainability strategy, thus setting incentives for TeamViewer's consistent and lasting success. To ensure that the Management Board's interests are aligned with those of the shareholders, the long-term variable remuneration component is strongly linked to TeamViewer's share price development.

To further reinforce the alignment of interests, TeamViewer's Management Board members are also required to purchase and hold TeamViewer shares.

When determining the Management Board's remuneration, the Supervisory Board also takes the remuneration and employment conditions of TeamViewer's senior management as well as its workforce into account. To ensure that the remuneration systems for the Management Board, upper management circle, and employees are consistent with one another, the same performance targets and incentives are set for steering the Company.

The remuneration system for the Management Board applies to new Management Board members, to reappointments of incumbent Management Board members, and to other amendments to existing employment contracts. The remuneration system also applies to the employment contract of Oliver Steil since his reappointment in October 2021. There are therefore no deviations from the Management Board remuneration system as defined by Sec. 162 (1) sentence 2 no. 5 AktG. In addition, the employment contract of Oliver Steil until the time of his reappointment, the employment contract of Lisa Agona, as well as the existing employment contract of Stefan Gaiser largely complied with the regulations of the remuneration system introduced for the first time in 2021.

Further information, including the Management Board remuneration system approved by the Annual General Meeting, is available on the Company's website.

Process for determining, implementing and reviewing the Management Board remuneration system

The Supervisory Board is responsible for determining, implementing and reviewing the Management Board remuneration system and is supported by the Nomination and Remuneration Committee in performing these tasks. The Nomination and Remuneration Committee is responsible for formulating recommendations for the Management Board's remuneration that take into account the aforementioned principles and the recommendations of the GCGC as amended. The remuneration system, prepared by the Nomination and Remuneration Committee, as well as all other matters relating to the remuneration of individual Management Board members are discussed and resolved by the Supervisory Board. When necessary, both the Nomination and Remuneration Committee and the Supervisory Board may consult an independent external remuneration expert to assist in developing the remuneration system for the members of the Management Board and in assessing the appropriateness of the remuneration. An independent external remuneration expert was called in by the Supervisory Board to assist in the development of the remuneration system.

The remuneration system adopted by the Supervisory Board is further submitted to the Annual General Meeting for approval. The Supervisory Board reviews the remuneration system regularly and makes any changes it deems necessary. In accordance with the requirements of Sec. 120a AktG, the remuneration system is resubmitted to the Annual General Meeting for approval no later than every four years and in the event of significant changes. Should the Annual General Meeting reject the remuneration system, a revised remuneration system is submitted to the subsequent Annual General Meeting for approval. The Supervisory Board's Rules of Procedure set out requirements for avoiding conflicts of interest when determining, implementing and reviewing the Management Board's remuneration.

Appropriateness of Management Board remuneration

Management Board remuneration appropriately considers the individual duties and performance of the individual member, as well as the economic situation, success, and future prospects of TeamViewer.

The Nomination and Remuneration Committee regularly reviews the appropriateness of the Management Board's remuneration and proposes adjustments to the Supervisory Board when necessary in order to comply with regulatory requirements and ensure the remuneration is commensurate with the market.

In order to assess the appropriateness of remuneration, the Nomination and Remuneration Committee conducts a horizontal comparison which views the amount of remuneration in comparison to what is received by management board members of comparable companies as well as a vertical comparison that evaluates the appropriateness of remuneration in relationship to the remuneration and employment conditions of TeamViewer AG's upper management circle and workforce and the development of the remuneration ratio over time.

For the horizontal comparison, the Supervisory Board selects a group of comparable companies based on the country, company size and sector. To assess the remuneration granted in the 2021 fiscal year, the Board used a group consisting of international technology companies of similar size and the companies listed in the MDAX. This provided an appropriate comparison both in terms of similarly sized companies in Germany and international companies in the same sector. The Supervisory Board's comparison took primarily the following aspects into account:

- the mode of action of the individual fix ed and variable remuneration components, i. e., their methodology and success parameters;
- the relative weighting of the components, i. e., the ratio of the fixed base remuneration to the short- and longterm variable components;
- the amount of tar get total remuneration, consisting of annual base salary and fringe benefits, short-term incentive (STI) (annual bonus) and long-term incentive (LTI); as well as
- the maximum potential amount of remuneration granted.

The vertical (internal) comparison encompasses TeamViewer AG's upper management circle and its workforce. The comparison assesses both the current ratio and the change in the ratio of the remuneration of the Management Board to the remuneration of the upper management circle and the workforce. The Supervisory Board determines how the upper management circle and the workforce are to be defined for the comparison. In determining the remuneration granted in fiscal year 2021, the Supervisory Board's comparison used the management level below the Management Board as the upper management circle, as well as the total workforce, consisting of all employees of TeamViewer AG. The remuneration of the senior leadership team and the entire workforce at the Group level were also taken into account.

Overview of remuneration components

The remuneration of Management Board members comprises fixed (non-performance-based) and variable (performance- based) remuneration components, the total amount of which determines the respective overall target remuneration of each Management Board member.

Fixed remuneration consists of an annual base salary as well as fringe benefits, which may vary from year to year depending on events and the particular individual. Variable remuneration comprises short-term variable remuneration (short-term incentive – STI) (annual bonus) and long-term variable remuneration (long-term incentive – LTI).

To reinforce the Pay-for-Performance concept of the remuneration system, variable, performance-based components make up the majority of the target total remuneration for each Management Board member. To ensure that remuneration is aligned with TeamViewer's sustainable, long-term development, the percentage share of long-term incentives outweighs the percentage share of short-term incentives.

The percentage of fixed remuneration as a share of total target remuneration ranges between 30% and 40%. The annual base salary accounts for 90% to 100% of fixed remuneration and fringe benefits amount to up to 10%. The percentage of variable remuneration as a share of total target remuneration is between 60% and 70%, of which STI ranges from 30% to 47% of the total and L TI from 53% to 70%.

Subsequent changes to the target values or comparison parameters set by the Supervisory Board in each case for the upcoming fiscal year are excluded.

The weighting of the individual components may vary for Management Board members who received compensation payments to the extent permitted by law for remuneration forfeited from previous employers when they took office.

Management Board remuneration in fiscal year 2021

Fixed remuneration

In the 2021 fiscal year, all Management Board members received an annual fixed base salary in cash, payable in twelve equal monthly instalments. As chairman of the board Oliver Steil received a gross amount of EUR 900,000 p.a., and Stefan Gaiser received a gross amount of EUR 550,000 p.a. The annual base salary of Lisa Agona was a gross amount of USD 450,000 p.a. (equivalent to a gross amount of approx. EUR 397,315.91, depending on the exchange rate) and was paid on a pro rata basis from the date of her appointment to the Management Board on 19 April 2021 until the end of her employment with the Company on 31 December 2021.

Performance-related variable remuneration

In addition to fixed remuneration, Management Board members are entitled to receive a variable short-term incentive bonus (STI bonus) based on the Company's annual performance, as well as a long-term incentive bonus (LTI bonus) under the Company's applicable longterm incentive programme (LTIP).

Short-term variable remuneration/STI bonus

The annual variable bonus (STI bonus), paid in cash, is based on the achievement of specific financial targets (according to billings-based performance targets and/or adjusted EBITDA targets), as well as certain optional non-financial corporate targets (particularly sustainability and ESG aspects). The amount of the STI bonus also depends on the achievement of personal performance targets, which are weighted on a percentage basis and set by the Supervisory Board at the beginning of the fiscal year individually for each Management Board member. The new remuneration system includes the option of taking non-financial corporate objectives into account for the STI assessment, which is meant to ensure that sustainability aspects are incorporated into the STI bonus consideration to an even greater extent than before, reflecting the overriding importance TeamViewer places on ESG aspects. To underline this strong importance as early as for the 2021 fiscal year, the Supervisory Board decided to make ESG aspects a central criterion in assessing the individual performance ("modifier criteria") of all Management Board members.

Basis for the assessment of the STI bonus

Overall degree of target achievement in % based on financial and, where applicable, non-financial targets × Target remuneration × Modifier factor = STI bonus

The calculation and payment of the STI bonus also incorporates special malus and clawback criteria that may result in the reduction, complete elimination or clawback of the STI bonus.

Subject to any reductions or clawbacks (malus and clawback), the STI bonus for a fiscal year is generally calculated as follows:

Assuming 100% target achievement (and no malus or clawback provisions applicable), the STI bonus (target STI) for Oliver Steil in fiscal year 2021 was EUR 900,000 (gross), EUR 500,000 (gross) for Stefan Gaiser, and USD 450,000 (gross) for Lisa Agona, corresponding to EUR 279,754 (gross, depending on the exchange rate) on a pro rata basis.

The STI bonus is limited to a maximum of 200% of the target STI bonus. If the respective employment contract begins or ends during the year, the STI bonus is calculated on a pro rata basis for the period of the employment contract's existence in the respective fiscal year. If a Board member leaves the Company during the year, the target achievement is still determined based on the parameters that were originally defined and paid out at the regular due date. For Board members entitled to an STI bonus, the bonus payout is due six weeks following the adoption of the consolidated financial statements.

The target values for the STI bonus for the 2021 fiscal year were set by the Supervisory Board on 3 February 2021 for Mr Steil and Mr Gaiser, and on 28 July 2021 for Ms Agona. In addition to the performance targets for billings and adjusted EBITDA, each weighted at 50%, the Supervisory Board also specified collective as well as individual performance criteria for each Management Board member.

A billings target of EUR 594 million was set for Oliver Steil and Stefan Gaiser in the 2021 fiscal year. The range of billings to be achieved was set at a minimum value of EUR 570 million and a maximum value of EUR 623 million. The level of target achievement is determined by linear interpolation within these amounts. The corresponding target for adjusted EBITDA was EUR 331 million with a minimum value of EUR 310 million and a maximum value of EUR 355 million. The target values set for Oliver Steil and Stefan Gaiser were each at the mid-point of the Company's 2021 full-year guidance announced in February 2021. The same billings targets were set for Lisa Agona. Because the target for the adjusted EBITDA margin communicated to the capital market was reduced before Ms Agona joined the Company, the STI target for Ms Agona for the 2021 fiscal year was also adjusted to a target of EUR 296 million, with a minimum value of EUR 290 million and a maximum value of EUR 330 million.

The individual performance criteria for Management Board members focused primarily on achieving consistent and long-term corporate growth, sustainability (ESG aspects, such as improving the Company's ESG scores and attracting and promoting high-caliber female executives), the continued development and strengthening of the Company's organisational structure and processes, and the effective execution of the M&A strategies.

The performance of CEO Oliver Steil in fiscal year 2021 was argely measured by the success of the growth initiative in the enterprise business, setting regional priorities – particularly the development and execution of an investment programme for the U.S. market and the implementation of the M&A strategies – strengthening TeamViewer's remote management suite, incorporating ESG aspects, implementing the acquisition and partnership strategy, and strengthening the organisational structure and processes.

CFO Stefan Gaiser was assessed in 2021 based on the achievement of individual targets related to the success of the CFO organisation, the future strategic orientation of the Company on the capital market, investor relations activities, the inclusion of ESG aspects, the implementation of the acquisition and partnership strategy, and the support and promotion of growth initiatives.

The achievement of the personal performance criteria in Lisa Agona's board area of responsibility in fiscal year 2021 was measured by the development of a multi-year marketing strategy, maximising business development through existing partnerships, and increasing demand and revenue through targeted, strategic marketing efforts.

After the close of the 2021 fiscal year, the Supervisory Board and the Nomination Committee dealt in detail with the achievement of targets by the Management Board as a whole and by each individual Management Board member.

The lower limits of the STI financial performance targets were not achieved by any Management Board member in fiscal year 2021, resulting in overall target achievement of 0%. On this basis, the Supervisory Board decided not to pay out an STI bonus for the 2021 fiscal year. For this decision, the Pay for Performance principle of the remuneration system was particularly relevant. Against this background, the assessment of the modifier factors was no longer decisive for the calculation of the STI bonus.

STI bonus for 2021 fiscal year

Management Board member	Overall target achievement in %	Target remuneration	Modifier factor	**STI bonus for 2021 fiscal year**
Oliver Steil	0	EUR 900,000	n/a	**0**
Stefan Gaiser	0	EUR 500,000	n/a	**0**
Lisa Agona	0	USD 450,000	n/a	**0**

On 25 January 2022, the Supervisory Board set the target values for the 2022 STI bonus. In addition to the targets for billings and adjusted EBITDA in the 2022 fiscal year, individual targets have been set for each Management Board member that explicitly include ESG criteria.

Long-term variable remuneration (Long-term incentive/LTI bonus)

In fiscal year 2021, the members of the Management Board continued to participate in the Company's long-term incentive programme (LTIP).

Long-term incentive (LTI) is measured based on performance shares with a four-year performance period. The Supervisory Board determines the terms of the LTIP for each performance period at its own discretion. Unless the Supervisory Board decides to redefine the terms of the LTIP, the terms of the LTIP for the previous fiscal year continue to apply to the subsequent performance period.

At the beginning of each performance period, the Supervisory Board sets a target for each of at least three performance targets which, if achieved, results in 100% target achievement. For each of these performance targets, the Supervisory Board also defines, where possible, a minimum value as the lower end of the target corridor that, if achieved, results in 50% target achievement (minimum value). In addition, a maximum value is determined that, if achieved or exceeded, results in 200% target achievement (maximum value). If the value achieved with respect to the performance target falls below the minimum value, the degree of target achievement for that performance target is 0%. If the value achieved with respect to the performance target reaches or exceeds the maximum value, the degree of target achievement is 200%.

The payout amount is determined by multiplying the final number of performance shares for the performance period by the average closing price of the Company's share for the 60 trading days preceding the end of the performance period. Assuming the share price is unchanged and 100% target achievement overall (without the intervention of malus or clawback provisions), the LTI payout amount would be equal to the original grant value. The maximum payout of an LTI tranche (before taking into account any malus or clawback provisions) may generally not exceed 200% of the original grant value.

Overall target achievement for the performance period takes the following components into consideration:

- 30% – financial performance targets "average billings growth" and "average adjusted EBITDA growth" (equally weighted)
- 50% – relative total shareholder return (TSR) measured against the two peer groups "STOXX 600 Technology" and "MDAX" (equally weighted), or other peer groups and share indices determined by the Supervisory Board for comparison
- 20% – non-financial performance targets, which include sustainability aspects (Environment, Social, Governance – ESG) in particular

The payout is then calculated based on TeamViewer's average share price for the 60 trading days preceding the end of the performance period. The payout is capped at 200% of the LTI target amount.

If the employment agreement or the right to participate in an LTIP begins or ends during the year, the allocation value shall be reduced on a pro rata basis to an amount corresponding to the number of calendar months during which the employment agreement or the right to participate existed in the allocation year (the first year of the performance period). Any forfeiture in accordance with the respective LTIP remains unaffected.

LTIP for the 2021 to 2024 performance period

Each fiscal year marks the start of a new assessment period (performance period) in accordance with the terms of the applicable LTIP. After the end of each fiscal year, the achievement of certain predefined targets is measured. The LTIP allocated in the 2021 fiscal year is based on the 2021 to 2024 performance period.

The Supervisory Board defined the following target components for the 2021 fiscal year:

The terms of the current LTIP provide for the allocation of a tranche of virtual shares (performance shares) at the beginning of the first fiscal year of the performance period 2021 to 2024. The initial tranche of performance shares allocated is used as the basis for calculating any LTIP payout at a later date, taking into account performance measurement/ target achievement at the end of the four-year measurement period. The initial number of performance shares allocated in a tranche is calculated by dividing the allocation value promised to the Management Board member by the average closing price of the Company's share on the last 60 trading days before the start of the performance period (rounded to full performance shares).

Management Board remuneration components

	Weighting in %	Criteria
1. Long-term financial target	30	50 %: Average billings growth 2021 – 2024[1] 50 %: Average adjusted EBITDA growth 2021 – 2024[1]
2. Financial strategic target	20	50 %: Net promoter score (collected externally) 50 %: ESG targets
3. Share price/return-based target	50	50 %: Relative share return vs. STOXX® 600 Technology 50 %: Relative share return vs. MDAX®

[1] Average of the four annual growth rates of the years 2021 to 2024.

In addition to setting the target values for the long-term financial targets (average billings and adjusted EBITDA growth in the years 2021 to 2024), the non-financial targets were supplemented by a further ESG-based remuneration component aimed at effectively increasing the proportion of women on the Management Board. Targets were also set for the relative return for TeamViewer shares compared with the STOXX 600 Technology and MDAX, with a relative performance target of 6.67% outperformance over the respective benchmark index (minimum value of 0% and maximum value of 20% outper formance).

The grant value in fiscal year 2021 was EUR 1,000,000 for Mr Steil, EUR 550,000 for Mr Gaiser, and USD 340,000 for Ms Agona (which, calculated at the ECB reference rate of 0.847, corresponds to an amount of EUR 287,980), based on an annual target amount of USD 510,000 and calculated on a pro rata basis.

At the end of the performance period, an overall target achievement level is determined for the performance targets set by the Supervisory Board before the start of the performance period. The payment amount for the respective performance period is due with the next possible salary statement following the adoption of the Company's consolidated financial statements after the end of the respective performance period and no later than 31 December of the fiscal year following the end of the performance period.

Based on the current LTIP, the final number of performance shares at the end of the performance period is determined by multiplying the initial number of performance shares by the overall target achievement level. The overall target achievement level is determined from the target achievement levels of the individual targets set by the Supervisory Board for the respective performance period.

The total expense arising from the 2020 LTIP amounted to EUR 300,700 for Mr Steil, EUR 152,600 for Mr Gaiser and EUR 0 for Ms Agona in the 2021 fiscal year. The total expense arising from the 2021 LTIP amounts to EUR 14,800 for Mr Steil, EUR 19,600 for Mr Gaiser and EUR 17,100 for Ms Agona in the 2021 fiscal year. Further information on sharebased payments through performance shares is provided in Note to the consolidated financial statements. We also consider this information to be a component of this remuneration report.

Malus and clawback

The STI and LTI are subject to malus and clawback conditions (as of the Company's IPO). This means that before determining the payout amount of an STI or LTI, the Supervisory Board reviews as to whether a malus provision justifies a reduction or even the elimination of the variable remuneration amount, which is determined on the basis of the target achievement level and the LTIP conditions.

Variable remuneration amounts already paid out can be reclaimed within a clawback period if a clawback criteria emerge during the period for which the variable remuneration component was paid. The clawback period for each variable remuneration component begins with the expiry of the performance period on which it is based and ends two years after this date. In the 2021 fiscal year, there were neither reductions nor clawbacks of variable remuneration components due to malus or clawback events.

Fringe benefits

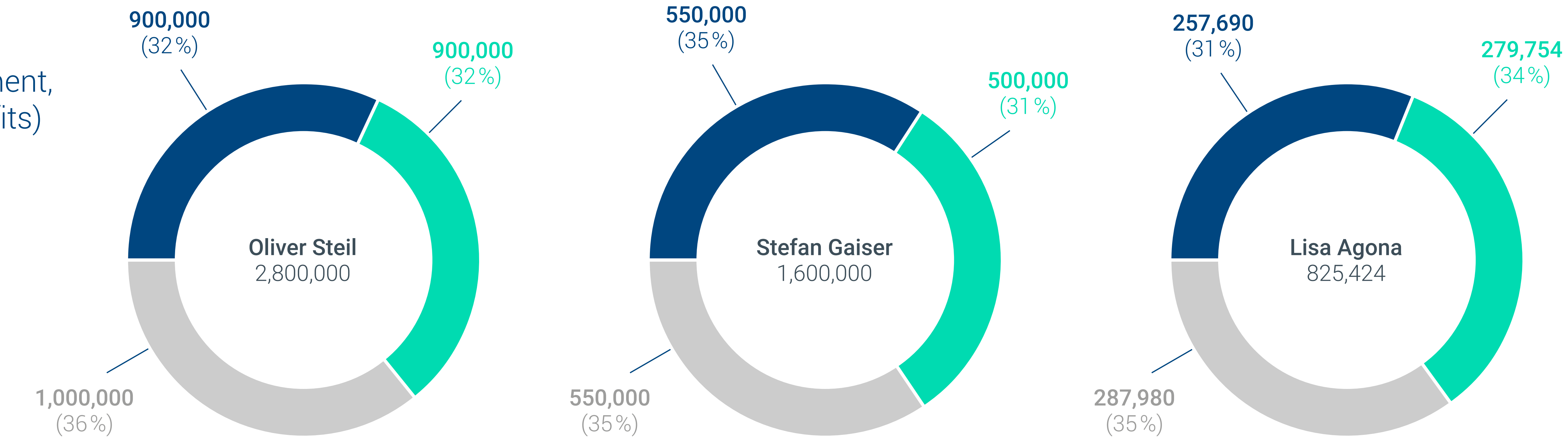
Management Board members were also granted non-cash fringe benefits. These consisted primarily of lump-sum payments of EUR 2,000 per month for the use of a private car for business travel (or USD 2,000 in the case of Ms Agona), contributions to (private or statutory) health and long-term care insurance (in the amount of the statutory employer's contributions to statutory health and long-term care insurance or a maximum of half the contribution actually paid), the continued payment of wages in the event of incapacity to work due to illness or death, and accident insurance in the event of death and disability. In addition, all Management Board members are insured against thirdparty liability claims based on a D&O insurance policy at the Company's expense with a deductible amounting to 10% of the loss, but not exceeding 150% of the basic annual salary in accordance with the provisions of stock corporation law. The Company also provides Mr Gaiser with a driving service for certain trips.

The annual remuneration of the Management Board members, consisting of a fixed salary, the STI and LTI, would have totalled a maximum of EUR 8,743,158 p.a. in fiscal year 2021 for all three Management Board members combined if the target had been achieved by 200% (or more) and EUR 5,225,424 if the tar get had been achie ved by 100%.

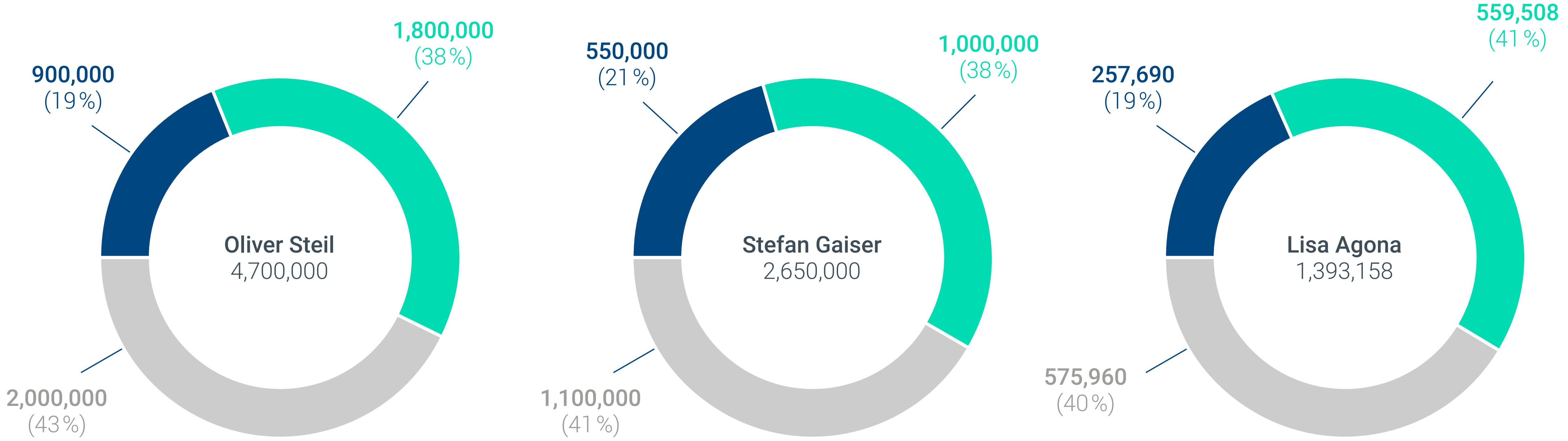
The fixed and variable remuneration components paid to the Management Board members in fiscal year 2021 fully comply with the requirements of the remuneration system approved by the Company's Annual General Meeting in 2021. In particular, the amount of remuneration granted also complied with the maximum remuneration stipulated by the remuneration system. To avoid unrestricted and excessive remuneration of the Management Board, remuneration is limited in two ways.

Overview of the target and maximum remuneration structure in fiscal year 2021

Target remuneration structure
(Annual base salary, STI bonus and LTI at 100% target achievement, excluding fringe benefits)



Maximum remuneration structure
(Annual base salary, STI bonus and LTI at 200% target achievement, excluding fringe benefits)



Fix STI LTI

In EUR

First, the payment of variable remuneration components is limited to 200% of the target amount for both the STI and the LTI. Second, the Supervisory Board has set a maximum level of remuneration for the members of the Management Board in accordance with Sec. 87a (1) sentence 2 no. 1 AktG, which includes all fix ed and variable remuneration components granted for a single fiscal year. The maximum rem neration realisable for a given fiscal year may not exceed EUR 9,800,000 for each Management Board member. Should the defined maximum remuneration for a fiscal year be exceeded, the amount paid out under the LTI will be reduced accordingly.

The mix of short-term and long-term remuneration components, as well as the above-described assessment of the performance criteria on a case-by-case basis, ensure the effective promotion of TeamViewer's corporate strategy and sustainable, long-term development.

Shareholding obligations

The Company's Management Board members are obliged to hold shares in TeamViewer AG for the duration of their appointment as board members, whereby this obligation must be fulfilled for the first time no later than after the expiration of four years (or in the case of Mr Steil and Mr Gaiser: two years) since their initial appointment. The number of shares in the Company to be held (restricted shares) is calculated by dividing (i) the fixed remuneration by (ii) the value of the Company's share at the time of the IPO. The shares granted by the Company's principal shareholder to redeem previous shareholding commitments for participating in the increase in the Company's value (see third-party benefits below) may be used for this purpose.[12]

Shares held by members of the Management Board as of 31 December 2021:

Management Board members as of 31 December 2021

Management Board members	Number of shares
Oliver Steil	2,287,209
Stefan Gaiser	1,288,689

Based on the above shareholdings of the Management Board members, their compliance with the shareholding obligations was determined as of 31 December 2021. Lisa Agona was no longer a member of the Management Board as of 31 December 2021 and, in any case, was not yet subject to the shareholding obligation in her first year on the Management Board.

Benefits in the event of premature termination of employment

In the event of premature revocation of the appointment, Management Board members may be entitled to severance payments under certain circumstances. In the event of a revocation of appointment due to an inability to properly manage the Company within the meaning of Sec. 84 (3) AktG, due to a gross breach of duty or due to other good cause for which the Management Board member is responsible pursuant to Sec. 84 AktG, or if there is good cause for which the Management Board member is responsible within the meaning of Sec. 626 BGB which would have entitled the Company to terminate the employment contract for cause, the Management Board member shall not receive any severance payment.

If the Management Board member's term of office ends pre-term due to death, the Company shall pay the fixed remuneration and any STI bonus for the month of death and three subsequent calendar months on a pro rata basis to the surviving spouse or registered partner or – if the Management Board member is not married or in a civil partnership – to any first-order heirs.

The Management Board members are subject to a post-contractual non-compete clause of twelve months, during which time the respective Management Board member is entitled to a waiting allowance amounting to 50% of the most recent contractual benefits received. The remuneration is payable in monthly instalments. Any severance payment is to be offset against the severance payment.

Ms Agona and the Supervisory Board reached a mutual agreement in November 2021 to terminate Ms Agona's service agreement effective 31 December 2021. Lisa Agona is subject to a six-month non-compete clause following termination of her service agreement. STI/LTI bonuses are paid pro rata temporis. To settle all future claims arising from and in connection with the employment relationship, Ms Agona will receive a one-time severance payment in the gross amount of USD 1,200,000.00 (EUR 1,055,687.51, depending on the exchange rate). The severance payment will be paid as a lump sum with the next regular salary payment after the termination date.

Benefits in the event of regular termination of employment

In the event of the regular termination of employment, no severance payment or other comparable benefit has been promised to any member of the Management Board.

Benefits granted from third parties resulting from the sale of an indirect interest in TeamViewer AG and from participation commitments to share in the increase in value of the Company

Management Board members Oliver Steil and Stefan Gaiser (while still managing directors of TeamViewer GmbH and Regit Eins GmbH) agreed with the Company's principal shareholder at the time on participation in the increase in value of the Company and also acquired an indirect interest in the Company (so-called management equity participation, MEP). Prior to the Company's IPO in 2019, the stock appreciation rights were modified. After the IPO, the participation commitments were partially paid out based on the value appreciation achieved and the indirect participation was sold. This resulted in an inflow of funds to both Management Board members and entitlements to future benefits. These benefits were or will be granted exclusively by the main shareholder or its affiliated companies and not by the Company. Nevertheless, these are to be recognised as an expense by TeamViewer in accordance with the relevant provisions of IFRS (Consolidated Group). In 2019, Oliver Steil received an amount of EUR 39,734,344.93 and Stefan Gaiser an amount of EUR 19,907,507.22 in this connection. As outlined in the Company's securities prospectus dated 11 September 2019, this will be supplemented by two share allocations subject to certain conditions. For the tranche maturing in 2020, these conditions ultimately occurred on 1 October 2020. On 1 December 2020, Mr Steil was therefore allotted 1,765,971 shares and Mr Gaiser 884,778 shares from the holdings of the principal shareholder. These shares are held by the members of the Management Board, with the exception of a proportion sold immediately upon allocation mainly to settle taxes and costs. The second share allocation in an identical amount was made on 1 December 2021. These shares are also held by the members of the Management Board, with the exception of a proportion sold mainly to settle taxes and costs immediately upon

[12] TigerLuxOne S.à.r.l. (TLO); insofar as the principal shareholder is referred to below, this is TLO.

allocation. In 2021, Mr Steil and Mr Gaiser decided to settle a portion of the taxes and costs incurred in this connection from their own funds and therefore sold significantly fewer shares than in the previous year. Following these allocations and the further purchase of shares from own funds, the shareholding obligations (Share Ownership Guidelines) are far exceeded by both members of the Management Board.

Remuneration granted and owed

The following table shows the remuneration granted and owed to the current members of the Management Board in the past fiscal year in accordance with Sec. 162 (1) sentence 1 AktG. This includes all fixed and variable remuneration components and their respective relative proportions per Management Board member. The tables include all amounts actually (factually) received by the individual members of the Management Board in the reporting period (remuneration granted) and amounts due for (final) performance in the corresponding reporting year but not yet received (remuneration owned).

The one-year variable remuneration (STI) is understood as remuneration owed, although payment is made after the end of the fiscal year, as the performance relevant for the variable remuneration was rendered up to the respective reporting date of 31 December. This approach is necessary to assess the pay for performance because it is the only way to establish congruence between the published business results at the end of the respective fiscal year and the resulting remuneration.

The table shows the annual remuneration paid out in the fiscal year, the fringe benefits paid out, the STI paid out and the other remuneration (third-party payment or severance payment). The Company does not have any current pension expenses. LTI did not represent remuneration granted or owed in the 2021 reporting year, as the entitlements from the LTI tranches granted in previous years are not yet due, and the LTI tranches allocated in 2020 and 2021 do not, by definition, represent remuneration granted and owed in 2021.

In addition to the above information, the table also shows the relative proportions of all fixed and variable remuneration components in relation to total remuneration in the respective fiscal year to be disclosed in accordance with Sec. 162 (1) sentence 2 no. 1 AktG.

Remuneration granted and owed to current Management Board members pursuant to Sec. 162 (1) sentence 1 AktG for the reporting year (1 January 2021 to 31 December 2021)

	Oliver Steil Chief Executive Officer/CEO				Stefan Gaiser Chief Financial Officer/CFO			
	2020	2020	**2021**	**2021**	2020	2020	**2021**	**2021**
	In EUR	In % of total remuneration	In EUR	In % of total remuneration	In EUR	In % of total remuneration	In EUR	In % of total remuneration
Fixed remuneration	900,000	1.23	900,000	4.08	550,000	1.50	550,000	4.92
Fringe benefits	21,912	0.03	21,981	0.10	55,153	0.15	36,845	0.33
Total	**921,912**	**1.26**	**921,981**	**4.18**	**605,152**	**1.65**	**586,845**	**5.25**
One-year variable remuneration (STI)								
2020	1,800,000	2.47	–	–	1,000,000	2.72	–	–
2021	–	–	–	–	–	–	–	–
Multi-year variable remuneration (LTIP)								
2020 – 2023	–	–	–	–	–	–	–	–
2021 – 2024	–	–	–	–	–	–	–	–
Other[1]	70,162,028[2]	96.27	21,138,673[3]	95.82	35,152,230[4]	95.63	10,590,793[5]	94.75
Total	**71,962,028**	**98.74**	**21,138,673**	**95.82**	**36,152,230**	**98.35**	**10,590,793**	**94.75**
Pension expenses	–	–	–	–	–	–	–	–
Total remuneration (as defined by Sec.162 AktG)	**72,883,940**	**100**	**22,060,654**	**100**	**36,757,382**	**100**	**11,177,638**	**100**

[1] Benefits granted by third parties: Paid by the main shareholder or its majority shareholder. In 2021, this payment was made in the form of share transfers.
[2] 1,765,971 shares at the weighted average share price on 1 December 2020 of EUR 39.73 per share.
[3] 1,765,971 shares at the weighted average share price on 1 December 2021 of EUR 11.97 per share.
[4] 884,778 shares at the weighted average price on 1 December 2020 of EUR 39.73 per share.
[5] 884,778 shares at the weighted average price on 1 December 2021 of EUR 11.97 per share.

The following table shows the remuneration granted and owed to the former member of the Management Board in the past fiscal year in accordance with Sec. 162 (1) sentence 1 AktG. After a period of ten years from the end of the fiscal year in which the respective member ceased his activity, personal details of former members of the Management Board are omitted in accor dance with Sec. 165 (5) AktG.

Remuneration granted and owed to the former Management Board member pursuant to Sec. 162 (1) sentence 1 AktG for the reporting year (1 January 2021 to 31 December 2021)

	Lisa Agona Chief Marketing Officer/CMO 19 April to 31 December			
	2020	2020	**2021**	**2021**
	In EUR	In % of total remuneration	In EUR	In % of total remuneration
Fixed remuneration	–	–	257,690	19.0
Fringe benefits	–	–	33,839	2.5
Total	**–**	**–**	**291,529**	**21.5**
One-year variable remuneration (STI)				
2020	–	–	–	–
2021	–	–	–	–
Multi-year variable remuneration (LTIP)				
2020 – 2023	–	–	–	–
2021 – 2024	–	–	–	–
Other[1]	–	–	1,062,323	78.5
Total	**–**	**–**	**1,062,323**	**78.5**
Pension expenses	–	–	–	–
Total remuneration (as defined by Sec.162 AktG)	**–**	**–**	**1,353,852**	**100**

[1] Severance payment to settle all future claims arising from and in connection with the employment relationship.

Remuneration granted and received

The following tables present the remuneration granted for the reporting year (1 January 2021 to 31 December 2021) and the benefits received during this period.

Remuneration granted for the fiscal year
(1 January 2021 to 31 December 2021)

	Oliver Steil Chief Executive Officer/CEO				Stefan Gaiser Chief Financial Officer/CFO				Lisa Agona Chief Marketing Officer/CMO 19 April to 31 December			
In EUR	2020	**2021**	**2021 min.**	**2021 max.**	2020	**2021**	**2021 min.**	**2021 max.**	2020	**2021**	**2021 min.**	**2021 max.**
Fixed remuneration	900,000	900,000	900,000	900,000	550,000	550,000	550,000	550,000	–	257,690	257,690	257,690
Fringe benefits	21,912	21,981	21,981	21,981	55,153	36,845	36,845	36,845	–	33,839	33,839	33,839
Total	**921,912**	**921,981**	**921,981**	**921,981**	**605,152**	**586,845**	**586,845**	**586,845**	**–**	**291,529**	**291,529**	**291,529**
Benefits granted by third parties	–	–	–	–	–	–	–	–	–	–	–	–
One-year variable remuneration (STI)	1,800,000	–	–	1,800,000	1,000,000	–	–	1,000,000	–	–	–	559,508
Multi-year remuneration (LTIP)	–								–	–	–	–
2020 – 2023	983,000	–	–	2,000,000	540,700	–	–	1,100,000	–	–	–	–
2021 – 2024	n/a	864,800	–	2,000,000	–	475,600	–	1,100,000	–	249,000	–	575,960
Other[1]	–	–	–	–	–	–	–	–	–	1,062,323	1,062,323	1,062,323
Total	**2,783,000**	**864,800**	**–**	**5,800,000**	**1,540,700**	**475,600**	**–**	**3,200,000**	**–**	**1,311,323**	**1,062,323**	**2,197,791**
Pension expenses	–	–	–	–	–	–	–	–	–	–	–	–
Total remuneration (as defined by Sec.162 AktG)	**3,704,912**	**1,786,781**	**921,981**	**6,721,981**	**2,145,852**	**1,062,445**	**586,845**	**3,786,845**	**–**	**1,602,852**	**1,353,852**	**2,489,320**

1 Severance payment to settle all future claims arising from and in connection with the employment relationship.

Remuneration granted for the fiscal year
(1 January 2021 to 31 December 2021)

	Oliver Steil Chief Executive Officer/CEO		Stefan Gaiser Chief Financial Officer/CFO		Lisa Agona Chief Marketing Officer/CMO 19 April to 31 December	
In EUR	2020	**2021 max.**	2020	**2021 max.**	2020	**2021 max.**
Fixed remuneration	900,000	900,000	550,000	550,000	–	257,690
Fringe benefits	22,217	18,000	54,203	57,853	–	33,839[6]
Total	**922,217**	**918,000**	**604,203**	**607,853**	**–**	**291,529**
Benefits granted by third parties[1]	70,162,028[2]	21,138,673[3]	35,152,230[4]	10,590,793[5]	–	–
One-year variable remuneration (STI)	601,500	1,800,000	298,244	1,000,000	–	–
Multi-year remuneration (LTIP)					–	–
2020 – 2023	–	–	–	–	–	–
2021 – 2024	–	–	–	–	–	–
Total	**70,763,528**	**22,938,673**	**35,450,474**	**11,590,793**	**–**	**–**
Pension expenses	–	–	–	–	–	–
Total remuneration	**71,685,745**	**23,856,673**	**36,054,676**	**12,198,645**	**–**	**291,529**

1 Paid by the main shareholder or its majority shareholder. In 2021, this payment was made in the form of share transfers.
2 1,765,971 shares at the weighted average share price on 1 December 2020 of EUR 39.73 per share.
3 1,765,971 shares at the weighted average share price on 1 December 2021 of EUR 11.97 per share.
4 884,778 shares at the weighted average price on 1 December 2020 of EUR 39.73 per share.
5 884,778 shares at the weighted average price on 1 December 2021 of EUR 11.97 per share.
6 Includes paid travel, without health long-term care insurance.

Remuneration of the Supervisory Board

The remuneration of Supervisory Board members is governed by Sec. 13 of the Company's Articles of Association. The remuneration of the Supervisory Board is fully fixed. It takes into account the duties and responsibilities of the members of the Supervisory Board. The members of the Supervisory Board generally receive fixed remuneration of EUR 75,000. The Chairman of the Supervisory Board receives fixed remuneration of EUR 187,500 and his deputy receives fixed remuneration of EUR 165,000. In addition, the members of the Supervisory Board acting as members of the Audit Committee receive an additional fixed remuneration of EUR 30,000. For their work on other Supervisory Board committees, Supervisory Board members receive additional fixed annual remuneration of EUR 25,000 per committee, provided the relevant committee meets at least once a year to perform its duties. The Chairmen of the committees receive twice the above committee remuneration. Remuneration for committee work is taken into account for a maximum of two committees. The two functions with the highest remuneration are relevant in the event that this limit is exceeded. The above remuneration is payable in four equal instalments due and payable at the end of each quarter for which the remuneration is paid. Members of the Supervisory Board who hold office on the Supervisory Board or the office of Chairman or Deputy Chairman for only part of the fiscal year receive the corresponding remuneration on a pro rata basis. In addition, the Company reimburses the members of the Supervisory Board for their reasonable out-of-pocket expenses (miscellaneous) incurred in connection with the exercise of their mandate, as well as for value-added tax on their remuneration and out-of-pocket expenses.

Members of the Supervisory Board or a committee for only part of the fiscal year receive a pro rata temporis reduced remuneration.

The members of the Supervisory Board are covered by the Company's D&O insurance policy with coverage in line with the market. Partners and employees of Permira who serve as members of the Company's Supervisory Board do not receive any additional remuneration for their services as this is considered to be covered by the contractual remuneration they receive from Permira. They are generally required to waive any remuneration they may be entitled to in such positions.

In accordance with Sec. 113 (3) AktG as amended by the Act Implementing the Second Shareholders' Rights Directive (SRD II), a resolution on the remuneration of Supervisory Board members must be adopted at least every four years for listed companies. The Annual General Meeting approved the proposed remuneration system for Supervisory Board members in accordance with Sec. 113 (3) AktG on 15 June 2021 with a majority of 98.71% of the votes cast. The remuneration system for Supervisory Board members corresponds to the previous provisions of the Articles of Association on Supervisory Board remuneration in Sec. 13 of the Company's Articles of Association. The remuneration system and the Articles of Association are both publicly available.

Comparative presentation of earnings development and annual change in remuneration

In accordance with Sec. 162 (1) sentence 2 no. 2 AktG, the following overview provides a comparative presentation of the annual change in the remuneration of the current and former members of the Management Board and Supervisory Board, the development of the Company's earnings, and the average remuneration of employees on a full-time equivalent basis over the last five fiscal years.

The Company's earnings performance is measured on the basis of billings and adjusted EBITDA

Remuneration granted and owed to Supervisory Board members in accordance with Sec. 162 (1) sentence 1 AktG

	Fixed remuneration		Participation in committees		Other		Total	
In EUR	2020	**2021**	2020	**2021**	2020	**2021**	2020	**2021**
As of 31 December 2021 acting Supervisory Board members								
Dr. Abraham Peled (Chairman)	187,500	187,500	55,000	55,000	–	6,896	242,500	249,396
Jacob Fonnesbech Aqraou (Deputy Chairman)	165,000	165,000	55,000	55,000	–	3,824	220,000	223,824
Stefan Dziarski[1]	–	–	–	–	–	–	–	–
Dr. Jörg Rockenhäuser[1]	–	–	–	–	–	–	–	–
Axel Salzmann	75,000	75,000	110,000	110,000	–	173	185,000	185,173
Hera Kitwan Siu (as of 26 November 2021)	–	4,688	–	–	–	–	–	4,688
Supervisory Board members who resigned in the fiscal year								
Holger Felgner (until 3 August.2021)	75,000	44,429	–	–	–	–	75,000	44,429

1 Due to their activities for Permira, Stefan Dziarski und Dr. Jörg Rockenhäuser did not receive any remuneration in fiscal year 2021.

For the members of the Management Board and Supervisory Board, the remuneration granted and owed in the respective fiscal year is presented on an individual basis as defined by Sec. 162 (1) sentence 1 AktG.

The Company's earnings performance is measured on the basis of billings and adjusted EBITDA.

For the presentation of the average remuneration of employees on a full-time equivalent basis (FTE), reference is made to the total workforce of TeamViewer AG, which included an average of 80 employees (FTE) in fiscal year 2021. The average employee remuneration includes personnel expenses for wages and salaries, fringe benefits, employer contributions to social security as well as the variable remuneration components attributable to the respective fiscal year.

In line with the remuneration of the Management Board and Supervisory Board, employee compensation therefore corresponds in principle to the remuneration granted and owed within the meaning of Sec. 162 (1) sentence 1 AktG.

Comparative presentation of the development of earnings and the remuneration of the employees, Management Board and Supervisory Board pursuant to Sec. 162 (1) sentence 2 no. to 2 AktG

In EUR	2017[1]	2018[1]	Change in %[1]	2019	Change in %	2020	Change in %	**2021**	Change in %
Fiscal year									
Billings (non-IFRS) (in EUR million)	–	–	–	324,9	–	460,3	+42%	547,6	+19%
Adjusted EBITDA (non-IFRS) (in EUR million)	–	–	–	182,1	–	261,4	+44%	257,0	–2%
Average employee remuneration									
Total workforce of TeamViewer AG	–	–	–	84,489	–	110,942	+31%	113,160	+2%
Management Board remuneration (benefits received)									
Oliver Steil (since 2019)	–	–	–	41,292,291[3]	–	72,883,940[3]	+76%	22,060,654[3]	– 69%
Stefan Gaiser (since 2019)	–	–	–	20,844,399[3]	–	36,757,382[3]	+76%	11,177,638[3]	– 69%
Management Board members departed in the fiscal year									
Lisa Agona (from 19 April – 31 December 2021)	–	–	–	–	–	–	–	291,529	–
Supervisory Board remuneration									
Dr. Abraham Peled (since August 2019)	–	–	–	71,879[2]	–	242,500	+237%	249,396	+3%
Jacob Fonnesbech Aqraou (since August 2019)	–	–	–	81,420[2]	–	220,000	+170%	223,824	+2%
Stefan Dziarski (since August 2019)	–	–	–	–	–	–	–	–	–
Dr. Jörg Rockenhäuser (since August 2019)	–	–	–	–	–	–	–	–	–
Axel Salzmann (since August 2019)	–	–	–	82,804[2]	–	185,000	+123%	185,173	+0%
Hera Kitwan Siu (as of 26 November 2021)	–	–	–	–	–	–	–	4,688	–
Supervisory Board members who resigned in the fiscal year									
Holger Felgner (until 3 August 2021)	–	–	–	32,869[2]	–	75,000	+128%	44,429	–41%

1 The Company was first founded in 2019. For this reason, it is not possible to provide figures for the years 2017 and 2018.
2 The remuneration relates to the period since the appointment of the Supervisory Board in August 2019.
3 The remuneration in fiscal years 2019, 2020 and 2021 includes a high proportion of benefits granted by third parties. These mainly include benefits granted under an investment agreement concluded in connection with the Company's IPO (see the Company's securities prospectus dated 11 September 2019). These benefits were granted exclusively by the main shareholder or its affiliated companies and not by the Company.

09 Takeover-related disclosures

Share capital unchanged compared to prior year |
Permira Holdings Limited held an 18.65% stake in TeamViewer AG as of 31 December 2021 |
Authorised capital in the amount of EUR 98.9 million

Composition of the subscribed capital

As at 31 December 2021, the share capital of TeamViewer AG was unchanged from the previous year at EUR 201,070,931.00 and is divided into 201,070,931 no-par value ordinary bearer shares. All shares carry the same rights. Each share has a notional value of EUR 1.00 in Company's share capital. Each no-par value share grants one vote at the Annual General Meeting. As at 31 December 2021, the Company held no treasury shares.

Voting rights and transfer-related

There are no restrictions affecting voting rights or the transfer of shares as at 31 December 2021.

Material holdings of shareholders

As at 31 December 2021, Permira Holdings Limited, domiciled in St. Peter Port, Guernsey, held an 18.65% share in the capital of TeamViewer AG via TLO.

The Management Board is not aware of any further direct or indirect interests in the Company's capital exceeding 10% of voting rights.

Holders of shares with special rights as well as type of voting right control of employee shares

The Company has not issued any shares with special rights which would grant an authority to control pursuant to Sec. 315 a (4) and Sec. 289 a (4) HGB. No capital interests are held by employees in the meaning of to Sec. 315 a (5) and Sec. 289 a (5) HGB.

Provisions governing the appointment and dismissal of members of the Management Board and changes to the Articles of Association

The appointment and dismissal of members of the Management Board are governed by Secs. 84 and 85 AktG in conjunction with Article 6 of the Articles of Association of TeamViewer AG. The Supervisory Board determines the actual number of members of the Management Board. Pursuant to Sec. 179 AktG, amendments to the Articles of Association require at least three quarters of the share capital represented at the time of the resolution by the Annual General Meeting. However, according to Article 10 of the Articles of Association of TeamViewer AG, the Supervisory Board is authorised to adopt amendments to the Articles of Association that only affect their wording.

Authority of the Management Board to issue or buy back shares

With a resolution passed by the Annual General Meeting on 3 September 2019, the Management Board was authorised to increase the Company's share capital, subject to the consent of the Supervisory Board, by issuing up to 100,000,000 ordinary bearer shares with no-par value against cash and/or non-cash contributions in one or several tranches for a total maximum of EUR 100,000,000 during the period up to 2 September 2024 (Authorised Capital 2019). The dividend entitlement of new shares may be determined by deviation from Sec. 60 (2) AktG. Existing shareholders must, as a general rule, be granted subscription rights. However, subject to the consent of the Supervisory Board, the Management Board is authorised to exclude shareholder subscription rights on one or several occasions in the following cases:

- To exclude fractional amounts.
- To grant holders or creditors of convertible or warrantlinked bonds issued by the Company and/or its direct or indirect majority holding companies and convertible profit participation rights an option to subscribe to new shares to which they would be entitled upon exercise of the conversion or warrant rights, or performance of the warrant or conversion obligations.
- In the event of the issue of new shares in exchange for cash contributions, if the issue amount of the new shares is not significantly lower than the stock market price of the listed shares of the Company, at the time the issue amount is determined with final effect, which should take place promptly after placement of the shares. This authorisation to exclude subscription rights only applies to the extent that the notional percentage of shares issued under exclusion of the shareholders' subscription rights pursuant to Sec. 186 (3) sentence 4 AktG in the share capital does not exceed 10%, i. e. neither the share capital in existence at the time this authorisation takes effect nor the share capital existing at the time this authorisation is exercised.

- If new shares are issued in exchange for non-cash contributions, especially in the form of companies, parts of companies, participations in companies, receivables, or other assets.

Furthermore, the Management Board was authorised by a resolution of the Annual General Meeting, dated 3 September 2019, to issue bearer or registered convertible and/or warrant-linked bonds or a combination of these instruments with a total nominal amount of up to EUR 1,400,000,000, with or without fixed maturity, until 2 September 2024 with the Supervisory Board's approval, once or multiple times in partial amounts, and to grant the holders of these bonds conversion or option rights to subscribe to up to 60,000,000 ordinary bearer shares with no-par value of the Company with a notional interest in the share capital totalling up to EUR 60,000,000 in accordance with the offering terms of these bonds. The bonds may provide for a conversion or performance obligation in respect of the warrant by the end of the term or at an earlier date. The issue of bonds may take place in exchange for cash or non-cash contributions. The bonds may also be issued by companies in which the Company holds an indirect or direct majority stake. For this event, the Management Board is authorised with the approval of the Supervisory Board to assume the required guarantees for the obligations resulting from the bonds and to grant to or impose on the holders or creditors of these bonds conversion or warrant rights or conversion or warrant obligations on shares of the Company.

The Management Board was furthermore authorised to exclude shareholders' subscription rights for issues of bonds under certain circumstances with the Supervisory Board's consent, including issues in exchange for noncash contributions, particularly for the purpose of acquiring companies, parts of companies or participations in companies.

The Company's share capital has been conditionally increased by up to EUR 60,000,000 through the issue of up to 60,000,000 new ordinary bearer shares with no-par value (Contingent Capital 2019). Contingent Capital 2019 solely serves the purpose to grant new shares to the owners or holders of bonds, which according to the authorising soltion adopted by the Annual General Meeting on 3 September 2019 are issued until 2 September 2024 by the Company or affiliated companies in which the Company directly or indirectly holds a majority interest, in the event that conversion and/or option rights are exercised, or that conversion and/or option right obligations are met or that the Company exercises its right to grant shares of the Company instead of pay the amount due in full or in part.

As at 31 December 2021, the Company had utilised Authorised Capital 2019 in the amount of EUR 1,070,931.00 as part of a capital increase against non-cash contributions that took place in the 2020 fiscal year. Contingent Capital 2019 has not yet been utilised. Accordingly, as at 31 December 2021, Authorised Capital 2019 amounted to EUR 98,929,069.00 and Contingent Capital 2019 amounted to EUR 60,000,000.00.

The Management Board was also authorised until 2 September 2024 to acquire its own shares for any statutory permitted purposes up to a total of 10% of the share capital as of the date of the resolution or – if the amount is lower – as of the time the authority is exercised. The shares acquired based on this authorisation, together with other shares of the Company owned by the Company or attributable to it pursuant to Secs. 71a et seqq. AktG, must at no time exceed 10% of the share capital. The purchase takes place at the Management Board's choice via the stock exchange through a public offering addressed to all shareholders, a public call to issue an offer (acquisition offer), or through the utilisation of derivatives (put or call options or a combination thereof).

Fundamental agreements in the event of a change of control due to a takeover bid

The Senior Facilities Agreement, the promissory note agreements as well as a bilateral loan agreement between TeamViewer AG and its lenders constitute material agreements containing provisions in the event of a change of control. These provisions grant lenders the right to terminate and accelerate repayment in the event of a change of control.

Compensation agreements with the Management Board or employees in the event of a takeover bid

No compensation agreements exist between the Company and the Management Board or employees in the event of a takeover bid.

10 Corporate governance statement

Basic approach

As a globally operating Group, TeamViewer attaches great importance to good corporate governance. A transparent and responsible corporate governance, and a collaboration between the Management Board and Supervisory Board in the spirit of trust and open capital market communications form its key elements. TeamViewer AG is guided by the standards of the German Corporate Governance Code (GCGC), as last updated on 16 December 2019.

The Management Board and Supervisory Board of TeamViewer AG submit the following corporate governance statement pursuant to Sec. 315 d in conjunction with Sec. 289 et seq. HGB, which is part of the combined management report. In the corporate governance statement, they report jointly on TeamViewer's corporate governance in accordance with Principle 22 of the GCGC. This statement is also available on the TeamViewer website.

Management Board

Composition

The Management Board of TeamViewer AG consisted of two members as of 31 December 2021. In accordance with the TeamViewer AG Articles of Association, the Management Board is appointed and dismissed by the Supervisory Board.

As of 31 December 2021, the Company's Management Board consisted of the following two members:

- Oliver Steil is appointed as a member of the Management Board of TeamViewer AG and designated chairman of the Management Board until October 2024. Mr. Steil has served as Managing Director of TeamViewer Germany GmbH and CEO of the TeamViewer Group since January 2018.
- Stefan Gaiser is appointed as a member of the Management Board of TeamViewer AG until the expiration of his agreement in August 2022 and will leave the Company hereafter upon mutual agreement. He has served as Managing Director of TeamViewer Germany GmbH and CFO of the Group since November 2017.

In the fiscal year 2021, Lisa Agona was appointed as a member of the Management Board of TeamViewer AG for the period from 19 April 2021 to 10 November 2021 and served as CMO. She left the Company upon mutual agreement on 31 December 2021.

Requirements profile and diversity concept

The Supervisory Board is of the opinion that diversity aspects also play a significant role in the successful development of the Company, in addition to the professional skills and experience of the members of the Management Board. In line with its diversity concept, the Supervisory Board therefore seeks to ensure that the Management Board consists of members who reflect the diversity concept and complement each other in terms of their personal and professional backgrounds, so that the Management Board as a whole can draw on the broadest possible range of experience, knowledge and abilities.

Diversity within the Management Board is reflected in the members' individual education and professional career and the broad spectrum of experience each possesses. Each Management Board member must, however, be able to perform the tasks associated with this office in a listed software company with international operations and to preserve the Company's public reputation. In addition, they are expected to have an in-depth understanding of the Company's business and market environment and generally possess several years of management experience. In light of the Company's business model, at least one member of the Management Board should be knowledgeable in the following areas:

- Strategy and strategic management
- Technology and Software-as-a-Service (SaaS) companies, including the relevant markets and customer needs
- Operations and technology, including IT and digitalisation
- Corporate governance
- Human resources management and development Finance, including financing, accounting, controlling, risk management and internal control procedures

Given the international focus of the Company's activities, at least some members of the Management Board should possess noteworthy international experience.

The target figures for female representation on the Management Board and the status of their implementation are discussed in the chapter on target figures for female representation in executive positions on page 58. To achieve the defined target figures and to promote diversity in general, the Supervisory Board has mapped out a comprehensive and detailed diversity concept which it uses as a guideline for appointments and long-term succession planning.

The appointment as a Management Board member generally ends once the member reaches the age of 65. An extension for a maximum of three additional years is possible. The aim for a heterogeneous age structure is subordinate to the other criteria mentioned.

Tasks

The Management Board has sole responsibility for managing the Company's operations. The Management Board is guided by the Company's interests and committed to ensuring the sustained growth of its enterprise value. The Management Board develops the Company's strategic direction, coordinates it with the Supervisory Board at regular intervals and ensures its implementation.

The rules of procedure regulate the management principles, the cooperation of the Management Board and supply of information to the Supervisory Board

The basic principles guiding business management, the collaboration between the Management Board members and the information of the Supervisory Board are set out in the rules of procedure for the Management Board. The Management Board manages the Company's operations with the standard of care of a prudent and diligent manager in accordance with the law, the Articles of Association, and the rules of procedure. The Management Board cooperates with the Company's other bodies in the spirit of collegiality and trust.

The members of the Management Board are jointly responsible for the management of the Company. The members of the Management Board lead the business area assigned to them by the schedule of responsibilities independently and on their own account. The members of the Management Board work cooperatively together and advise and brief each other on a continuous basis. The Management Board meets regularly, in general, every other week. Management Board resolutions must be unanimous.

The Management Board collaborates closely with the Supervisory Board. It is the joint task of the Management Board and Supervisory Board to ensure an adequate supply of information to the Supervisory Board. The Management Board notifies the Supervisory Board in a regular, timely and comprehensive manner of all issues of relevance to the Company and the Group as part of its reporting obligations pursuant to Sec. 90 AktG. This includes strategy, planning, business performance, the risk situation, risk management and compliance. The Management Board addresses deviations of business performance from the plans and targets set and clarifies any deviations. Relevant documents for the decision-making process are made available to the Supervisory Board members well ahead of a meeting. The Management Board requires the Supervisory Board's approval for specific transactions set out in the rules of procedure.

Conflicts of interest

Members of the Management Board are committed to the interests of the Company. Their decision-making must not be guided by their own personal interests. While working for the Company, they are subject to a comprehensive non-compete clause and must not use business opportunities available to the Company or one of its subsidiaries for their personal gain. The members of the Management Board must not demand or accept remuneration or other benefits for themselves or other persons from third parties or grant unjustifiable benefits to third parties in connection with their position at the Company. Every member of the Management Board must disclose conflicts of interest immediately to the chairman of the Supervisory Board and the chairman of the Management Board and inform the other members of the Management Board accordingly. All transactions between the Company or its subsidiaries, on the one hand, and the Management Board members as well as any persons related to them or undertakings personally related to them, on the other, must conform to the standards applicable to transactions with non-related third parties. Any secondary gainful activities of Management board members, especially Supervisory Board mandates outside the Group, require the Supervisory Board's approval.

Long-term succession planning

The Supervisory Board, together with the Management Board, ensures long-term succession planning. To this end, the Supervisory Board has drawn up the aforementioned profile of requirements for members of the Management Board and the diversity concept based on which the Supervisory Board, together with the Management Board, regularly analyses the Company's needs and takes long-term succession planning into consideration. In addition to contingency planning, it should be ensured that the Company can come in contact with suitable candidates early on.

Supervisory Board

Composition

In accordance with the Articles of Association, the Supervisory Board of TeamViewer AG consists of six members elected by the Annual General Meeting. All current Supervisory Board members have been appointed until the end of the Annual General Meeting in 2023, with the exception of Ms Hera Kitwan Siu, who was court-appointed as the successor to Mr Holger Felgner on 26 November 2021. The appointment of Ms Siu must be formally confirmed by the shareholders at the Annual General Meeting in 2022.

On 31 December 2021, the Supervisory Board of the Company was composed of the following members:

- Dr. Abraham Peled, chairman of the Supervisory Board
- Jacob Fonnesbech Aqraou, deputy chairman of the Supervisory Board
- Stefan Dziarski, member of the Supervisory Board
- Dr. Jörg Rockenh user, member of the Supervisory Board
- Axel Salzmann, member of the Supervisory Board
- Hera Kitwan Siu, member of the Supervisory Board

The Supervisory Board of TeamViewer AG has set specific targets regarding its composition and drafted a profile of skills and expertise as well as a diversity concept for the board as a whole. The members of the Supervisory Board must be able to fulfil their tasks as Supervisory Board members of a software company with international operations based on their knowledge, competencies and professional experience. They ensure that they have sufficient time available to perform their tasks carefully and that they comply with the maximum number of permitted mandates pursuant to recommendations C.4 and C.5 of the GCGC. A Supervisory Board member should not have passed the age of 75 at the time of election and should not be part of the Supervisory Board for a period of more than ten years.

Terms of office of Supervisory Board members

Name	Date of appointment	End of term of office (always occurs at the end of the ordinary Annual General Meeting for the respective year or upon resignation)
Dr. Abraham Peled	19 August 2019	AGM 2023 [4 years]
Jacob Fonnesbech Aqraou	19 August 2019	AGM 2023 [4 years]
Stefan Dziarski	19 August 2019	AGM 2023 [4 years]
Dr. Jörg Rockenhäuser	19 August 2019	AGM 2023 [4 years]
Axel Salzmann	19 August 2019	AGM 2023 [4 years]
Hera Kitwan Siu	26 November 2021 (court-appointed)	Confirmation by the AGM 2022 pending
Holger Felgner	19 August 2019	03 Aug 2021 (date of resignation)

Targets for Supervisory Board composition

The Supervisory Board attaches particular attention to diversity when composing the board as a whole. Members must complement each other in terms of their personal and professional backgrounds and experience and expertise to ensure that the board in its entirety can draw upon the widest possible range of experiences and specialised knowledge. The Supervisory Board must, at all times, be composed in a manner ensuring that its members combined possess the knowledge, abilities and professional experence required to properly perform the duties of a supervisory board body. Moreover, in accordance with Sec. 100 (5) AktG, the members of the Supervisory Board combined must be familiar with the sector in which TeamViewer AG operates, with at least one member possessing expertise in accounting or the audit of financial statements.

The Supervisory Board elects a chairman amongst its members who coordinates the work of the Supervisory Board and represents the interests of the Supervisory Board externally. Whilst carrying out this task, the Supervisory Board chairman holds discussions with investors on issues specific to the Supervisory Board to an appropriate extent. The chairman of the Supervisory Board is informed immediately by the chairman of the Management Board of important events that are of material importance for the assessment of the Company's situation and development as well as for its management. The Supervisory Board chairman then informs the Supervisory Board and, if necessary, convenes an extraordinary meeting of the Supervisory Board. Between meetings, the Supervisory Board chairman maintains regular contact with the Management Board, and particularly the Management Board's chairman, and discusses with him the Company's strategy, business development, risk situation, risk management and compliance.

Profile of skills and expertise

The Supervisory Board members altogether must cover all the areas of expertise it requires to perform its tasks effectively. This includes particularly in-depth knowledge of and experience in the following:

- Management of a company with international operations (ideally in the areas of software, SaaS or technology)
- Supervisory positions in Germany and/or abroad
- Areas of strategy and innovation Corporate development of a company with an international footprint
- Accounting, financial reporting, controlling/risk management, and internal control procedures
- Corporate governance and compliance

The Supervisory Board considers that the profile of skills and expertise is implemented in full in its current composition.

Independence

The Supervisory Board attaches particular importance to the independence of its members and to ensuring full compliance with the relevant recommendations of the GCGC on the independence of supervisory board members. In doing so, the Supervisory Board shall take proper account of the ownership structure. The Supervisory Board of TeamViewer AG is of the opinion that the Supervisory Board should include at least two shareholder representatives who are independent of the Company, its Management Board, and a controlling shareholder as defined by recommendation C.6 of the GCGC. In the view of the Supervisory Board, Mr Salzmann, Mr Aqraou and Ms Siu are all independent members per the definition of recommendations C.6 and C.9 of the GCGC. All members are considered independent of the Company and the Management Board as defined in recommendation C.7 GCGC. The chairman of the Supervisory Board, Dr Abraham Peled, is independent as defined by recommendation C.10 GCGC.

Diversity

The Supervisory Board should reflect a balanced degree of diversity, especially with respect to the international backgrounds of its members, their professional experience, expertise, and the level of female representation. By taking into account the Company's international character, the Supervisory Board should generally include at least two international members with global management or entrepreneurial experience. The target figures for female representation on the Supervisory Board and the status of their implementation are discussed in the chapter "Target figures for female representation in executive positions" on page 58. The Supervisory Board believes that a balanced level of diversity has been ensured by the board's current composition.

The Supervisory Board is convinced that taking such an approach to its composition ensures that it can independently and efficiently advise and supervise the Management Board. Future nomination proposals by the Supervisory Board to the Annual General Meeting should therefore incorporate the targets expressed for the board's composition while still fulfilling the profile of skills and expertise as well as the achievement of the diversity concept's targets.

Tasks

The Supervisory Board regularly advises the Management Board on the management of the Company and monitors its activities. The Supervisory Board must be involved in decisions that are of fundamental importance to the Company.

By a resolution dated 19 August 2019, and last supplemented through a resolution dated 28 July 2021, the Supervisory Board in accordance with Sec. 11 (1) of the Company's Articles of Association adopted its own rules of procedure and made them available on the TeamViewer website. The Supervisory Board conducts its business pursuant to the statutory provisions, Articles of Association and rules of procedure. It collaborates closely and in a spirit of trust with the Company's other bodies and, above all, the Management Board, for the benefit of the Company. In the rules of procedure for the Management Board, the Supervisory Board has defined the transactions requiring the Supervisory Board's approval.

In accordance with its rules of procedure, the Supervisory Board must hold at least two meetings per half-year. The Supervisory Board also holds meetings without the Management Board. Further meetings are to be called if such are required in the Company's interest or if a Supervisory Board or Management Board member requests a meeting to be convened, stating the purpose and reasons for such a meeting. Further information on the meetings of the Supervisory Board during the reporting year can be found on the Report of the Supervisory Board.

Conflicts of interest

Supervisory Board members are committed solely to the best interests of the Company. Members must not pursue personal interests in their decision-making or utilise business opportunities offered to the Company or one of its subsidiaries for themselves or third parties. Every Supervisory Board member is required to disclose conflicts of interest to the chairman of the Supervisory Board. In its report to the Annual General Meeting, the Supervisory Board provides information on conflicts of interest that have arisen and how they were addressed. Material conflicts of interest involving a Supervisory Board member that are not merely temporary should result in the termination of that member's mandate. Supervisory Board members shall not be members of bodies of or perform advisory tasks at material competitors of the Company. Advisory agreements and other contracts with the Company for services or work to be concluded by a Supervisory Board member require the Supervisory Board's approval.

Committees

To enable the Supervisory Board to perform its tasks efficiently, it has formed an Audit Committee and a Nomination and Remuneration Committee from among its members. Each of these committees has at least three members. The Supervisory Board must be informed regularly of the work and outcomes of discussions on the committees.

Audit Committee
The Audit Committee is specifically responsible for the following tasks: Preparing the decision of the Supervisory Board on the adoption of the annual financial statements and the approval of the consolidated financial statements, monitoring the accounting, accounting processes, the effectiveness of the internal control system, the risk management system, the internal audit system and dealing with auditing and compliance issues. Accounting comprises mainly the consolidated financial statements and the group management report (including CSR reporting), interim financial information and the separate financial statements in accordance with the HGB.

The Audit Committee also prepares the Supervisory Board's decision on the recommendation for the selection of the auditor and monitors the auditor's independence. In accordance with recommendation D.9. of the GCGC, the Audit Committee agrees with the auditor that the auditor shall inform the Audit Committee without delay of all findings and events of importance in connection with the Audit Committee's duties that come to the attention of the auditor during the performance of the audit. In addition, in accordance with recommendation D.10 of the GCGC, the Audit Committee agrees with the auditor that the auditor will inform the committee and make a note in the audit report if, during the performance of the audit, the auditor discovers facts which indicate that the declaration of conformity with the GCGC issued by the Management Board and Supervisory Board is incorrect.

The Audit Committee regularly assesses the quality of the audit of the financial statements

The Audit Committee also attends to the additional services provided by the auditor, the determination of auditing focal points, the fee agreement and issues the audit engagement letter. It regularly assesses the quality of the audit. The Audit Committee discusses the biannually and quarterly reports with the Management Board prior to their publication. The chairman of the Audit Committee, Axel Salzmann, is independent as per the definition of C.10 and D.4 of the GCGC, has special expertise in the application of accounting principles and internal control procedures and is familiar with the auditing of financial statements.

As of 31 December 2021, the Audit Committee consisted of the following members: Axel Salzmann (chairman), Jacob Fonnesbech Aqraou, Stefan Dziarski, and Dr Abraham (Abe) Peled. For information on the meetings of the Audit Committee during the reporting year, please refer to the Report of the Supervisory Board.

Nomination and Remuneration Committee
The Nomination and Remuneration Committee prepares the proposals of the Supervisory Board to the Annual General Meeting regarding the election of Supervisory Board members, examines all aspects relating to remuneration and the terms of employment for the Management Board and issues recommendations to the Supervisory Board in relation to the conclusion, amendments to and termination of employment contracts for this group of employees. If required, it will commission an independent review of the remuneration principles and of the remuneration packages paid to the Management Board members. It presents an assessment of the Management Board's performance and issues a recommendation to the Supervisory Board for the terms of employment and remuneration of the Management Board.

As of 31 December 2021, the Nomination and Remuneration Committee had the following members: Axel Salzmann (chairman), Jacob Fonnesbech Aqraou, Dr. Abraham (Abe) Peled and Dr. Jörg Rockenh user. The chairman of the Nomination and Remuneration Committee, Axel Salzmann, is independent within the meaning of recommendation C.10 GCGC. For information on the meetings of the Nomination and Remuneration Committee during the reporting year, please refer to the Report of the Supervisory Board.

Self-assessment

In accordance with recommendation D.13 GCGC, the Supervisory Board regularly assesses, at least every two years, how effectively the Supervisory Board as a whole and its committees perform their duties. In addition to qualitative criteria to be defined by the Supervisory Board, this self-assessment focuses particularly on the procedures within the Supervisory Board and its committees, the flow of information between the committees and the full Supervisory Board, and the timely and sufficient provision of information to the Supervisory Board and its committees. At its meeting on 5 November 2020, the Supervisory Board defined the topics for the self-assessment. Based on this, the members of the Supervisory Board carried out a detailed assessment of the various topics. The next self-assessment is planned in the course of the 2022 fiscal year.

Additional supervisory board mandates of Supervisory Board members

The following table lists the current outside mandates on supervisory boards and in comparable control bodies additionally held by the members of the Supervisory Board of TeamViewer AG as of 31 December 2021.

Supervisory Board member	Mandates in accordance with Sec. 125 (1) fifth sentence AktG
Dr. Abraham Peled	→ Chairman of the board of directors of CyberArmor Ltd.
Jacob Fonnesbech Aqraou	→ Member of the board of directors of Telenor ASA → Chairman of the board of directors of Loopia Group → Member of the board of directors of Wallapop SL → Chairman of the board of directors of Denmark Bridge → Member of the board of directors of Aqraou Invest ApS → Chairman of the board of directors of PhaseOne Group A/S → Chairman of the board of directors of Chronext AG → Chairman of the board of directors of Boats Group → Member of the advisory board of Lego Ventures
Stefan Dziarski	→ Member of the board of directors of P&I Personal & Informatik AG → Member of the advisory board of FlixMobility GmbH
Dr. Jörg Rockenhäuser	→ Member of the advisory board of Best Secret GmbH (formerly Schustermann & Borenstein GmbH) → Chairman of the advisory board of neuraxpharm Arzneimittel GmbH → Member of the advisory board of Engel & Völkers Holding GmbH
Axel Salzmann	→ None
Hera Kitwan Siu	→ Member of the board of directors of The Goodyear Tire & Rubber Company → Member of the board of directors of Vallourec S.A.

Targets for women's participation in executive positions

The Company's Supervisory Board and Management Board are very conscious of the particular importance of diversity, and especially of ensuring the commensurate participation of women in supervisory and management positions. The Supervisory Board and Management Board therefore pay particular attention to diversity when filling management positions at the Company, and are seeking to increase the proportion of women on the Supervisory Board, the Management Board and the executive level below the Management Board1 in the medium term. The following table provides an overview of the targets set for the participation of women in the respective management levels as well as the status of these targets' implementation.

Target of

33%

women on the Supervisory Board

Women's involvement

Name	Target deadline	Target (as a percentage of the total number of members at the respective reporting date)	Status of implementation as at 31 December 2021
Supervisory Board	By 31 December 2023	33	16.67% or 1/6
Management Board	By 31 December 2023	25	0%
First executive level below the Management Board	By 31 December 2023	33	36.36%

Statement of the Management Board and Supervisory Board of TeamViewer AG on the recommendation of the "Government Commission German Corporate Governance Code" pursuant to Sec.161 AktG

The Management Board and the Supervisory Board of TeamViewer AG declare that TeamViewer AG since its last declaration dated December 2020 has complied with all recommendations of the German Corporate Governance Code in its version of 16 December 2019, published by the Federal Ministry of Justice and Consumer Protection on 20 March 2020, in the official section of the German Federal Gazette (Bundesanzeiger) (the "Code"), and intends to comply with all recommendations of the Code in the future.

Göppingen, December 2021

The Management Board

Oliver Steil

Stefan Gaiser

On behalf of the Supervisory Board

Dr. Abraham Peled

Financial reporting and audit of financial statements

TeamViewer AG prepares its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB) and the interpretations of the IFRS Interpretation Committee (IFRS IC) as applicable in the EU, and additionally the applicable commercial and stock corporation regulations pursuant to Sec. 315e (1) HGB. The annual financial statements of TeamViewer AG are prepared in accordance with the principles of the HGB. The annual financial statements of TeamViewer AG, the consolidated financial statements and the group management report, which are combined with the Company's management report, are drawn up by the Management Board and audited by the independent auditors and the Supervisory Board. The independent auditors take part in the deliberations of the Audit Committee and the Supervisory Board about the annual financial statements and consolidated financial statements, report on the audit process and its results and are at hand to answer questions and provide additional information. The independent auditors for fiscal year 2021 are Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft (EY), Stuttgart.

Compliance

Compliance means that all business processes comply with all applicable laws and internal Company regulations.

Compliance culture

Compliance is an important pillar of TeamViewer's corporate culture. Clearly defined compliance requirements are further deepened by an internal training programme. The aim is to raise awareness in the entire organisation to compliance issues so that all actions are based on relevant laws, norms, international standards, and internal guidelines.

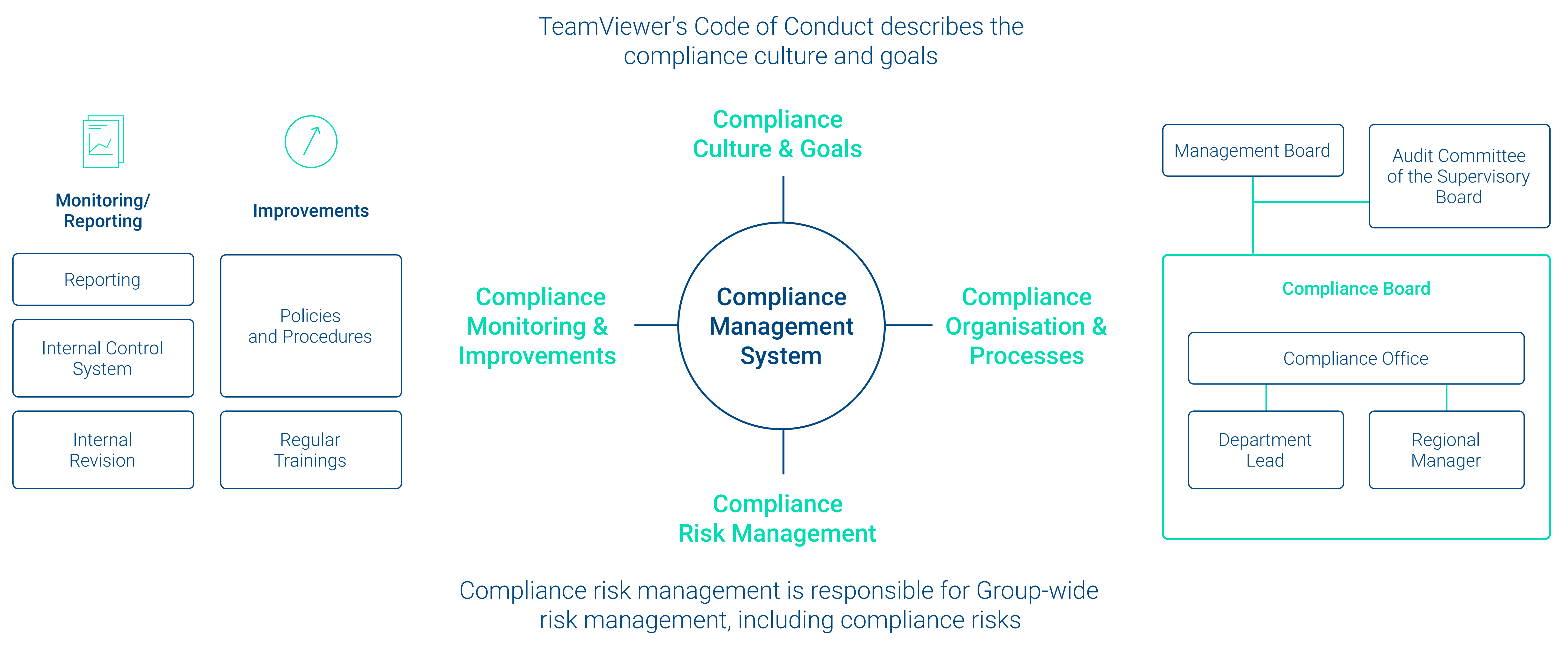
Compliance Management System

With the Compliance Management System (CMS) being an integral part, the TeamViewer Group has established a compliance management in alignment with its risk situation. The CMS encompasses all the measures and processes necessary to ensure that the laws and internal rules and regulations are complied with. The CMS is based to a large extent on the Code of Conduct of the TeamViewer Group.

Compliance organisation

The Group-wide compliance organisation is responsible for the review of and adherence to compliance processes together with any improvements, if applicable, as well as for evaluating and mitigating compliance risks. The Compliance Board, headed by the Compliance Office, is the key body of the compliance organisation which reports to the Management Board and the Audit Committee of the Supervisory Board.

Compliance Organisation



Code of Conduct

The Code of Conduct was established as a binding framework for ethical conduct in a business setting. The document describes the goal communicated by the Management Board that all decision-making processes should be guided by integrity, transparency and compliance with applicable laws and provisions.

The Code of Conduct includes rules mainly concerning internal dealings with each other, dealings with business partners, the fight against corruption and responsibilities tightly linked to security, confidentiality, and the environment.

The Code of Conduct also serves as a framework for further important internal policies and procedural guidelines, including those in the areas of data privacy and IT security.

TeamViewer is very proud of the diversity of its own workforce. People of different ages and genders work at the Company. They differ in terms of their nationality, marital status, social and ethnic background, sexual orientation, and physical and other personal features. The opportunity for all employees to express themselves freely is just as important as the acceptance of all political and religious convictions. At the same time, TeamViewer does not in any way tolerate extremist thinking, offensive behaviour, or propaganda. In this context, TeamViewer does not support or favour any political organisations.

Working together with the Compliance Board, the Compliance Office verifies that the provisions of the Code of Conduct are up to date and applicable, as well as acting as the central contact for all compliance-related matters.

The Code of Conduct is published on the TeamViewer website.

Other compliance documents and policies
TeamViewer also expects its business partners to act in accordance with laws and ethical standards and ensure compliance with these throughout the entire value chain.

Following the Code of Conduct, therefore, TeamViewer has established a code for suppliers and business partners called the Business Partner & Supplier Code of Conduct.

Subordinate policies supplement the internal set of compliance rules and include the following:

- Anti-Bribery & Corruption Policy
- Anti-Money Laundering Policy
- Antitrust and Fair Competition Policy
- Data Protection – Privacy Handbook
- Diversity & Inclusion Policy
- Group Security Dealings Code
- Health & Safety Policy
- IT Security Policies
- Trade Controls and Sanctions Policy
- Travel Policy

All policies are reviewed and adjusted on a regular basis, where necessary. Training events for all employees, information emails and Group-wide meetings ensure the issues remain relevant and that the policies are complied with. Function-specific policies and procedural guidelines supplement the sets of rules.

Another important issue in the TeamViewer Group is the health of employees. To promote employee health, health and safety policies and the associated training have been implemented.

TeamViewer also supports standards designed to protect human rights. Jointly with the Code of Conduct, all recent global and applicable provisions have been recognised. More details can be found on page 157 in the Non-Financial Report.

Compliance reporting channels
Employees have various channels at their disposal to report compliance violations or anomalies. The first contact partner is the line manager. Employees also have the option of notifying the Compliance Office via a separate, dedicated email account or contact one of the two persons of the Trust Council. Employees can use the whistleblower channel to report suspected violations of the law or compliance concerns anonymously and with protection. The Company also maintains an extensive dialogue with external stakeholders to promote comprehensive compliance through open dialogue. All reports are investigated and assessed in a timely manner. Suitable measures and sanctions are decided where applicable.

DIRECTOR'S DEALINGS

TeamViewer AG provides information about managers' transactions of the Management Board and Supervisory Board, as well as the natural persons and legal entities closely related to them, in accordance with Article 19 of the EU Market Abuse Regulation (MAR). These transactions can be viewed within the legally prescribed time periods on the Company's website.

In fiscal year 2021, TeamViewer AG was notified of 16 transactions pursuant to Article 19 MAR. These transactions are listed on TeamViewer's website.

11 Non-financial statement

The non-financial matters relevant to TeamViewer that are not part of the management report are presented in detail in the Non-Financial Report.

12 Management Report of TeamViewer AG (Condensed version in accordance with HGB)

In addition to the reporting on the TeamViewer Group, the development of TeamViewer AG in the 2021 fiscal year is described below.

TeamViewer AG is the parent company of the TeamViewer Group and based in Göppingen, Germany. The Company has been registered with the District Court of Ulm under registration number HRB 738852.

The annual financial statements of TeamViewer AG are prepared in accordance with the provisions of the HGB (German Commercial Code, Handelsgesetzbuch). The consolidated financial statements of TeamViewer are prepared in accordance with the IFRSs applicable on the reporting date and the interpretations of the IFRS Interpretations Committee (IFRS IC), the application of which is mandatory in the EU. This results in differences in accounting and valuation methods.

1. Earnings position

The 2021 fiscal year of TeamViewer AG is the calendar year.

For the 2021 fiscal year, the profit or loss statement of TeamViewer AG is as follows:

Profit and loss statement

In EUR million	Fiscal year from 1 January to 31 December 2021	Fiscal year from 1 January to 31 December 2020
Revenue	**11.8**	**10.0**
Personnel expenses	(14.3)	(11.0)
Other operating expenses	(4.1)	(6.0)
Interest and similar expenses	(0.2)	(0.8)
Net loss for the year	**(6.8)**	**(7.8)**

TeamViewer AG's revenue resulted primarily from the provision of management services to affiliated companies and amounted to EUR 10.0 million in the 2021 fiscal year (2020: EUR 11.8 million). The decline in revenue is largely attributable to lower oncharging of personnel expenses, which meant that the revenue increases forecast in the previous year could not be achieved.

The Company's personnel expenses amounted to EUR 11.0 million in the fiscal year (2020: EUR 14.3 million). The decrease in personnel expenses is mainly due to lower employee bonuses compared to the previous year. During the fiscal year, TeamViewer AG employed an average of 89 (2020: 65) employees.

Other operating expenses of EUR 6.0 million (2020: EUR 4.1 million) mainly include legal and consulting fees of EUR 4.0 million (2020: EUR 1.9 million), closing and audit fees of EUR 0.5 million (2020: EUR 0.7 million) and expenses of EUR 0.7 million (2020: EUR 0.7 million) for the remuneration of the Supervisory Board.

Interest expenses amounted to EUR 0.9 million in the 2021 fiscal year (2020: EUR 0.2 million). The rise is due to the increase of EUR 12.1 million in liabilities to affiliated companies to a total of EUR 14.4 million. TeamViewer AG's net loss for the year amounted to EUR 7.8 million (2020: EUR 6.8 million).

The net loss for the year increased from EUR 6.8 million to EUR 7.8 million in the fiscal year. The decline in revenue is largely the result of the lower oncharging of personnel expenses. Legal and consulting costs increased compared to the previous year, so that the net loss for the year was higher than expected.

2. Net assets and financial position

The net assets and financial position of TeamViewer AG as at 31 December 2021 and the previous year's reporting date were as follows:

Net assets and financial position

In EUR million	31 December 2020	31 December 2021
Financial assets	4,048.7	4,048.7
Non-current assets	**4,048.7**	**4,048.7**
Receivables and other assets	0.1	0.5
Bank balances	1.3	1.7
Current assets	**1.4**	**2.2**
Prepaid expenses	**0.2**	**0.1**
Total assets	**4,050.3**	**4,051.0**
Equity	4,038.5	4,030.7
Provisions	7.2	3.8
Liabilities (trade payables to affiliated companies and other liabilities)	4.6	16.5
Total equity and liabilities	**4,050.3**	**4,051.0**

TeamViewer AG's total assets amounted to EUR 4,051.0 million as at 31 December 2021 (31 December 2020: EUR 4,050.3 million).

Financial assets as at 31 December 2021 were unchanged at EUR 4,048.7 million (31 December 2020: EUR 4,048.7 million).

Current assets as at 31 December 2021 mainly include bank balances of EUR 1.7 million (31 December 2020: EUR 1.3 million) and VAT receivables of EUR 0.5 million (31 December 2020: EUR 0.1 million) recorded within other assets. With the purchase of 37.56% of the shares in Ubimax GmbH in the 2020 fiscal year, 1,070,931 new shares were issued to the founders of Ubimax GmbH, which were issued from the authorised capital as part of a capital increase against non-cash contributions. Shareholder subscription rights were excluded. The new shares are subject to a lock-up period of three years and will be released in annual tranches which underscores the long-term commitment of the Ubimax founders. The transaction was completed in August 2020. At the same time, the capital reserve was increased by EUR 46.3 million. In 2020, the shares in Ubimax GmbH were contributed to the capital reserve of Regit Eins GmbH, increasing the latter's investment carrying amount.

Taking into account the net loss for the year of EUR 7.8 million (31 December 2020: EUR 6.8 million), the equity of TeamViewer AG decreased to EUR 4,030.7 million as at 31 December 2021 (31 December 2020: EUR 4,038.5 million). Provisions of EUR 3.8 million (31 December 2020: EUR 7.2 million) as at 31 December 2021 mainly included personnelrelated provisions and provisions for costs for preparing and auditing the 2021 financial statements. The main reasons for the decrease were lower short-term variable remuneration for all employees and lower performance-based multi-year variable remuneration for executives.

The Company's liabilities totalled EUR 16.5 million (31 December 2020: EUR 4.6 million), of which EUR 14.4 million (31 December 2020: EUR 2.3 million) resulted from settlement accounts with affiliated companies.

3. Risks and opportunities

As a holding company, the business development of TeamViewer AG is generally subject to the same opportunities and risks similar to the TeamViewer Group. TeamViewer AG participates in the opportunities and risks of its indirect and direct subsidiaries in full. The opportunities and risks and the Group's risk management system are presented in the 06 Opportunities and Risks Report. Adverse effects on TeamViewer AG's direct and indirect subsidiaries may lead to an impairment of the participation in Regit Eins GmbH in TeamViewer AG's annual financial statements and reduce the Company's net result for the year.

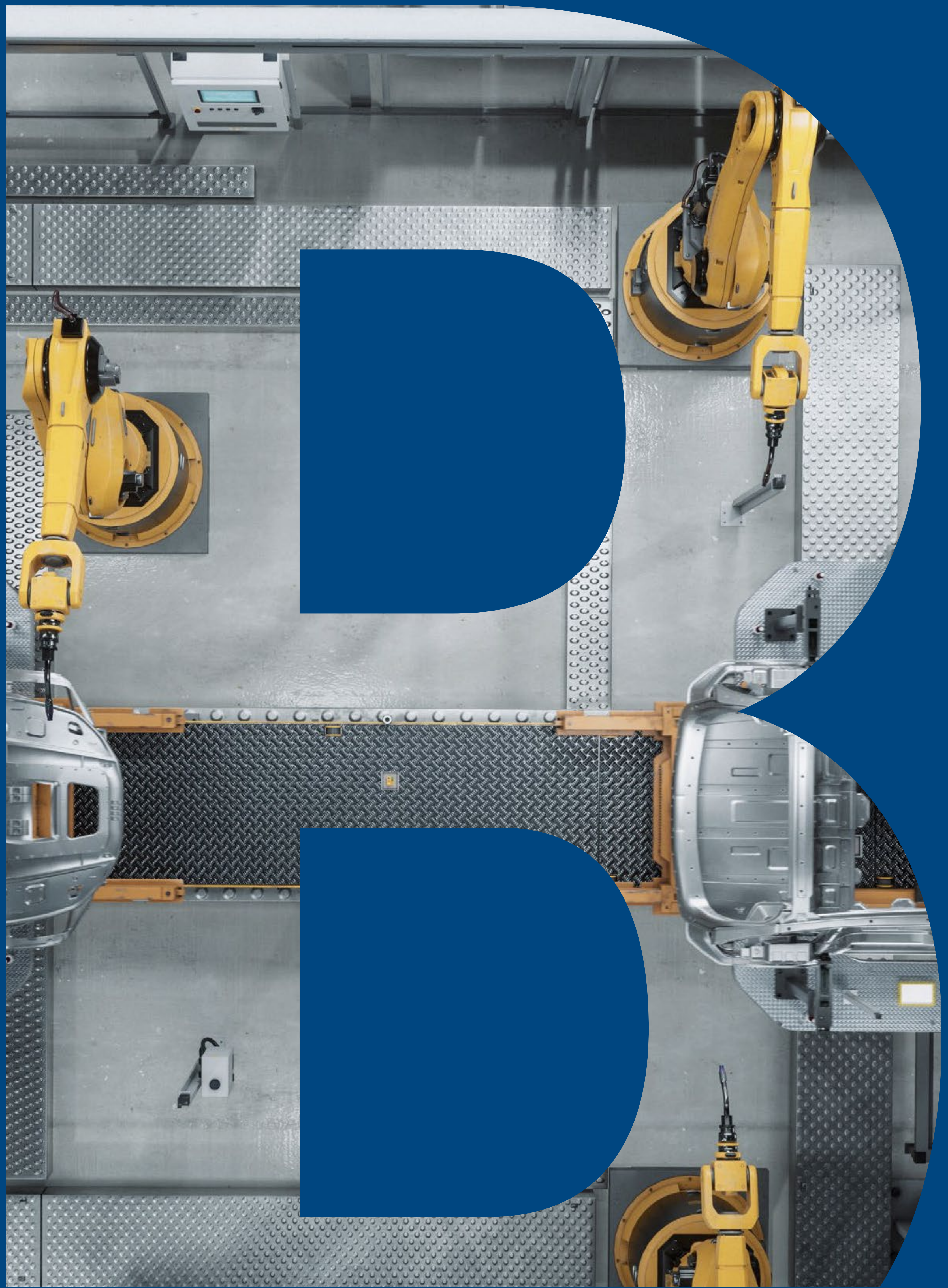
4. Outlook

TeamViewer AG's net result for the year is dependent on the profit distributions of Regit Eins GmbH. There were no distributions in the 2021 and 2020 fiscal years, and no distribution is planned for the 2022 fiscal year.

For the 2022 fiscal year, TeamViewer AG expects a moderate increase in costs as well as a moderate increase in revenue compared to the previous year and a net loss at the previous year's level. For a detailed presentation of the expected future development of the TeamViewer Group, please refer to the Outlook report.

Göppingen, 11 March 2022

Oliver Steil Stefan Gaiser



ANNUAL FINANCIAL STATEMENT OF TEAMVIEWER AG

01 Balance sheet of TeamViewer AG for the fiscal year ending 31 December 2021

Assets	31.12.2021	31.12.2020
	In thousands of euro	In thousands of euro
A. Fixed assets		
I. Intangible Assets Paid concessions, industrial property rights and similar rights and assets, as well as licenses to such rights and assets	4	5
II. Financial assets Shares in affiliated companies	4,048,732	4,048,732
	4,048,736	**4,048,737**
B. Current assets		
I. Receivables and other assets Other assets	455	91
II. Bank balances	1,704	1,318
	2,159	**1,409**
C. Prepaid expenses	**80**	**169**
	4,050,975	**4,050,315**

Equity and Liabilities	31.12.2021	31.12.2020
	In thousands of euro	In thousands of euro
A. Equity		
I. Subscribed capital	201,071	201,071
II. Capital reserves	3,846,015	3,846,015
III. Net accumulated losses	(16,351)	(8,569)
	4,030,735	**4,038,517**
B. Provisions		
Other provisions	**3,820**	**7,230**
C. Liabilities		
1. Trade payables	237	1
2. Liabilities to affiliated companies of which trade payables EUR 987 thousand (31 December 2020: EUR 2,312 thousand)	14,440	2,312
3. Other liabilities of which taxes EUR 120 thousand (31 December 2020: EUR 1,742 thousand) of which social security EUR 32 thousand (31 December 2020: EUR 13 thousand)	1,743	2,255
	16,420	**4,568**
	4,050,975	**4,050,315**

02 Profit and Loss account

for the fiscal year from 1 January to 31 December 2021 of TeamViewer AG

Profit and Loss account		Fiscal year	Previous year
	In thousands of euro	In thousands of euro	In thousands of euro
1. Revenue		10,006	11,847
2. Gross revenue		**10,006**	**11,847**
3. Other operating income *of which gains on currency translation EUR 1 thousand (2020: EUR 1 thousand)*		48	53
4. Personnel expenses			
a. Wages and salaries	(9,893)		(13,558)
b. Social security, post-employment and other employee benefit costs *of which post-employment EUR 37 thousand (2020: EUR 7 thousand)*	(1,094)		(807)
		(10,987)	(14,365)
5. Amortisation of intangible assets		(1)	(88)
6. Other operating expenses *of which losses on currency translation EUR 7 thousand (2020: EUR 1 thousand)*		(5,986)	(4,007)
7. Interest and similar expenses *of which to affiliated companies EUR 832 thousand (2020: EUR 212 thousand)*		(861)	(214)
8. Taxes on income		-	-
9. Profit after tax		**(7,782)**	**(6,774)**
10. Net loss for the year		**(7,782)**	**(6,774)**
11. Loss brought forward from previous year		(8,569)	(1,795)
12. Net accumulated losses		**(16,351)**	**(8,569)**

03 Notes of the financial statements

TeamViewer AG, Göppingen Notes to the financial statements for the fiscal year from 1 January to 31 December 2021

Application of accounting regulations

TeamViewer AG is a listed stock corporation with its registered office at Bahnhofsplatz 2, 73033 Göppingen, Germany. The Company is registered at the district court of Ulm (Amtsgericht) under registration number HRB 738852.

The reporting year covers 1 January 2021 to 31 December 2021.

The annual financial statements as at 31 December 2021 were prepared in accordance with Secs. 242 et seq., and Secs. 264 et seq. of the German Commercial Code (Handelsgesetzbuch – HGB) and in accordance with the relevant provisions of the German Stock Corporation Act (Aktiengesetz – AktG) and the Articles of Association. Pursuant to Sec. 267 (3) sentence 2 HGB, the regulations for large corporations apply. The balance sheet items referred to in Sec. 266 HGB are shown separately in the prescribed order.

The income statement was prepared using the total cost method (Sec. 275 [2] HGB).

The financial statements as at 31 December 2021 are presented in thousands of euros, and rounding differences may occur when adding up individual amounts.

Accounting principles

The accounting policies applied in the previous year were retained.

The annual financial statements include all assets, liabilities, prepaid expenses, deferred income, expenses and income, unless otherwise stipulated by law. The prohibited netting under Sec. 246 (2) HGB has been observed.

Measurements are performed on the assumption that the Company will continue as a going concern.

Carrying amounts have been valued prudently, meaning that all foreseeable risks and losses that have arisen prior to the reporting date have been taken into account, even if they became known only in the period between the reporting date and the date of preparation of the annual financial statements. Profits were recognised only if they had been realised as at the reporting date.

Expenses and income are recognised in the year to which they are attributable, regardless of the timing of the related payments.

Purchased **intangible fixed assets** are recognised at acquisition cost and, if subject to wear and tear, are reduced by scheduled amortisation in accordance with their useful life.

Long-term financial assets are recognised at the lower of cost or fair value.

Impairment losses are recognised where necessary. In the case of shares in affiliated companies, the determination of any required impairment is derived from annual impairment tests. These are based on discounted earnings calculations derived from the medium-term planning of the respective company and assume a sustainably achievable result ("infinite annuity") after the last planning period. An impairment loss is recognised when the resulting discounted earnings value is below the carrying amount.

If the reason for an impairment loss no longer exists, the impairment loss is reversed up to a maximum of the amortised acquisition and production costs.

Receivables and **other assets** are recognised at nominal value.

Bank balances are recognised at nominal value.

Prepaid expenses and deferred income were recognised subject to the requirements of Sec. 250 HGB.

Other provisions were recognised within the scope of Sec. 249 HGB and take into account all uncertain liabilities and impending losses from pending transactions. They are recognised at the settlement amount required according to reasonable commercial judgement. Provisions with a remaining term of more than one year were discounted at the average market interest rate of the past seven fiscal years corresponding to their remaining term.

Liabilities are recognised at the settlement amount.

Assets and liabilities denominated in **foreign currencies** were generally translated at the mean spot rate at the reporting date.

Deferred taxes are calculated for temporary differences between the commercial and tax valuations of assets, liabilities, prepaid expenses and deferred income. A total resulting tax burden would be recognised on the balance sheet as deferred tax liabilities. In the case of tax relief, the corresponding capitalisation option according to Sec. 274 (1) sentence 2 HGB is not exercised, and capitalisation is waived.

Income from management services provided to affiliated companies is reported as **sales.**

Notes to the Balance sheet

Assets

The impairment test of the investments using the discounted earnings method did not reveal any need for impairment.

Receivables and other assets

The other assets have a remaining term of up to one year.

Deferred taxes

The calculation of deferred taxes resulted in a surplus of deferred tax assets, which was not recognised by exercising the option according to Sec. 274 (1) no. 2 HGB. A tax rate of 28.8% (31 December 2020: 28.8%) was used as a basis for the valuation of deferred taxes. The taxable temporary differences resulted from a loss carried forward as well as different tax bases for the provisions.

Information on **shareholdings:**

	Name and registered office	Equity[1]	Interest held	Profit or Loss for fiscal year 2021[1]
		In thousands of euro	%	In thousands of euro
1.	Regit Eins GmbH, Göppingen, Germany	253,848	100	114,872
2.	TeamViewer Germany GmbH, Göppingen, Germany *,**	103,360	100	0
3.	TeamViewer Greece EPE, Ioannina, Greece*	374	100	99
4.	TeamViewer India Private Ltd., Mumbai, India*	300	100	87
5.	TeamViewer Japan KK, Tokio, Japan*	632	100	219
6.	TeamViewer Information Technology (Shanghai) Co., Ltd Shanghai, China*	888	100	258
7.	TeamViewer Singapore Pte. Ltd., Singapore*	200	100	38
8.	TeamViewer UK Limited, Woking, United Kingdom*	89	100	140
9.	TeamViewer Pty Limited, Adelaide, Australia*	2,077	100	307
10.	TeamViewer US, Inc., Largo, United States of America*	15,656	100	3,631
11.	TeamViewer Armenia CJSC, Yerevan, Armenia*	3,567	100	496
12.	TeamViewer Mexico S.A. de. CV, Guadalajara, Mexico*	113	100	3
13.	TeamViewer Austria GmbH, Linz, Austria*	24,980	100	32
14.	TeamViewer Portugal Unipessoal Lda., Porto, Portugal*	813	100	60

1 Disclosures on foreign companies relate to the consolidated reporting packages prepared for the purposes of the consolidated financial statements of TeamViewer AG under International Financial Reporting Standards (IFRS).
* Indirect participation
** Net profit for the year after profit transfer

Schedule of fixed assets

FIXED ASSETS

	Acquisition/production costs				Accumulated amortisation/depreciation				Carrying amounts	
In thousands of euro	As at 1 January 2021	Additions	Disposals	**As at 31 December 2021**	As at 1 January 2021	Additions	Disposals	**As at 31 December 2021**	**As at 31 December 2021**	**As at 31 December 2020**
I. INTANGIBLE ASSETS										
Paid concessions, industrial property rights and similar rights and assets, as well as licenses to such rights and assets	93	-	-	93	88	1	-	89	4	5
II. FINANCIAL ASSETS										
Shares in affiliated companies	4,048,732	-	-	4,048,732	-	-	-	-	4,048,732	4,048,732
Total	**4,048,825**	**-**	**-**	**4,048,825**	**88**	**1**	**-**	**89**	**4,048,736**	**4,048,737**

Equity

As at 31 December 2021, subscribed capital comprises share capital of EUR 201,070,931 and is divided into 201,070,931 ordinary bearer shares (no-par value shares). A total of 713,954 shares are pledged to the Company.

In November 2020, the shares in Ubimax GmbH were contributed to Regit Eins GmbH, Göppingen, at fair value and increased the investment's carrying amount.

By resolution of the Annual General Meeting of 3 September 2019, the Management Board was authorised, with the approval of the Supervisory Board, to increase the Company's share capital once or several times in the period until 2 September 2024 by up to a total of EUR 100,000,000 by issuing up to 100,000,000 no-par value bearer shares in return for cash contributions and/or contributions in kind (Authorised Capital 2019). Of this, EUR 1,070,931 was utilised in 2020 as part of the acquisition of Ubimax GmbH. Following this partial utilisation, Authorised Capital 2019 amounts to EUR 98,929,069. However, the Management Board is authorised, in each case with the approval of the Supervisory Board, to exclude shareholders' subscription rights on one or more occasions in the following cases:

- to the extent necessary to compensate for fractional amounts;
- to the extent necessary to grant holders or creditors of convertible bonds, bonds with warrants or convertible profit participation rights issued by the Company and/or by its directly or indirectly majority-owned subsidiaries subscription rights to new shares to the extent to which they would be entitled after exercising their conversion or option rights or after fulfillment of their option exercise or conversion obligations;
- insofar as the new shares are issued against cash contributions and the issue price of the new shares is not significantly lower than the stock market price of the shares of the Company already listed at the time of the final determination of the issue price, which should be as close as possible to the placement of the shares. This authorisation to exclude subscription rights shall only apply to the extent the notional interest in the share capital attributable to the shares issued with exclusion of subscription rights pursuant to Sec. 186 (3) Sentence 4 AktG does not exceed a total of 10% of the share capital, neither at the time this authorisation becomes effective nor at the time this authorisation is exercised;
- insofar as the new shares are issued against contributions in kind, in particular in the form of companies, parts of companies, interests in companies, receivables or other assets; and
- to the extent that the new shares are issued against contributions in kind, particularly in the form of companies, parts of companies, participations in companies, receivables or other assets.

Equity

In thousands of euro	01.01.2021	Capital increase	Net loss for the year	31.12.2021
Subscribed capital	201,071	-	-	201,071
Capital reserves	3,846,015	-	-	3,846,015
Loss brought forward	(8,569)	-	-	(8,569)
Net loss for the year	-	-	(7,782)	(7,782)
Equity	**4,038,517**	-	**(7,782)**	**4,030,735**

In thousands of euro	01.01.2020	Capital increase	Net loss for the year	31.12.2020
Subscribed capital	200,000	1,071	*-	201,071
Capital reserves	3,799,740	46,275	-	3,846,015
Loss brought forward	(1,795)	-	-	(1,795)
Net loss for the year	-	-	(6,774)	(6,774)
Equity	**3,997,945**	**47,346**	**(6,774)**	**4,038,517**

In addition, by resolution of the Annual General Meeting on 3 September 2019, the Management Board was authorised, with the approval of the Supervisory Board, to issue bearer or registered convertible bonds and/or bonds with warrants, or a combination of these instruments, on one or more occasions in partial amounts until 2 September 2024, for a total nominal amount of up to EUR 1,400,000.000, in each case with or without a limited term, and to grant the holders of these bonds conversion or option rights to subscribe for up to 60,000,000 no-par value bearer shares in the Company with a notional interest in the share capital of up to EUR 60,000,000 in total in accordance with the more detailed provisions of the terms and conditions of issue of these bonds. The bonds may provide for an obligation to convert or exercise an option at the end of the term or at an earlier point in time. The bonds may be issued against cash or non-cash contributions. The bonds may also be issued by companies in which the Company directly or indirectly holds a majority interest. In this case, the Management Board is authorised, with the approval of the Supervisory Board, to assume the necessary guarantees for the obligations arising from the bonds on behalf of the Company and to grant or impose conversion or option rights or conversion or option exercise obligations for shares in the Company on the holders or creditors of these bonds.

The Management Board was also authorised, with the approval of the Supervisory Board, to exclude shareholders' subscription rights when issuing bonds under certain circumstances, including issuance in return for non-cash contributions, in particular for the purpose of acquiring companies, parts of companies or equity interests in companies.

The share capital of the Company is conditionally increased by up to EUR 60,000,000 by issuing up to 60,000,000 new no-par value shares **(Contingent Capital 2019).**

The Contingent Capital 2019 serves exclusively to grant new shares to the holders or creditors of bonds issued by the Company or by other companies in which the Company directly or indirectly holds a majority interest until 2 September 2024 in accordance with the authorisation resolution of the Annual General Meeting on 3 September 2019, in the event that conversion or option rights are exercised or conversion or option exercise obligations are fulfilled or the Company exercises its right to grant shares in the Company in whole or in part instead of payment of the cash amount due. Contingent Capital 2019 amounts to EUR 60,000 thousand as at 31 December 2021.

The Management Board was also authorised until 2 September 2024 to acquire treasury shares for any legally permissible purpose, up to a total of 10% of the share capital existing at the time of the resolution or – if lower – the share capital existing at the time this authorisation is exercised. The shares acquired on the basis of this authorisation, together with other shares in the Company held by the Company or attributable to the Company pursuant to Secs. 71 a et seq. AktG, may at no time exceed 10% of the share capital. At the discretion of the Management Board, the shares may be purchased either on the stock exchange, by means of a public offer addressed to all shareholders, through a public invitation to submit an offer (purchase offer), or through the use of derivatives (put or call options or a combination thereof).

Provisions

The personnel-related provisions mainly include provisions for share-based payments, bonuses and holiday entitlements as well as anniversaries.

Provision

In thousands of euro	31.12.2021	31.12.2020
Personnel-related provisions	1,797	6,293
Other	2,023	937
	3,820	**7,230**

Liabilities

Liabilities to affiliated companies relate to both clearing transactions with affiliated companies in the amount of EUR 18,494 thousand (31 December 2020: EUR 0 thousand) and trade payables in the amount of EUR 987 thousand (31 December 2020: EUR 11,754 thousand), which are netted against trade receivables from affiliated companies in the amount of EUR 5,041 thousand (31 December 2020: EUR 9,442 thousand). As in the previous year, the liabilities have a remaining term of up to one year.

Income statement disclosures

Revenue

Revenue mainly resulted from income from management services to affiliated companies in Germany and abroad in the amount of EUR 9,433 thousand (2020: EUR 11,516 thousand).

Other operating income

Other operating income mainly includes income from the reversal of provisions not relating to the accounting period in the amount of EUR 47 thousand (2020: EUR 52 thousand).

Other disclosures

1. Contingent liabilities

Regit Eins GmbH is the borrower of a syndicated loan agreement for EUR 125,000,000, USD 340,000,000, GBP 66,577,500, as well as a revolving credit facility for EUR 150,000,000. For this agreement, there are guarantees by TeamViewer Germany GmbH and the Company in favour of the financing parties to secure all liabilities of Regit Eins GmbH.

Regit Eins GmbH issued various promissory notes totalling EUR 300 million in March 2021. In this context, TeamViewer AG together with TeamViewer Germany GmbH guarantees the performance of all obligations of Regit Eins GmbH under the promissory note agreements by way of an independent guarantee promise to the borrower.

Regit Eins GmbH is also the borrower of a fixed-rate loan (bilateral bank loan) in the amount of EUR 100 million. TeamViewer AG and TeamViewer Germany GmbH are jointly and severally liable for the fulfilment of the obligations of Regit Eins GmbH as borrower under this loan agreement by way of assumption of debt.

The risk of the above guarantees or joint and several liability being called upon is considered to be low, as it is assumed that Regit Eins GmbH will meet its respective obligations.

2. Headcount

The average number of employees during the fiscal year was as follows:

	2021	2020
Employees	89	65
thereof executive employees	4	2
thereof salaried employees	**85**	**63**

3. Disclosures on governing bodies

Management Board

- Oliver Steil, CEO, was appointed as a member of the TeamViewer AG Management Board for a period of three years on 19 August 2019 and was appointed Chairman of the Management Board. The Supervisory Board extended his employment contract until October 2024 on 17 October 2021.
- Stefan Gaiser, CFO, was appointed as a member of the TeamViewer AG Management Board for a period of three years on 19 August 2019. He will not extend his contract, which expires in August 2022.
- During the period from 19 April 2021 to 31 December 2021, Lisa Agona, CMO, was an ordinary member of the Management Board. Ms Agona and the Supervisory Board reached a mutual agreement in November 2021 to terminate her employment contract as of 31 December 2021.

The members of the Company's Management Board do not hold any mandates in management or supervisory bodies of other companies.

The remuneration of a former Management Board member amounted to EUR 1.1 million in the 2021 fiscal year (2020: EUR 0 million).

Total remuneration of Management Board members:

In thousands of euro	2021	2020
Fixed remuneration	1,708	1,450
Fringe benefits	93	77
Total	**1,800**	**1,527**
One-year variable remuneration	-	2,800
Multi-year variable remuneration	1,589	1,524
Total remuneration	**3,389**	**5,851**

Supervisory Board

The following persons were appointed as members of the Supervisory Board:

Supervisory Board

Name	Year of birth	Member since	Appointed until	Position	Occupation
Dr. Abraham Peled	1945	2019	2023	Chairman of the Supervisory Board	Partner at Peled Ventures LLC and Industry Advisor to Hg Capital Private Equity
Jacob Fonnesbech Aqraou	1972	2019	2023	Deputy Chairman of the Supervisory Board	Entrepreneur and investor
Stefan Dziarski	1980	2019	2023	Member of the Supervisory Board	Partner at Permira
Holger Felgner[2]	1971	2019	2023	Member of the Supervisory Board	Co-Chief Executive Officer at Chrono24 GmbH
Hera Kitwan Siu[3]	1959	2021	2023	Member of the Supervisory Board	Advisor
Dr. Jörg Rockenhäuser	1966	2019	2023	Member of the Supervisory Board	Partner and Head of DACH at Permira
Axel Salzmann	1958	2019	2023	Member of the Supervisory Board	Member of the Management Board and Chief Financial Officer at Hensoldt Holding AG

[2] Resignation from office as at 3 August 2021
[3] Appointment as at 26 November 2021

The members of the Company's Supervisory Board are at the same time a member of a supervisory board or a member of comparable domestic or foreign supervisory bodies of the following companies (disclosure pursuant to Sec.125 [1] sentence 5 AktG):

Dr. Abraham Peled	→ Chairman of the Board of Directors of CyberArmor Ltd. → Chairman of the Board of Directors of Synamedia Ltd., (until July 2021)
Jacob Fonnesbech Aqraou	→ Member of the Board of Directors of Telenor ASA (until May 2022) → Chairman of the Board of Directors of Loopia Group → Member of the Board of Directors of Wallapop SL → Member of the Board of Directors of Denmark Bridge → Chairman of the Board of Directors of Aqraou Invest ApS → Chairman of the Board of Directors of PhaseOne Group → Chairman of the Board of Directors of Chronext AG (since February 2021) → Chairman of the Board of Directors of BoatsGroup, LLC (since March 2021) → Member of the Advisory Board of Lego Ventures (since March 2021)
Stefan Dziarski	→ Member of the Supervisory Board of P&I Personal & Informatik AG → Member of the Advisory Board of FlixMobility GmbH
Holger Felgner	→ Member of the Advisory Board of MPN Marketplace Networks GmbH
Hera Kitwan Siu	→ Member of the Board of Directors of Goodyear Tire & Rubber Company → Member of the Board of Directors of Vallourec S.A.
Dr. Jörg Rockenhäuser	→ Member of the Advisory Board of Best Secret GmbH (formerly: Schustermann & Borenstein GmbH) → Chairman of the Advisory Board of neuraxpharm Arzneimittel GmbH (since December 2020) → Member of the Advisory Board of Engel & Völkers Holding GmbH (since October 2021)
Axel Salzmann	→ None

Remuneration of the members of the Supervisory Board

In thousands of euro	Fixed remuneration	Activity in committees	Other 2021	Total 2021
Remuneration	477	220	11	708

In thousands of euro	Fixed remuneration	Activity in committees	Other 2020	Total 2020
Remuneration	503	220	0	723

4. Group affiliation

TeamViewer AG prepares the consolidated financial statements for the largest and smallest group of consolidated companies in which it is included. The consolidated financial statements are published in the electronic German Federal Gazette.

5. Disclosures pursuant to Sec.160 (1) no. 8 AktG

The following is a list of notifiable shareholdings in TeamViewer AG as at the reporting date and until 3 March 2022 that have been notified to the Company in writing pursuant to Sec. 33 (1) or (2) of the German Securities Trading Act (WpHG) and published pursuant to Sec. 40 (1) WpHG. The information was taken from the most recent notification of the notifying party made to TeamViewer AG.

Notifying party	Registered office	Date of crossing threshold	Moved above or below threshold	Notification threshold in %	Attribution pursuant to WpHG	Share of voting rights in %
Permira Holdings Limited	St. Peter Port, Guernsey	16.02.2021	Below	20	Sec. 34	19.97
Impax Asset Management	London, United Kingdom	19.05.2021	Above	3	Sec. 34	3.03
Impax Asset Management	London, United Kingdom	11.06.2021	Below	3	Sec. 34	2.96
Euro Pacific Growth Fund	Boston, MA., United States of America	21.01.2021	Above	3	Sec. 34	3.02
Euro Pacific Growth Fund	Boston, MA., United States of America	09.08.2021	Below	3	Sec. 34	2.90
T. Rowe Price Group, Inc.	Baltimore, MD., United States of America	27.10.2021	Above	5	Sec. 34	5.06
The Capital Group Companies, Inc.	Los Angeles, CA., United States of America	12.11.2021	Below	3	Sec. 34	2.83
Black Rock, Inc.	Wilmington, DE., United States of America	30.11.2021	Below	5	Sec. 34	3.93*
JPMorgan Chase & Co.	Wilmington, DE., United States of America	02.12.2021	Above	3	Sec. 34	3.37**
Citigroup Inc.	Wilmington, DE., United States of America	26.01.2022	Above	5	Sec. 34	5.70***
Société Générale S.A.	Paris, France	07.02.2022	Above	5	Sec. 34	5.28****
Société Générale S.A.	Paris, France	09.02.2022	Below	5	Sec. 34	0.00
TeamViewer AG	Göppingen, Germany	24.02.2022	Above	3	Sec. 34	3.24
UBS Group AG	Zurich, Switzerland	25.02.2022	Above	3	Sec. 34	3.6*****

* In addition, 234,561 (0.12%) shares relate to securities lending pursuant to Sec. 38 (1) no. 1 WpHG and 128,683 shares (0.06%) relate to contracts for difference pursuant to Sec. 38 (1) no. 2 WpHG
** In addition, 183,419 shares (0.09%) relate to securities lending pursuant to Sec. 38 (1) no. 1 WpHG and 1,085,636 shares (0.54%) relate to contract for difference pursuant to Sec. 38 (1) no. 2 WpHG
*** In addition, pursuant to Sec. 38 (1) no. 1 WpHG, 8,178,236 shares (4.07%) relate to re-transfer claims from securities loans and pursuant to Sec. 38 (1) no. 2 WpHG, 42,349 shares (0.02%) relate to OTC swaps
**** In addition, 1,166,861 shares (0.58%) relate to re-transfer claims from securities loans, 901,200 shares (0.45%) to listed call options, 14,156 shares (0.01%) to certificates pursuant to Sec. 38 (1) no. 1 WpHG and pursuant to Sec. 38 (1) no. 2 WpHG
***** In addition, 530,137 shares (0.26%) relate to a re-transfer claim from securities loans, 636,000 shares (0.32%) to a long call option, and 600,000 shares (0.3%) to a short put option pursuant to Sec. 38 (1) no. 2 WpHG

Type of instrument	Voting rights (absolute no.)	Voting rights (in % of total)
OTC Call Options on Basket	690,695	0.34 %
Contracts For Difference	19,462	0.01 %
Euro Medium Term Note	10,159	0.01 %
OTC Call Options	3,041,268	1.51 %
OTC Put Options	179,279	0.09 %
Listed Call Warrants	2,681,512	1.33 %

Notifying party	Absolute no. of voting rights	Publication date
DWS Investment GmbH	5,915,646	26.01.2021
Permira Holdings Limited	40,149,251	18.02.2021
Impax Asset Management	5,948,724	14.06.2021
Euro Pacific Growth Fund	5,834,402	11.08.2021
T. Rowe Price Group, Inc.	10,183,557	02.11.2021
The Capital Group Companies, Inc.	5,693,604	16.11.2021
Black Rock, Inc.	7,546,965	07.12.2021
JPMorgan Chase & Co.	5,509,571	07.12.2021
Citigroup Inc.	3,249,506	01.02.2022
TeamViewer AG	6,521,176	25.02.2022
UBS Group AG	5,462,333	02.03.2022

6. Declaration of Conformity with the German Corporate Governance Code

In December 2021, the Management Board and Supervisory Board of TeamViewer AG issued the declaration required by Sec. 161 AktG and made it publicly available on the Company's website under https://ir.teamviewer.com/websites/teamviewer/English/4295/declaration-of-compliance-pursuant-to-the-german-stock-corporation-act_-section-161.html.

7. Events after the reporting period

With the exception of the share buyback programme mentioned below, there were no other significant events after the reporting date that had a material effect on our earnings, assets and financial position.

On 2 February 2022, the Management Board of TeamViewer AG approved a share buyback programme with a volume of up to EUR 300 million, or a cap of 20,000,000 shares, corresponding to just under 10% of all shares outstanding. The buyback is in accordance with the authorisation granted at the Extraordinary General Meeting on 3 September 2019.

The programme began on 3 February 2022 and is expected to be completed within the 2022 fiscal year. The repurchased shares are to be largely cancelled and the Company's share capital reduced accordingly. The remaining shares will initially be held by the Company for later use for all purposes permitted under stock corporation law.

8. Independent auditor's fees

The disclosure is not made pursuant to Sec. 285 No. 17 HGB, since the disclosure is made in the consolidated financial statements of TeamViewer AG.

9. Disclosure

The annual and consolidated financial statements of TeamViewer AG are published in the German Federal Gazette.

Göppingen, 11 March 2022

Oliver Steil

Stefan Gaiser

FURTHER INFORMATION

01 Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of TeamViewer AG, and the management report, which is combined with the group management report, includes a fair review of the development and performance of the business and the position of TeamViewer AG, together with a description of the principal opportunities and risks associated with the expected development of TeamViewer AG.

Göppingen, 11 March 2022

The Management Board

Oliver Steil Stefan Gaiser

02 Independent auditor's report

To TeamViewer AG

Report on the audit of the annual financial statements and of the combined management report

Opinions
We have audited the annual financial statements of TeamViewer AG, Göppingen, which comprise the balance sheet as at 31 December 2021, and the income statement for the fiscal year from 1 January to 31 December 2021 and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of TeamViewer AG, which has been combined with the group management report, for the fiscal year from 1 January to 31 December 2021. In accordance with the German legal requirements, we have not audited the content of the statement on corporate governance contained in the management report pursuant to Sec. 289f HGB. Furthermore, we have not audited the content of the disclosures extraneous to management reports contained in the "Remuneration report" section of the group management report. Disclosures extraneous to combined management reports are such disclosures that are not required pursuant to Secs. 289, 289a or Secs. 289b to 289f HGB or Secs. 315, 315a or Secs. 315b to 315d HGB or German Accounting Standard (GAS) 20.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2021 and of its financial performance for the fiscal year from 1 January to 31 December 2021 in compliance with German legally required accounting principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the management report does not cover the content of the aforementioned statement on corporate governance or the aforementioned "Remuneration report" section of the group management report.

Pursuant to Sec. 322 (3) Sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the opinions
We conducted our audit of the annual financial statements and of the management report in accordance with Sec. 317 HGB and the EU Audit Regulation (No 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the annual financial statements and of the management report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Art. 10 (2) f) of the EU Audit Regulation, we declare that we have not provided nonaudit services prohibited under Art. 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the management report.

Key audit matters in the audit of the annual financial statements
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the fiscal year from 1 January to 31 December 2021. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Below, we describe what we consider to be the key audit matter:

Recoverability of the shares in Regit Eins GmbH

Reasons why the matter was determined to be a key audit matter
For the purpose of impairment testing, the Company's executive directors determine the fair value for shares in affiliates, which exclusively relate to the shares in Regit Eins GmbH, on an annual basis using a discounted cash flow method.

The result of the valuation depends chiefly on the future cash inflows estimated by the executive directors of the Company as well as the discount rate used and is therefore a matter of judgment. Due to the materiality of the shares in Regit Eins GmbH as well as the fact that the calculation involves a large degree of judgment and uncertainties, we determined the recoverability of shares in Regit Eins GmbH to be a key audit matter.

Auditor's response
We assessed the clerical accuracy as well as the methodology of the valuation model used and the derivation of the discount rate and its individual components with the assistance of our internal measurement specialists. For the discount rate, we particularly analyzed the peer group, compared the parameters used with market data and checked the clerical accuracy of the calculation.

We analyzed the planning used for the impairment test using the adherence to the budget in the past, compared it with the prior-year forecast and with estimates by analysts, discussed it with the Company's executive directors and obtained evidence substantiating the individual assumptions of the forecasts.

In addition, we examined the growth rates for income and expenses used to roll forward the planning by comparing them with market data and performing sensitivity analyses in order to estimate any potential impairment risk associated with a change in one of the significant assumptions used in the valuation.

Our audit procedures regarding the recoverability of shares in affiliates did not lead to any reservations.

Reference to related disclosures
The executive directors' disclosures on the recoverability of the shares in affiliates, the accounting policies applied as well as the associated judgment are contained in the notes to the financial statements in the sections "Accounting policies" and "Shareholdings".

Other information
The executive directors and the Supervisory Board are responsible for the declaration pursuant to Sec. 161 AktG ["Aktiengesetz": German Stock Corporation Act] on the German Corporate Governance Code, which is part of the corporate governance statement, and for the remuneration report pursuant to Art. 162 AktG. In all other respects, the executive directors are responsible for the other information. The other information comprises the statement on corporate governance referred to above, which is part of the combined management report, the separate non-financial report as well as the aforementioned disclosures extraneous to management reports contained in the "Remuneration report" section of the combined management report.

Our opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the executive directors and the supervisory board for the annual financial statements and the management report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German legally required accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that, as a whole, provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's responsibilities for the audit of the annual financial statements and of the management report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.

- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Report on the assurance on the electronic rendering of the annual financial statements and the management report prepared for publication purposes in accordance with Sec. 317 (3a) HGB

Opinion

We have performed assurance work in accordance with Sec. 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the annual financial statements and the management report (hereinafter the "ESEF documents") contained in the file Teamviewer_AG_EA+LB_ESEF-2021-12-31.zip (SHA-256 checksum: a4b83451b139354965831c-c7d49949d058481033ca890c901e2a7b17e2f0d982) and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the annual financial statements and the management report contained in the file identified above and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinions on the accompanying annual financial statements and the accompanying management report for the fiscal year from 1 January to 31 December 2021 contained in the "Report on the audit of the annual financial statements and of the management report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the opinion

We conducted our assurance work on the rendering of the annual financial statements and the management report contained in the file identified above in accordance with Sec. 317 (3a) HGB and the IDW Assurance Standard: Assurance on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Sec. 317 (3a) HGB (IDW AsS 410) (10.2021). Our responsibility in accordance therewith is further described in the "Auditor's responsibilities for the assurance work on the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QS 1).

Responsibilities of the executive directors and the supervisory board for the ESEF documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the annual financial statements and the management report in accordance with Sec. 328 (1) Sentence 4 No. 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have determined necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB for the electronic reporting format.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Auditor's responsibilities for the assurance work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material intentional or unintentional noncompliance with the requirements of Sec. 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this file.
- Evaluate whether the ESEF documents enable an XHTML rendering with content equivalent to the audited annual financial statements and to the audited management report.

Further information pursuant to Art. 10 of the EU Audit Regulation

We were elected as auditor by the annual general meeting on 15 June 2021. We were engaged by the Supervisory Board on 13 October 2021. We have been the auditor of TeamViewer AG without interruption since the abbreviated fiscal year 2019.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Art. 11 of the EU Audit Regulation (long-form audit report).

In addition to the financial statement audit, we have provided to the Company or entities controlled by it the following services that are not disclosed in the annual financial statements or in the management report:

In addition to the audit, we performed a review of the interim financial statements and rendered other permitted advisory services related to the sustainability report. In addition, we conducted audits of the financial statements of the subsidiaries, some of which were mandatory under the law and the others commissioned on a voluntary basis.

Other matter – use of the auditor's report

Our auditor's report must always be read together with the audited annual financial statements and the audited management report as well as the assured ESEF documents. The annual financial statements and the management report converted to the ESEF format – including the versions to be published in the Bundesanzeiger [German Federal Gazette] – are merely electronic renderings of the audited annual financial statements and the audited management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German Public Auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Mr. Steffen Maurer.

Stuttgart, 11. March 2022

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Prof. Dr. Kuhn	**Maurer**
Wirtschaftsprüfer	Wirtschaftsprüfer

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