PROSPECTUS **NOT FOR GENERAL CIRCULATION IN THE UNITED STATES**

Lakestar SPAC I SE

to be renamed

HomeToGo SE

Admission to Trading of 95,055,649 New Public Shares

Lakestar SPAC I SE (to be renamed HomeToGo SE as of closing of the Business Combination (as defined below)) (Legal Entity Identifier ("**LEI**") 2221001IK1TS34BCHL37) is a European company (*Société Européenne*) incorporated under the laws of the Grand Duchy of Luxembourg ("**Luxembourg**"), having its registered office at 9, rue de Bitbourg, L-1273 Luxembourg, Luxembourg (telephone: +352 27 44 41 7714 ; website: www.hometogo.com), and registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés de Luxembourg*) under number B249273 (the "**Company**" and together with its subsidiaries, unless indicated otherwise, "**we**", "**us**", "**our**", "**ourselves**", or the "**Group**"), originally established for the purpose of consummating a business combination with an operating business with principal business operations in a member state of the European Economic Area (the "**EEA Member States**") or the United Kingdom or Switzerland (the United Kingdom and Switzerland together, "**Certain Other Countries**") in the form of a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transaction. The founders of the Company are ANXA Holding PTE Ltd., Singapore, an affiliate of Klaus Hommels, the founder and chairman of Lakestar Advisors GmbH, (the "**Sponsor**"), Winners & Co. GmbH, Germany, and Inga Schwarting (together with the Sponsor, the "**Founders**").

On July 14, 2021, the Company and HomeToGo GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany ("**Germany**") and registered in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Charlottenburg under HRB 155381 B with registered office at Pappelallee 78/79, 10437 Berlin, Germany ("**HomeToGo GmbH**", and together with its subsidiaries, "**HTG**"), among other parties, entered into a business combination agreement (the "**Business Combination Agreement**") relating to the business combination (the "**Business Combination**") between the Company and HomeToGo GmbH by way of a contribution of all shares in HomeToGo GmbH into the Company in exchange for the issuance of new public shares in the Company. The Business Combination will be consummated on September 21, 2021. In connection with the consummation of the Business Combination, the Company issues 85,003,982 class A shares with a par value of €0.0192, International Securities Identification Number ("**ISIN**") LU2290523658 (each a "**New Public Share**" or a "**New Class A Share**" and together with any existing class A shares, the "**Class A Shares**").

In connection with the Business Combination, the Company entered into subscription agreements with investors (the "**PIPE Investors**") in a private investment in public equity transaction (the "**PIPE Financing**") in the aggregate amount of €75 million. In return for their investment, the PIPE Investors receive a total of 7,500,000 additional New Public Shares in the Company.

Furthermore, in connection with the Business Combination, 2,551,667 class B shares (the "**Founder Shares**") (including the 207,372 Founder Shares redeemed by the Sponsor as part of the payback of the remaining amount under the additional sponsor subscription, which are now held as treasury shares by the Company) convert on a one-on-one basis into 2,551,667 Public Shares on the trading day following the consummation date of the Business Combination, *i.e.*, the approval date of this Prospectus (as defined below) as the final closing condition.

The Company has applied for admission of the New Public Shares to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (General Standard) under the symbol "HTG" (the "**Listing**").

Investing in the Public Shares involves certain risks. See Section "1. Risk Factors" beginning on page 1.

The securities for which the Company has applied for admission for trading hereby have not been and will not be registered under the Securities Act and have been offered or sold in the United States of America (the "United States") or to U.S. persons only to, or for the account or benefit of, qualified institutional buyers ("QIBs"), as defined in, and in reliance on Rule 144A ("Rule 144A") under the U.S. Securities Act of 1933, as amended (the "Securities Act") that are also qualified purchasers as defined in the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act"). Outside the United States, the New Public Shares have only been offered and sold to non-U.S. persons in offshore transactions in compliance with Regulation S ("Regulation S") under the Securities Act.

This prospectus (the "**Prospectus**") has been prepared in the form of a single document within the meaning of Article 6 para. 3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**") in connection with the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004.

This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), in its capacity as competent authority under the Prospectus Regulation and the Luxembourg law of July 16, 2019 on prospectuses for securities (the "**Luxembourg Prospectus Law**") for the purpose of the admission of the Public Shares to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (General Standard) and application has been made to notify the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht,* the "**BaFin**") in accordance with the European passport mechanism set forth Article 25 para. 1 of the Prospectus Regulation. The CSSF has neither reviewed nor approved any information regarding public warrants and/or founder warrants.

This Prospectus will be published in electronic form on the website of the Luxembourg Stock Exchange (http://www.bourse.lu) and on the Company's website at www.hometogo.com under the "Investor Relations" section. By approving this Prospectus, the CSSF gives no undertaking as to the economic or financial soundness of the transaction or the quality and solvency of the Company in line with the provisions of Article 6 para. 4 of the Luxembourg Prospectus Law.

The New Public Shares will be dematerialized Shares. It is expected that the New Public Shares will be delivered through the facilities of LuxCSD, Clearstream Banking S.A. on or about September 23, 2021.

September 21, 2021

THE VALIDITY OF THIS PROSPECTUS WILL EXPIRE ON SEPTEMBER 21, 2022, BEING TWELVE MONTHS AFTER THE DATE OF ITS APPROVAL. THE INFORMATION IN THIS PROSPECTUS SPEAKS ONLY AS OF THE DATE HEREOF AND ANY OBLIGATION TO SUPPLEMENT THIS PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES WILL NOT APPLY AFTER THE TIME WHEN TRADING OF ALL THE NEW PUBLIC SHARES ON THE FRANKFURT STOCK EXCHANGE BEGINS, WHICH IS EXPECTED FOR SEPTEMBER 23, 2021

Responsibility Statement

The Company assumes responsibility for the content of this Prospectus pursuant to the Prospectus Regulation and declares that the information contained in this Prospectus is, to the best of its knowledge, correct and contains no material omissions, and that it has taken all reasonable care to ensure that the information contained in this Prospectus is, to the best of its knowledge, correct and contains no material omission likely to affect its import.

The Listing Agent (as defined below) makes no representation or warranty as to the accuracy or completeness of the information contained in the Prospectus.

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I. SUMMARY OF THE PROSPECTUS

A – Introduction and Warnings

This prospectus (the "**Prospectus**") relates to 95,055,649 new public shares with a par value of €0.0192, International Securities Identification Number ("**ISIN**") LU2290523658 (the "**New Public Shares**") of Lakestar SPAC I SE (to be renamed HomeToGo SE as of closing of the Business Combination (as defined below)) (Legal Entity Identifier ("**LEI**") 2221001IK1TS34BCHL37), a European company (*Societas Europaea*) existing under Luxembourg law, having its registered office at 9, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg ("**Luxembourg**") (telephone: +352 27 44 41 7714; website: www.hometogo.com) and registered with the Luxembourg Trade and Companies Register (*Registre de commerce et des sociétés de Luxembourg*) under number B249273 (the "**Company**", and together with its subsidiaries, unless indicated otherwise, "**we**", "**us**", "**our**", "**ourselves**" or the "**Group**"). The New Public Shares will be admitted to, and listed on, the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (General Standard). Baader Bank Aktiengesellschaft will act as listing agent for the New Public Shares (business address: Weihenstephaner Straße 4, 85716 Unterschleißheim, Germany (LEI 529900JFOPPEDUR61H13) (the "**Listing Agent**").

This Prospectus has been filed with and approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), 283, route d'Arlon, L-1150 Luxembourg (telephone: +352 26 25 1-1 (switchboard); fax: +352 26 25 1-2601; e-mail: direction@cssf.lu) as competent authority pursuant to Article 6 of the Luxembourg law of July 16, 2019, on prospectuses for securities (the "**Luxembourg Prospectus Law**") for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**") for purpose of the admission of the New Public Shares to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (General Standard) on September 21, 2021.

This summary should be read as an introduction to this Prospectus. Any decision to invest in the shares of the Company should be based on a consideration of this Prospectus as a whole by an investor. Investors in the shares of the Company could lose all or part of their invested capital. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to persons who have tabled this summary where the summary includes misleading, inaccurate or inconsistent statements, when read together with the other parts of this Prospectus, or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the shares of the Company.

B – Key Information on the Issuer

B.1 – Who is the Issuer of the securities?

Issuer Information – The legal and commercial name of the Company is Lakestar SPAC I SE (to be renamed HomeToGo SE as of closing of the Business Combination (as defined below)). The Company has its registered office at 9, rue de Bitbourg, L-1273 Luxembourg, and is registered with the Luxembourg Trade and Companies Register (*Registre de commerce et des sociétés de Luxembourg*) under number B249273. The Company is a European company (*Societas Europaea*), incorporated and existing under Luxembourg law.

Principal Activities – *For purposes of this Section "Principal Activities", unless indicated otherwise, references to "we", "us" or "our", to the extent they concern any period prior to the consummation of the Business Combination, refer to HomeToGo GmbH together with its subsidiaries ("**HTG**").* The Company is the holding company of the Group, which operates a global marketplace powered by technology solutions for alternative accommodation and vacation rentals that connects millions of travelers searching for a perfect place to stay with thousands of inventory suppliers across the globe, resulting in what we believe to be the world's most comprehensive inventory coverage in the alternative accommodation space. As of May 2021, our portfolio comprised more than 14 million offers imported into our technology system from over 30,000 contracted online travel agencies, tour operators, property managers and other inventory suppliers worldwide (together, "**Partners**") via technical interfaces (consisting of vacation rentals, hotels and other accommodation types, including multiple offers of the same property if offered by more than one Partner on our websites, collectively "**Offers**"). Our marketplace is beneficial to both our Partners and the consumers who visit our web sites ("**Users**") and is, we believe, unique in the travel industry. The Users gain access to superior inventory, while the Partners who utilize our platform reach a wider range of customers and benefit from technology solutions. Headquartered in Berlin, Germany, with additional offices in Milan (Italy), Barcelona (Spain) as well as Kaunas and Vilnius (Lithuania), we operate localized desktop and mobile websites as well as iOS and Android apps in 23 countries.

We believe that we have a substantial market opportunity in the growing global market for short-term accommodation. We estimate our total addressable market to be approximately €1 trillion in gross booking value ("**GBV**", as further defined under the caption "*Other Financial Information and Operating Data*" below) today and expect it to grow to more than €1.7 trillion in GBV by 2030 (Source: Deutsche Bank Research Report; BNP Research Report). The market for alternative accommodation in particular is, however, highly fragmented and lacks transparency, with a multitude of international, regional, and local participants that try to successfully market their properties and services. We believe that we are well positioned to seize this market opportunity through our technology solutions with our easy-to-use marketplace that provides our Users with access to a superior global inventory supply and that provides our Partners with access to a worldwide demand by placing their listings on our state-of-the-art technology platform, that is able to attract high quality traffic, consisting of Users that are highly likely to convert into customers.

We operate our business mainly through our HomeToGo brand supported by a variety of smaller local or specialized brands and corresponding websites. With our wide reach and international audience, our brands ensure high online visibility so that our Partners can generate bookings from Users all over the globe. Our marketplace seamlessly integrates our vast inventory in one simple search and enables Users to book accommodation from our Partners either on their external accommodation websites or directly on our platform. If Partners opt to make their listing bookable directly on our platform, Users experience the complete online journey (from search and discovery to booking and payment) on our website instead of being redirected to the Partner's website. To increase bookings, many of our Partners already use this onsite booking service today and demand for this feature is constantly growing.

Our operations are built on our proprietary technology platform designed to help Users quickly sort through our rapidly - expanding inventory. Our intuitive filtering tools allow Users to identify Offers best suited to their needs, which they can comfortably share with their friends, family, or partners to plan trips together. In addition to the intuitive, fast, and easy-to-use interface, our innovative deduplication technology also enhances the user experience on our websites. Due to a lack of standardization in the industry, properties that are offered in the portfolios of more than one Partner would appear more than once in the search results that we show Users on our websites. Our proprietary deduplication technology, however, is programmed to recognize duplicative Offers and, where possible, automatically combines them into a single presentation of the property on our website, leveraging the different data points we receive from our multiple Partners, assuring the most comprehensive information for our Users. In addition to our localized websites, we provide the full services of HomeToGo via an app available for mobile and tablet devices on the platforms iOS and Android.

To further support the business of our Partners, we provide them with various technical solutions, which we intend to expand in the future, such as front-end products, data products or software as a service ("**SaaS**"). Our modular solutions are intended to increase conversion and to support the distribution, commercialization and management of our Partners' properties.

We believe that the following competitive strengths have been the primary drivers of HTG's success in the past and will continue to contribute to the uniqueness of our business in the future:

- the world's largest and most comprehensive supply of alternative accommodations (based on internal data regarding HTG's aggregated supply of over 14 million offers as of May 2021);
- a superior user experience underpinned by data driven technology platform;
- highly efficient technology solutions for our Partners at every stage;
- a powerful and growing brand complemented by a proven marketing playbook;
- a scalable and resilient business model with attractive financial profile; and
- a founder-led management team with proven track record.

We believe that our strong position in the online market for alternative accommodation and particularly in the rural vacation rentals area will allow us to further expand our business and continue to invest in our key strengths. To achieve these aims, we will seek to:

- benefit from the large market opportunity in the online market for alternative accommodation;
- improve our brand offering and awareness;
- attract new Users and make more Users return;
- extend our offering to additional target markets; and
- scale our technology solutions as well as SaaS and other subscription revenue.

Major and Controlling Shareholders – As of the date of this Prospectus, HTG Insight IX S.à r.l. holds 17.9% of the shares in the Company; Acton GmbH & Co. Heureka II KG holds 8.6% of the shares in the Company; ANXA Holding PTE Ltd. holds 7.0% of the shares in the Company; DN Capital Global Venture Capital III LP holds 7.0% of the shares in the Company; Wolfgang Heigl holds 4.2% of the shares in the Company; TruVenturo GmbH holds 4.2% of the shares in the Company; and Lakestar II LP holds 3.7% of the shares in the Company. To the knowledge of the Company, the Company is neither directly nor indirectly owned or controlled by any shareholder or third person.

Management – The Company's management is set up in a two tier structure. The Company is managed by its management board (the "**Management Board**"), composed of Patrick Andrae (CEO), Wolfgang Heigl (CSO), Valentin Gruber (COO) and Steffen Schneider (CFO), under the supervision of its supervisory board (the "**Supervisory Board**"), composed of Christoph Schuh (chairman), Thilo Semmelbauer, Susanne Sandler, Martin Reiter, Philipp Kloeckner and Dr. Dirk Altenbeck.

Independent Auditor – The Company appointed Ernst & Young S.A., with registered office at 35E, Avenue J.F. Kennedy, L-1855 Luxembourg and registered with the Luxembourg Trade and Companies Register (*Registre de commerce et des sociétés de Luxembourg*) under number B 47771 as its independent auditor.

B.2 – What is the key financial information regarding the Issuer?

Selected Consolidated Financial Information of Lakestar SPAC I SE

Lakestar SPAC I SE was recently formed and has not conducted any operations prior to the Business Combination. The tables below show key financial information of Lakestar SPAC I SE for the periods indicated (which are prior to the Business Combination).

Financial information labeled "audited" has been taken from Lakestar SPAC I SE's audited consolidated financial statements as of December 31, 2020 and for the period from November 26, 2020 to December 31, 2020, prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**"). The label "unaudited" indicates financial information that has been taken either from Lakestar SPAC I SE's unaudited interim condensed consolidated financial statements as of and for the six months ended June 30, 2021, which has been prepared in accordance with IFRS on interim financial reporting (IAS 34), or from Lakestar SPAC I SE's accounting records or internal reporting systems, or has been calculated based on figures from the aforementioned sources.

Consolidated statement of financial position data

	As of December 31, 2020	As of June 30, 2021
	(audited)	(unaudited)
	(in € thousand)	(in € thousand)
Total equity and liabilities	1,438	281,307
Total liabilities	1,697	281,249
Total equity	(259)	58

Consolidated statement of comprehensive income data

	For the period ended December 31, 2020	For the period ended June 30, 2021
	(audited)	(unaudited)
	(in € thousand)	(in € thousand)
Revenue	-	-
Profit/(Loss) for the period	(379)	(9,881)

Consolidated statement of cash flows data

	For the period ended December 31, 2020	For the period ended June 30, 2021
	(audited)	(unaudited)
	(in € thousand)	(in € thousand)
Net cash flows from operating activities	(857)	(599)
Net cash flows from investing activities	0.00	(277,465)
Net cash flows from financing activities	1,620	281,099
Cash and cash equivalents	**763**	**3,798**

Selected Consolidated Financial Information of HomeToGo GmbH

The tables below show key financial information of HomeToGo GmbH for the periods indicated (which are periods prior to the Business Combination).

Financial information labeled "audited" has been taken from HomeToGo GmbH's audited consolidated financial statements as of and for the fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018, prepared in accordance with IFRS and have been audited in accordance with Section 317 of the German Commercial Code (*Handelsgesetzbuch*, "**HGB**") and German generally accepted standards for financial statement audits promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer*, "**IDW**") by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, Berlin office, Germany, who issued a German-language unqualified independent auditor's report (*Bestätigungsvermerk des unanbhängigen Abschlussprüfers*) thereon. The label "unaudited" indicates financial information that has been taken either from HomeToGo GmbH's unaudited interim condensed consolidated financial statements as of and for the six-month period ended June 30, 2021, which were prepared in accordance with IFRS on interim financial reporting (IAS 34), or from HomeToGo GmbH's accounting records or internal reporting systems or has been calculated based on figures from the above-mentioned sources.

Certain financial information, including percentages, has been rounded according to established commercial standards. As a result, rounded figures in the tables below may not add up to the aggregate amounts in such tables (sum totals or subtotals), which are calculated based on unrounded figures. Financial information presented in parentheses denotes the negative of such number presented. A dash ("–") signifies that the relevant figure is not available or zero, while a zero ("0.0") signifies that the relevant figure has been rounded to zero.

Selected Data from the Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Fiscal year ended December 31,			Six months ended June 30,	
	2018	2019	2020	2020	2021
		(audited) (in € million)		(unaudited) (in € million)	
Revenue	51.0	69.5	65.9	23.1	30.0
Cost of revenues	(1.9)	(4.0)	(2.8)	(1.3)	(1.8)
Gross profit	**49.1**	**65.5**	**63.1**	**21.8**	**28.2**
Product development and operations	(7.7)	(12.9)	(15.3)	(7.7)	(8.8)
Marketing and sales	(67.7)	(69.4)	(52.2)	(27.9)	(53.4)
General and administrative	(3.8)	(8.9)	(13.1)	(5.6)	(15.2)
Other expenses	(0.2)	(0.2)	(0.7)	(0.3)	(0.0)
Other income	0.4	0.7	1.1	0.5	1.1
Profit (loss) from operations	**(29.8)**	**(25.0)**	**(17.2)**	**(19.2)**	**(48.1)**
Finance income	0.1	0.2	-	-	-
Finance costs	(0.0)	(4.7)	(7.9)	(3.7)	(14.5)
Profit (loss) before tax	**(29.8)**	**(29.6)**	**(25.1)**	**(22.9)**	**(62.6)**
Income taxes	0.8	0.2	1.3	0.6	0.1
Net income (loss)	**(29.0)**	**(29.4)**	**(23.8)**	**(22.3)**	**(62.5)**

Selected Data from the Consolidated Statements of Financial Position

	December 31, 2018	December 31, 2019	December 31, 2020	June 30, 2021
		(audited) (in € million)		(unaudited) (in € million)
Total non-current assets	31.8	46.4	70.0	81.0
Total current assets	52.7	18.4	43.8	79.4
Total assets	**84.5**	**64.8**	**104.8**	**160.5**
Total shareholder´s equity	**59.9**	**35.5**	**22.9**	**(28.5)**
Non-current liabilities	4.8	7.7	66.7	154.0
Current liabilities	19.8	21.6	15.2	35.0
Total liabilities	**24.6**	**29.4**	**81.9**	**189.0**

Selected Data from the Consolidated Statements of Cash Flows

	Fiscal year ended December 31,			Six months ended June 30,	
	2018	2019	2020	2020	2021
		(audited) (in € million)		(unaudited) (in € million)	
Net cash used in operating activities	(19.9)	(10.1)	(11.3)	(13.9)	(32.9)
Net cash used in investing activities	(17.4)	(22.6)	(4.6)	(0.6)	(14.1)
Net cash provided by financing activities	64.8	1.3	41.4	17.6	74.5
Net increase (decrease) in cash and cash equivalents	**27.5**	**(31.4)**	**25.5**	**3.1**	**27.5**

Other Financial Information and Operating Data

	For the fiscal year ended December 31,			For six months ended June 30,	
	2018	2019	2020	2020	2021
	(audited, unless stated otherwise)			(unaudited)	
Gross Booking Value (GBV) (in € million)(1); (2)	992	1,226	1,253	710	904
Booking Revenue (in € million)(1); (3)	60	80	82	45	72
Revenue (in € million)	51	70	66	23	30
Gross Profit (in € million)	49	66	63	22	28
Adjusted EBITDA (in € million)(1); (4)	(23)	(16)	(2)	(12)	(35)
Take Rate (in %)(1)	5.9%	6.2%	6.4%	6.3%	7.9%

(1) Unaudited.

(2) Non-IFRS operating metric which we define as the gross Euro value of bookings on our platform in a period (including all components of the booking amount, *i.e.*, the total price to be paid by a User for the booked accommodation, including commission by other market participants involved in the booking, except for VAT). GBV is measured at the time of booking and is not adjusted for cancellations or any other alterations after booking.

(3) Non-IFRS operating metric to measure performance, which we define as the net Euro value generated by transactions on our platform in a period (CPA, CPC, CPL, etc.) before cancellations. Booking Revenue does not correspond to, and should not be considered as alternative or substitute for, revenue recognized in accordance with IFRS.

(4) Defined as net income (loss) before (i) income taxes; (ii) finance income, finance expenses; (iii) depreciation and amortization; and adjusted for (iv) expenses for share-based compensation (for the fiscal year ended December 31, 2018 including expenses for share-based compensation for services and goods other than employee benefits in connection with the acquisition of Tripping International, Inc.).

Selected Data from the Unaudited Pro Forma Consolidated Financial Information

Selected Data from the Unaudited Pro Forma Consolidated Statement of Profit or Loss for the Six-Months ended June 30, 2021

	For the six months ended June 30, 2021	**For the six months ended June 30, 2021**		**Pro Forma Adjustments**	**For the six months ended June 30, 2021**
	HomeToGo GmbH (Historical)	Lakestar SPAC I SE (Historical, as adjusted for presentation)	Sum before Pro Forma Adjustments	Pro Forma Adjustments	Pro Forma Consolidated
(in € thousands, except share and per share data)					
Revenue	30,032	-	30,032		30,032
Cost of revenues	(1,831)	-	(1,831)		(1,831)
Gross profit	28,201	-	28,201		28,201
Product development and operations	(8,787)	-	(8,787)		(8,787)
Marketing and sales	(53,357)	-	(53,357)		(53,357)
General and administrative	(15,221)	(3,009)	(18,230)	206	(18,023)
Other expenses	(38)	-	(38)		(38)
Other income	1,142	-	1,142		1,142
Profit (loss) from operations	**(48,060)**	**(3,009)**	**(51,069)**	**206**	**(50,862)**
Finance income	-	3,444	3,444		3,444
Finance expenses	(14,521)	(10,316)	(24,837)	7,538	(10,865)
				6,435	
Financial result, net	(14,521)	(6,872)	(21,393)	13,972	(7,421)
Profit (loss) before tax	**(62,581)**	**(9,881)**	**(72,462)**	**14,179**	**(58,283)**
Income taxes	121	-	121	-	121
Net income (loss)	**(62,460)**	**(9,881)**	**(72,341)**	**14,179**	**(58,162)**
Pro forma basic and diluted earnings (loss) per share					€ (0.52)
Pro forma weighted average ordinary shares outstanding (basic and diluted)					112,285,615

B.3 – What are the key risks that are specific to the Company?

- Any further and continued decline or disruption in the travel industry or economic downturn would materially adversely affect our business, results of operations, and financial condition.
- Increasing competition and consolidation in our industry could result in a decrease in the amount and types of accommodation that we offer on our platform, the value of our services to users and a loss of users, which would adversely affect our business, financial performance and prospects.
- HTG has incurred net losses in each year since inception, and we may not be able to achieve profitability.
- We may not be able to manage our growth effectively.
- If we fail to retain existing Partners or add new Partners, or if Partners fail to provide high-quality properties, our business, results of operations, and financial condition would be materially adversely affected.
- If we do not continue to innovate and provide tools and services that are useful to users and Partners, we may not remain competitive, and our revenue and results of operations could suffer.
- We are exposed to the risk of security breaches, including cyber-attacks, and unauthorized use of one or more of our websites, databases, online security systems or computerized logistics management systems.
- We rely on a number of third party providers for the operation of our platform and their failure to provide these services could severely impact the functionality of our platform.
- Because we recognize most of our revenue upon check-in and not at booking, upticks or downturns in bookings are not immediately reflected in our results of operations.
- We may require additional capital which might not be available on economically acceptable terms, or at all.
- Laws, regulations, and rules that affect the short-term rental and home sharing business have limited and may continue to limit the ability or willingness of our current or potential Partners to offer properties for short-term rent and expose them to significant penalties, which have had and could continue to have a material adverse effect on our business, results of operations, and financial condition.
- HomeToGo GmbH is a private company about which little information is available, and the Company's former management conducted a limited due diligence review of HomeToGo GmbH. As a result, the Company's former management board and supervisory board may not have properly valued HomeToGo GmbH.

- The Company's financial forecasts, which were prepared in connection with the Business Combination and are included in the Prospectus, may prove to be inaccurate.

C – Key Information on the Securities

C.1 – What are the Main Features of the Securities?

Number and Form of Shares – This Prospectus relates to the admission to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) of 95,055,649 New Public Shares stemming from a capital increase against contribution in kind in connection with the Business Combination from €664,992 to €2,441,068.45 by utilizing a corresponding portion of the Company's authorized capital as resolved by the shareholders of the Company on February 17, 2021. In connection with the Business Combination, the Company entered into subscription agreements with investors (the "**PIPE Investors**") in a private investment in public equity transaction (the "**PIPE Financing**") in the aggregate amount of €75 million. In return for their investment, the PIPE Investors receive a total of 7,500,000 additional New Public Shares in the Company. Further, the conversion of the Founder Shares, subject to the Promote Schedule (as defined below), into 7,135,000 New Public Shares, out of which 2,551,667 Founder Shares (including the 207,372 Founder Shares redeemed by the Sponsor as part of the payback of the remaining amount under the additional sponsor subscription, which are now held as treasury shares by the Company) convert on the trading day following the consummation date of the Business Combination, *i.e.*, the approval date of this Prospectus as the final closing condition.

The following table illustrates the number of New Public Shares to be admitted to trading by each category as of the date of this Prospectus:

	Number of Shares
HomeToGo Investors (including option holders under HomeToGo GmbH's virtual stock option plan)	85,003,982
PIPE Investors	7,500,000
Conversion of Founder Shares(1)	2,551,667
Total	**95,055,649**

(1) Includes the 207,372 Founder Shares redeemed by the Sponsor as part of the payback of the remaining amount under the additional sponsor subscription, which are now held as treasury shares by the Company.

Investment by the Founders – The Founders hold class B shares ("**Founder Shares**" and together with the class A shares of the Company, the "**Shares**") that are convertible into class A shares of the Company (the "**Public Shares**") and 5,350,875 Class B warrants (the "**Founder Warrants**") that will be exercisable for Public Shares. 2,551,667 Founder Shares (including the 207,372 Founder Shares redeemed by the Sponsor as part of the payback of the remaining amount under the additional sponsor subscription, which are now held as treasury shares by the Company) convert into Public Shares on the trading day following the consummation of the Business Combination. 2,291,667 Founder Shares convert into Public Shares if, post consummation of the Business Combination, the closing price of the Public Shares for any 10 trading days within a 30 trading day period exceeds €12.00, and 2,291,666 Founder Shares convert into Public Shares if, post consummation of the Business Combination, the closing price of the Public Shares for any 10 trading days within a 30 trading day period exceeds €14.00 (the "**Promote Schedule**"). The Founder Warrants have substantially the same terms as the Class A warrants to subscribe for one Public Share, ISIN LU2290524383 (the "**Public Warrants**"), including the same stated exercise price.

Delivery and Settlement – The delivery of the Public Shares is expected to occur on or about September 23, 2021.

At the shareholder's option, the Public Shares will be credited either to a securities deposit account maintained by a German bank with Clearstream Banking Aktiengesellschaft, Frankfurt am Main, Germany ("**Clearstream**"), or to a securities account of a participant in Euroclear Bank S.A./N.V., 1, Boulevard Roi Albert II, 1120 Brussels, Belgium ("**Euroclear Bank**"), as the operator of the Euroclear system, or to Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg ("**Clearstream Banking**"), for the account of such shareholder.

ISIN/WKN/Common Code/Stock Symbol	***Public Shares***
International Securities Identification Number (ISIN)	LU2290523658
German Securities Identification Number (*Wertpapierkennnummer* – WKN)	A2QM3K
Common Code	229052365
Stock Symbol	HTG

Rights Attached to the Shares, relative Seniority and Transferability – Each Public Share carries one vote in the shareholders' meeting of the Company. All Public Shares carry full dividend rights from the date of their issuance. The Public Shares are freely transferable in accordance with the legal provisions applicable to dematerialized shares, subject to certain lock-up commitments with respect to the Founder Shares and Public Shares held by the Founder as well as the Public Shares held by the founders of HomeToGo GmbH, the HomeToGo Investors and the option holders, which received New Public Shares, under HomeToGo GmbH's virtual stock option plan. For all matters submitted to a vote of the shareholders, except as required by Luxembourg law, all Shares of the Company will vote together as a single class, with each share entitling the holder to one vote.

Dividend Policy – The Company currently intends to retain all available funds and any future earnings to support its operations and to finance the growth and development of its business. Therefore, the Company currently does not intend to pay dividends for the foreseeable future. Any future decision to pay dividends will be made in accordance with applicable laws and will, among other things, depend on the Company's results of operations, financial condition, contractual restrictions and capital requirements.

C.2 – Where will the securities be traded?

On September 7, 2021, the Company has applied for admission of the New Public Shares to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (General Standard).

C.3 – What are the key risks attached to the securities?

- Upon conversion of the Public Warrants, the Founder Warrants and the Founder Shares into Public Shares, investors in the Public Shares may experience substantial dilution.
- There is no guarantee that following the Business Combination a liquid market for the Public Shares will develop and persist.

D – Key Information on the Admission to Trading

D.1 – Under which conditions and timetable can I invest in this security?

Listing and Closing – Listing approval for the Consideration Shares and the PIPE Shares (each as defined below) is expected to be granted on September 21, 2021 and for the Conversion Shares (as defined below) on September 22, 2021. Trading on the Frankfurt Stock Exchange of the Consideration Shares and the PIPE Shares (each as defined below) is expected to commence on September 22, 2021 and of the Conversion Shares on September 23, 2021.

Dilution – Upon consummation of the Business Combination (at any point the Founder Shares will convert to Public Shares subject to the Promote Schedule), as a result of the conversion of the Founder Shares into Class A shares with the same economic rights as the Public Shares, holders of Public Shares will experience material dilution.

Estimated Total Expenses – We estimate the total expenses at €1.1 million.

Expenses Charged to Investors – The Company will not charge any fees to investors. Only customary transaction and handling fees by the investors' brokers will be charged.

D.2 – Who is the Person asking for Admission to Trading?

Admission to Trading – On September 7, 2021, the Listing Agent and the Company have applied for the admission of the New Public Shares to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (General Standard).

D.3 – Why is the Prospectus being produced?

Reasons for the Admission to Trading – On July 14, 2021, the Company and HomeToGo GmbH, among other parties, entered into a business combination agreement relating to the business combination (the "**Business Combination**") between the Company and HomeToGo GmbH by way of a contribution of all shares in HomeToGo GmbH into the Company in exchange for the issuance of New Public Shares. The Business Combination will be consummated on September 21, 2021. In connection with the consummation of the Business Combination, the Company issues 85,003,982 New Public Shares (the "**Consideration Shares**"). In connection with the Business Combination, the Company entered into subscription agreements with the PIPE Investors in the PIPE Financing in the aggregate amount of €75 million. In return for their investment, the PIPE Investors receive a total of 7,500,000 additional New Public Shares in the Company (the "**PIPE Shares**"). Furthermore, on the trading day following the consummation of the Business Combination, 2,551,667 Founder Shares will convert on a one-on-one basis into 2,551,667 New Public Shares (the "**Conversion Shares**") (including the 207,372 Founder Shares redeemed by the Sponsor as part of the payback of the remaining amount under the additional sponsor subscription, which are now held as treasury shares by the Company).

This Prospectus has been prepared for the admission of the New Public Shares to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (General Standard).

Use of Proceeds – This Prospectus does not relate to an offering of shares. Accordingly, neither the Issuer nor any shareholder of the Issuer will receive any proceeds from the issuance of shares.

Material conflicts of interest – None.

II. ZUSAMMENFASSUNG DES PROSPEKTS

A – Einleitung mit Warnhinweisen

Dieser Prospekt (der „**Prospekt**“) bezieht sich auf 95.055.649 neue öffentliche Aktien mit einem rechnerischen Wert von €0,0192, internationale WertpapierIdentifikationsnummer („**ISIN**“) LU2290523658 (die „**Neuen Öffentlichen Aktien**“) der Lakestar SPAC I SE (zukünftig HomeToGo SE ab dem Zeitpunkt des Abschlusses des Unternehmenszusammenschlusses (wie nachstehend definiert)) (Rechtsträgerkennung (*Legal Entity Identifier*, „**LEI**“) 2221001IK1TS34BCHL37), einer europäischen Gesellschaft (*Societas Europaea*) nach luxemburgischem Recht mit Sitz in 9, rue de Bitbourg, L-1273 Luxemburg, Großherzogtum Luxemburg („**Luxemburg“**) (Telefon: +352 27 44 41 7714, Website: www.hometogo.com), eingetragen beim Luxemburger Handels- und Gesellschaftsregister (*Registre de commerce et des sociétés de Luxembourg*) unter der Nummer B249273 (die „**Gesellschaft**“ und zusammen mit ihren Tochtergesellschaften, sofern nicht anderweitig angegeben, „**wir**“, „**uns**“, „**unsere**“, „**wir selbst**“ oder die „**Gruppe**“). Die Neuen Öffentlichen Aktien werden zum regulierten Markt an der Frankfurter Wertpapierbörse (General Standard) zugelassen und notiert. Baader Bank Aktiengesellschaft wird als Listing Agent für die Neuen Öffentlichen Aktien tätig sein (Geschäftsadresse: Weihenstephaner Straße 4, 85716 Unterschleißheim, Deutschland, (LEI 529900JFOPPEDUR61H13)) (der „**Listing Agent**“).

Dieser Prospekt wurde bei der *Commission de Surveillance du Secteur Financier* (der „**CSSF**“), 283, route d’Arlon, L-1150 Luxemburg (Telefon: +352 26 25 1-1 (Zentrale); Fax: +352 26 25 1-2601; E-Mail: direction@cssf.lu) als zuständiger Behörde gemäß § 6 des luxemburgischen Gesetzes vom 16. Juli 2019 über Prospekte für Wertpapiere (das „**Luxemburgische Prospektgesetz**“) für die Anwendung der Verordnung (EU) 2017/1129 des Europäischen Parlaments und des Rates vom 14. Juni 2017 über den Prospekt, der beim öffentlichen Angebot von Wertpapieren oder bei deren Zulassung zum Handel an einem geregelten Markt zu veröffentlichen ist, und zur Aufhebung der Richtlinie 2003/71/EG (die „**Prospektverordnung**“) eingereicht und am 21. September 2021 von dieser gebilligt, zum Zweck der Zulassung der Neuen Öffentlichen Aktien zum Handel im regulierten Markt der Frankfurter Wertpapierbörse (General Standard).

Diese Zusammenfassung sollte als Prospekteinleitung verstanden werden. Anleger sollten sich bei jeder Entscheidung, in die Aktien der Gesellschaft zu investieren, auf diesen Prospekt als Ganzes stützen. Anleger in die Aktien der Gesellschaft könnten ihr investiertes Kapital ganz oder teilweise verlieren. Für den Fall, dass vor einem Gericht Ansprüche aufgrund der in diesem Prospekt enthaltenen Informationen geltend gemacht werden, könnte der als Kläger auftretende Anleger nach nationalem Recht die Kosten für die Übersetzung dieses Prospekts vor Prozessbeginn zu tragen haben. Zivilrechtlich haften nur diejenigen Personen, die diese Zusammenfassung samt etwaiger Übersetzungen vorbereitet haben, und dies auch nur für den Fall, dass diese Zusammenfassung, wenn sie zusammen mit den anderen Teilen dieses Prospekts gelesen wird, irreführend, unrichtig oder widersprüchlich ist oder dass sie, wenn sie zusammen mit den anderen Teilen dieses Prospekts gelesen wird, nicht die Basisinformationen vermittelt, die in Bezug auf Anlagen in die Aktien der Gesellschaft für die Anleger eine Entscheidungshilfe darstellen würden.

B – Basisinformationen über die Emittentin

B.1 – Wer ist die Emittentin der Wertpapiere?

Angaben zur Emittentin – Der rechtliche und kommerzielle Name der Gesellschaft ist Lakestar SPAC I SE (zukünftig HomeToGo SE ab dem Zeitpunkt des Abschlusses des Unternehmenszusammenschlusses (wie nachstehend definiert)). Die Gesellschaft hat ihren eingetragenen Sitz in 9, rue de Bitbourg, L-1273 Luxemburg und ist eingetragen beim Luxemburger Handels- und Gesellschaftsregister (*Registre de commerce et des sociétés de Luxembourg*) unter der Nummer B249273. Die Gesellschaft ist eine Europäische Gesellschaft (*Societas Europaea*), die nach luxemburgischem Recht gegründet wurde und besteht.

Haupttätigkeiten – *Sofern nicht anderweitig angegeben, beziehen sich in diesem Teilabschnitt „Haupttätigkeiten“ die Bezeichnungen „wir“, „uns“ oder „unser“, soweit sie einen Zeitraum vor Vollzug des Unternehmenszusammenschlusses betreffen, auf die HomeToGo GmbH zusammen mit ihren Tochtergesellschaften („**HTG**“).* Die Gesellschaft ist die Holding-Gesellschaft der Gruppe, die einen auf technologischen Lösungen basierten globalen Markplatz für alternative Unterkünfte, Ferienhäuser und Ferienwohnungen betriebt, der Millionen von Reisenden, die auf der Suche nach der perfekten Unterkunft sind, mit Tausenden von Anbietern von Unterkünften auf der ganzen Welt verbindet und dadurch das, wie wir glauben, weltweit umfassendste Angebot von Ferienunterkünften bietet. Mit Stand vom Mai 2021 umfasste unser Portfolio mehr als 14 Millionen Angebote, die wir von weltweit über 30.000 Reiseveranstaltern, Hausverwaltungen und anderen Vermietern weltweit (zusammen: „**Partner**“) über technische Schnittstellen in unser Technologiesystem implementiert haben (bestehend aus Ferienunterkünften, Hotels und anderen Unterkunftsarten, mehrere Angebote von einem Objekt eingeschlossen, sofern sie von mehr als einem unserer Partner angeboten werden) (zusammen: „**Angebote**“). Unser Marktplatz dient sowohl unseren Partnern als auch den Nutzern unserer Websites („**Nutzer**“) und ist, wie wir glauben, einzigartig in der Reisebranche. Die Nutzer erhalten Zugang zu erstklassigen Beständen an alternativen Unterkünften, während die Partner, die unsere Plattform für ihre Angebote nutzen, ein breiteres Spektrum an Kunden erreichen und von unseren technologischen Lösungen profitieren. Von unserem Hauptsitz in Berlin und weiteren Büros in Mailand (Italien), Barcelona (Spanien) sowie Kaunas und Vilnius (Litauen) aus betreiben wir sowohl lokale Desktop- und Mobil-Webseiten als auch iOS und Android Apps in 23 Ländern.

Wir sind der Meinung, dass wir im wachsenden globalen Markt für Ferienunterkünfte eine substantielle Marktchance haben. Unseren gesamten erreichbaren Markt (*total addressable market*) schätzen wir heute auf einen Bruttobuchungswert (*gross booking value* („**GBV**", wie unter der Überschrift „*Weitere Finanzinformationen und operative Daten*" weiter unten definiert)) von etwa € 1 Billion und gehen davon aus, dass er bis 2030 auf einen GBV von mehr als € 1,7 Billionen anwachsen wird (Quelle: Deutsche Bank Research Report; BNP Research Report). Der Markt für alternative Unterkünfte ist jedoch in hohem Maße fragmentiert und darüber hinaus mangelt es aufgrund der Vielzahl an internationalen, regionalen und lokalen Marktteilnehmern, die versuchen, erfolgreich ihre Objekte und Dienstleistungen zu vermarkten, an Transparenz. Wir glauben, dass wir durch unsere technologiebasierten Lösungen mit unserem einfach zu benutzenden Marktplatz gut positioniert sind, diese Markchance zu nutzen. Unser Marktplatz verschafft unseren Nutzern Zugang zu einem erstklassigen weltweiten Angebot an alternativen Unterkünften und verschafft unseren Partnern Zugang zu einer globalen Nachfrage, indem ihre Inserate auf unserer hochmodernen Technologieplattform platziert werden, die in der Lage ist, hochwertigen Traffic zu generieren, der aus Nutzern besteht, die mit hoher Wahrscheinlichkeit zu Kunden konvertieren.

Wir betreiben unser Geschäft hauptsächlich über unsere HomeToGo Marke, unterstützt durch eine Vielzahl kleinerer lokaler oder spezialisierter Marken mit entsprechenden Webseiten. Mit unserer großen Reichweite und unserem internationalen Publikum sorgen unsere Marken für eine hohe Online-Visibilität, die unsere Partner in die Lage versetzt, Buchungen von Nutzern aus der ganzen Welt zu generieren. Unser Marktplatz vereinigt unseren umfangreichen Ferienhausbestand nahtlos in einer einzigen simplen Suchfunktion und ermöglicht es den Nutzern so, Unterkünfte von unseren Partnern entweder auf deren externen Webseiten oder direkt auf unserer Plattform zu buchen. Wenn sich Partner dafür entscheiden, ihre Angebote direkt auf unserer Plattform buchbar zu machen, führen die Nutzer den kompletten Online-Buchungsprozess (von Suchergebnissen bis zur Buchung und Bezahlung) auf unserer Webseite durch, anstatt auf die Webseite des Partners weitergeleitet zu werden. Um mehr Buchungen zu generieren, nutzen viele unserer Partner schon heute diesen integrierten Buchungsservice und die Nachfrage nach dieser Funktion wächst stetig.

Unser Geschäftsmodell stützt sich auf unsere proprietäre Technologieplattform, die dafür entwickelt wurde, unseren Nutzern dabei zu helfen, schnell unseren rasch wachsenden Bestand an alternativen Unterkünften zu durchsuchen. Unsere intuitiven Filterfunktionen ermöglichen es den Nutzern, die für ihre Bedürfnisse am besten geeigneten Angebote zu finden, die sie bequem mit ihren Freunden, ihrer Familie oder ihren Partnern teilen können, um gemeinsame Reisen zu planen. Zusätzlich zu der intuitiven, schnellen und einfach zu bedienenden Oberfläche verbessert unsere innovative Deduplikationstechnologie zusätzlich das Nutzererlebnis auf unseren Webseiten. Aufgrund mangelnder Standardisierung in der Branche würden Objekte, die in den Portfolios von mehr als einem Partner angeboten werden, in den Suchergebnissen, die wir den Nutzern auf unseren Webseiten zeigen, mehrfach erscheinen. Unsere proprietäre Deduplikationstechnologie ist jedoch darauf programmiert, doppelte Angebote zu identifizieren und diese, wenn möglich, automatisch zu einer einheitlichen Darstellung des Objekts auf unserer Webseite zu kombinieren und die verschiedenen Daten, die wir von unseren zahlreichen Partnern erhalten, zu nutzen, um eine möglichst umfassende Information unserer Nutzer zu gewährleisten. Zusätzlich zu unseren lokalen Webseiten bieten wir die gesamten Leistungen von HomeToGo über eine App an, die für Mobilgeräte und Tablet-Geräte auf den Plattformen iOS und Android verfügbar ist.

Um das Geschäft unserer Partner noch mehr zu unterstützen, bieten wir ihnen verschiedene technische Lösungen an, die wir in Zukunft weiter ausbauen wollen, wie zum Beispiel Front-End-Produkte, Datenprodukte oder Software-as-a-Service („**SaaS**"). Unsere modularen Lösungen zielen darauf ab, Konvertierungsraten zu steigern und den Vertrieb, die Vermarktung und das Management der Objekte unserer Partner zu unterstützen.

Wir glauben, dass die folgenden Wettbewerbsvorteile in der Vergangenheit die Haupttreiber des Erfolgs von HTG waren und auch weiterhin zur Einzigartigkeit unseres Geschäfts beitragen werden:

- Das weltweit größte und umfassendste Angebot an alternativen Unterkünften, Ferienhäusern und Ferienwohnungen (basierend auf internen Daten bezüglich HTGs Gesamtzahl von über 14 Millionen Angeboten mit Stand vom Mai 2021);
- Ein erstklassiges Nutzererlebnis, das durch eine datengesteuerte Technologieplattform unterstützt wird;
- Hocheffiziente Technologielösungen für unsere Partner;
- Eine starke und wachsende Marke, ergänzt durch ein bewährtes Vermarktungskonzept;
- Ein skalierbares und robustes Geschäftsmodell mit attraktivem Finanzprofil; und
- Ein gründergeführtes Management-Team mit nachgewiesener Erfolgsbilanz.

Wir glauben, dass unsere starke Position im Online-Markt für alternative Unterkünfte und insbesondere im Bereich der Ferienvermietung in ländlichen Regionen es uns ermöglichen wird, unser Geschäft weiter auszubauen und auch künftig in unsere wesentlichen Stärken zu investieren. Um diese Ziele zu erreichen, werden wir versuchen,

- Von der großen Marktchance im Online-Markt für alternative Unterkünfte zu profitieren;
- Unser Markenangebot und unsere Bekanntheit zu verbessern;
- Neue Nutzer anzuziehen und mehr Nutzer zu erneuten Buchungen zu bewegen;

- Unser Angebot auf zusätzliche Zielmärkte auszuweiten; sowie
- Unsere technologiebasierten Lösungen weiterzuentwickeln sowie unsere SaaS- und weitere Abonnement-Umsatzerlöse zu steigern.

Beherrschende Anteilseigner – Im Zeitpunkt dieses Prospekts hält HTG Insight IX S.à r.l. 17,9% der Aktien der Gesellschaft; Acton GmbH & Co. Heureka II KG hält 8,6% der Aktien der Gesellschaft; ANXA Holding PTE Ltd. hält 7,0% der Aktien der Gesellschaft; DN Capital Global Venture Capital III LP hält 7,0% der Aktien der Gesellschaft; Wolfgang Heigl hält 4,2% der Aktien der Gesellschaft; TruVenturo GmbH hält 4,2% der Aktien der Gesellschaft; und Lakestar II LP hält 3,7% der Aktien der Gesellschaft. Nach Kenntnis der Gesellschaft wird die Gesellschaft weder direkt noch indirekt von einem Aktionär oder einer dritten Person beherrscht oder kontrolliert.

Management – Das Management der Gesellschaft ist in einer Zwei-Ebenen-Struktur aufgebaut. Die Gesellschaft wird von ihrem Vorstand (der „**Vorstand**") geleitet, bestehend aus Patrick Andrae (CEO), Wolfgang Heigl (CSO), Valentin Gruber (COO) und Steffen Schneider (CFO), unter der Aufsicht des Aufsichtsrates (der „**Aufsichtsrat**"), welcher aus Christoph Schuh (Vorsitzender), Thilo Semmelbauer, Susanne Sandler, Martin Reiter, Philipp Kloeckner und Dirk Altenbeck besteht.

Unabhängiger Abschlussprüfer – Die Gesellschaft hat Ernst & Young S.A., mit eingetragenem Sitz in 35E, Avenue J.F. Kennedy, L-1855 Luxemburg, Luxemburg, eingetragen beim Luxemburger Handels- und Gesellschaftsregister (*Registre de commerce et des sociétés de Luxembourg*) unter Nummer B 47771, zu ihrem unabhängigen Abschlussprüfer ernannt.

B.2 – Welches sind die wesentlichen Finanzinformationen über die Emittentin?

Ausgewählte Konzernfinanzinformationen der Lakestar SPAC I SE

Lakestar SPAC I SE wurde erst kürzlich gegründet und hat bis vor dem Unternehmenszusammenschluss keine operative Tätigkeit ausgeübt. Die nachfolgenden Tabellen beinhalten die wesentlichen Finanzinformationen von Lakestar SPAC I SE für die dort genannten Zeiträume (die vor dem Unternehmenszusammenschluss liegen).

Finanzinformationen, die als „geprüft" dargestellt werden, stammen aus dem geprüften Konzernabschluss von Lakestar SPAC I SE zum 31. Dezember 2020 für den Zeitraum vom 26. November 2020 bis zum 31. Dezember 2020, der in Übereinstimmung mit den *International Financial Reporting Standards,* wie sie in der Europäischen Union anzuwenden sind („**IFRS**"), erstellt wurde. Finanzinformationen, die als „ungeprüft" dargestellt werden, stammen entweder aus dem ungeprüften verkürzten Konzernzwischenabschluss von Lakestar SPAC I SE für den zum 30. Juni 2021 endenden Sechsmonatszeitraum, der in Übereinstimmung mit den IFRS für Zwischenberichterstattung (IAS 34) erstellt wurde, aus der Buchhaltung oder aus dem internen Berichtswesen von Lakestar SPAC I SE oder wurden auf der Grundlage von Zahlen aus den vorgenannten Quellen berechnet.

Daten aus der Konzernbilanz

	Zum 31. Dezember 2020	Zum 30. Juni 2021
	(geprüft)	(ungeprüft)
	(in € Tausend)	(in € Tausend)
Gesamtes Eigenkapital und Verbindlichkeiten	1.438	281.307
Gesamte Verbindlichkeiten	1.697	281.249
Gesamtes Eigenkapital	(259)	58

Daten aus der Konzern-Gesamtergebnisrechnung

	Für den Zeitraum endend zum 31. Dezember 2020	Für den Zeitraum endend zum 30. Juni 2021
	(geprüft)	(ungeprüft)
	(in € Tausend)	(in € Tausend)
Einkünfte	-	-
Gewinn/(Verlust) für den Zeitraum	(379)	(9.881)

Daten aus der Konzern-Kapitalflussrechnung

	Für den Zeitraum endend zum 31. Dezember 2020	Für den Zeitraum endend zum 30. Juni 2021
	(geprüft)	(ungeprüft)
	(in € Tausend)	(in € Tausend)
Kapitalfluss aus operativer Tätigkeit	(857)	(599)
Kapitalfluss aus Investitionstätigkeit	0,00	(277.465)
Kapitalfluss aus Finanzierungstätigkeit	1.620	281.099
Barmittel und Barmitteläquivalente	**763**	**3.798**

Ausgewählte Konzernfinanzinformationen der HomeToGo GmbH

Die nachfolgenden Tabellen beinhalten die wesentlichen Finanzinformationen der HomeToGo GmbH für die dort genannten Zeiträume (die vor dem Unternehmenszusammenschluss liegen), die dem geprüften Konzernabschluss für die zum 31. Dezember 2020, 31. Dezember 2019 und 31. Dezember 2018 endenden Geschäftsjahre, dem ungeprüften verkürzten Konzernzwischenabschluss für den zum 30. Juni 2021 endenden Sechsmonatszeitraum sowie der Buchhaltung oder dem internen Berichtswesen der HomeToGo GmbH entnommen oder daraus abgeleitet wurden. Der Konzernabschuss der HomeToGo GmbH für die zum 31. Dezember 2020, 31. Dezember 2019 und 31. Dezember 2018 endenden Geschäftsjahre wurde in Übereinstimmung mit den IFRS erstellt und in Übereinstimmung mit § 317 Handelsgesetzbuch (HGB) unter Beachtung der vom Institut der Wirtschaftsprüfer („**IDW**") festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung von der Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, Büro Berlin, Germany geprüft und mit einem deutschsprachigen uneingeschränkten Bestätigungsvermerk des unabhängigen Abschlussprüfers versehen. Der ungeprüfte verkürzte Konzernzwischenabschluss der HomeToGo GmbH für den zum 30. Juni 2021 endenden Sechsmonatszeitraum wurde in Übereinstimmung mit den IFRS für Zwischenberichterstattung (IAS 34) erstellt.

Wenn Finanzinformationen in den folgenden Tabellen als „geprüft" bezeichnet werden, wurden diese Finanzinformationen dem oben angeführten Konzernabschluss der HomeToGo GmbH entnommen. Mit der Kennzeichnung „ungeprüft" werden in den folgenden Tabellen Finanzinformationen bezeichnet, die nicht dem oben angeführten Konzernabschluss der HomeToGo GmbH, sondern dem oben angeführten ungeprüften verkürzten Konzernzwischenabschluss der HomeToGo GmbH, der Buchhaltung oder dem internen Berichtswesen der HomeToGo GmbH entnommen oder auf Grundlage von Zahlen aus den vorgenannten Quellen berechnet wurden.

Bestimmte Finanzinformationen, darunter Prozentsätze, wurden gemäß den handelsüblichen Standards gerundet. Dies kann dazu führen, dass die gerundeten Einzelwerte in der Addition nicht exakt den angegebenen Gesamtsummen entsprechen, da diese auf Grundlage von ungerundeten Zahlen berechnet wurden. Die in Klammern angegebenen Zahlen sind negativ. Ein Gedankenstrich („–") bedeutet, dass die betreffende Zahl nicht verfügbar ist oder Null beträgt, während eine Null („0,0") bedeutet, dass die betreffende Zahl auf Null gerundet worden ist.

Ausgewählte Daten aus der Konzern-Gewinn- und Verlustrechnung und Gesamtergebnisrechnung

	Für das zum 31. Dezember endende Geschäftsjahr			Für den zum 30. Juni endenden Sechsmonats-zeitraum	
	2018	**2019**	**2020**	**2020**	**2021**
		(geprüft) **(in € Mio.)**		**(ungeprüft)** **(in € Mio.)**	
Umsatzerlöse	51,0	69,5	65,9	23,1	30,0
Umsatzkosten	(1,9)	(4,0)	(2,8)	1,3	1,8
Bruttogewinn	**49,1**	**65,5**	**63,1**	**21,8**	**28,2**
Produktentwicklung und operatives Geschäft	(7,7)	(12,9)	(15,3)	(7,7)	(8,8)
Vertrieb und Absatz	(67,7)	(69,4)	(52,2)	(27,9)	(53,4)
Allgemeiner Verwaltungsaufwand	(3,8)	(8,9)	(13,1)	(5,6)	(15,2)
Sonstige Aufwendungen	(0,2)	(0,2)	(0,7)	(0,3)	(0,0)
Sonstige Erträge	0,4	0,7	1,1	0,5	1,1
Gewinn (Verlust) aus dem Geschäftsbetrieb	**(29,8)**	**(25,0)**	**(17,2)**	**(19,2)**	**(48,1)**
Finanzerträge	0,1	0,2	-	-	-
Finanzaufwand	(0,0)	(4,7)	(7,9)	(3,7)	(14,5)
Gewinn (Verlust) vor Steuern	**(29,8)**	**(29,6)**	**(25,1)**	**(22,9)**	**(62,6)**
Ertragsteuern	0,8	0,2	1,3	0,6	0,1
Nettogewinn (Nettoverlust)	**(29,0)**	**(29,4)**	**(23,8)**	**(22,3)**	**(62,5)**

Ausgewählte Daten aus der Konzernbilanz

	Zum 31. Dezember 2018	Zum 31. Dezember 2019	Zum 31. Dezember 2020	Zum 30. Juni 2021
		(geprüft) (in € Mio.)		(ungeprüft) (in € Mio.)
Gesamte langfristige Vermögenswerte	31,8	46,4	70,0	81,0
Gesamte kurzfristige Vermögenswerte	52,7	18,4	43,8	79,4
Gesamte Vermögenswerte	**84,5**	**64,8**	**104,8**	**160,5**
Gesamtes Eigenkapital	**59,9**	**35,5**	**22,9**	**(28,5)**
Langfristige Verbindlichkeiten	4,8	7,7	66,7	154,0
Kurzfristige Verbindlichkeiten	19,8	21,6	15,2	35,0
Gesamte Verbindlichkeiten	**24,6**	**29,4**	**81,9**	**189,0**

Ausgewählte Daten aus der Konzern-Kapitalflussrechnung

	Für das zum 31. Dezember endende Geschäftsjahr			Für den zum 30. Juni endenden Sechsmonatszeitraum	
	2018	2019	2020	2020	2021
		(geprüft) (in € Mio.)		(ungeprüft) (in € Mio.)	
Mittelabfluss aus operativer Tätigkeit, netto	(19,9)	(10,1)	(11,3)	(13,9)	(32,9)
Mittelabfluss aus Investitionstätigkeit, netto	(17,4)	(22,6)	(4,6)	(0,6)	(14,1)
Mittelzufluss aus Finanzierungstätigkeit, netto	64,8	1,3	41,4	17,6	74,5
Zunahme (Abnahme) von Zahlungsmitteln und Zahlungsmitteläquivalenten, netto	**27,5**	**(31,4)**	**25,5**	3,1	27,5

Weitere Finanzinformationen und operative Daten

	Für das zum 31. Dezember endende Geschäftsjahr			Für den zum 30. Juni endenden Sechsmonatszeitraum	
	2018	2019	2020	2020	2021
		(geprüft, sofern nicht anders angegeben)		(ungeprüft)	
Bruttobuchungswert (GBV) (in € Mio.)[(1); (2)]	992	1.226	1.253	710	904
Buchungsumsatzerlöse (in € Mio.)[(1);(3)]	60	80	82	45	72
Umsatzerlöse (in € Mio)	51	70	66	23	30
Bruttogewinn (in € Mio)	49	66	63	22	28
Bereinigtes Ergebnis vor Zinsen, Steuern und Abschreibungen (EBITDA) (in € Mio.)[(1); (4)]	(23)	(16)	(2)	(12)	(35)
Take Rate (in %)[(1)]	5,9%	6,2%	6,4%	6.3%	7.9%

(1) Ungeprüft.
(2) Operative, nicht IFRS basierte Kennzahl, definiert als der Bruttoeurowert der Buchungen über unsere Plattform in einem bestimmten Zeitraum (inklusive aller Bestandteile der Buchungsbeträge außer der Umsatzsteuer). Der GBV wird zum Zeitpunkt der Buchungen bemessen und nicht nachträglich aufgrund von Stornierungen oder anderen Änderungen nach der Buchung bereinigt.
(3) Operative, nicht IFRS basierter Kennzahl zur Bemessung der monatlichen Performance, definiert als der durch Transaktionen über unsere Plattform in einem bestimmten Zeitraum (CPA, CPC, CPL, etc.) generierte Nettoeurowert vor Stornierungen. Die Buchungsumsatzerlöse entsprechen nicht nach IFRS realisierten Umsatzerlösen und sollten nicht als Alternative oder Substitut für nach IFRS realisierte Umsatzerlöse betrachtet werden.
(4) Definiert als Nettogewinn (-verlust) vor (i) Ertragsteuern; (ii) Finanzerträgen, Finanzaufwendungen; (iii) Abschreibungen; und bereinigt um (iv) Aufwendungen für aktienbasierte Vergütungen (für das zum 31. Dezember 2018 endende Geschäftsjahr einschließlich Aufwendungen für aktienbasierte Vergütungen für Dienstleistungen und Güter, die keine Leistungen an Arbeitnehmer sind, im Zusammenhang mit dem Erwerb von Tripping International, Inc).

Ausgewählte Daten der Ungeprüften Pro-Forma-Konzern-Finanzinformationen

Ausgewählte Daten aus der Ungeprüften Pro-Forma-Konzern-Gewinn- und Verlustrechnung für den zum 30. Juni 2021 endenden Sechsmonatszeitraum

	Für den zum 30. Juni 2021 endenden Sechsmonats-zeitraum	**Für den zum 30. Juni 2021 endenden Sechsmonats-zeitraum**		**Pro-Forma Anpassungen**	**Für den zum 30. Juni 2021 endenden Sechsmonats-zeitraum**
	HomeToGo GmbH (historisch)	Lakestar SPAC I SE (historisch, angepasst an Ausweis)	Summe vor Pro-Forma Anpassungen	Pro-Forma Anpassungen	Pro-Forma Konsolidiert
(in € tausend, mit Ausnahme der Daten zur Aktie und pro Aktie)					
Umsatzerlöse	30.032	-	30.032		30.032
Umsatzkosten	(1.831)	-	(1.831)		(1.831)
Bruttogewinn	28.201	-	28.201		28.201
Produktentwicklung und operatives Geschäft	(8.787)	-	(8.787)		(8.787)
Vertrieb und Absatz	(53.357)	-	(53.357)		(53.357)
Allgemeiner Verwaltungsaufwand	(15.221)	(3.009)	(18.230)	206	(18.023)
Sonstige Aufwendungen	(38)	-	(38)		(38)
Sonstige Erträge	1.142	-	1.142		1.142
Gewinn (Verlust) aus dem Geschäftsbetrieb	**(48.060)**	**(3.009)**	**(51.069)**	**206**	**(50.862)**
Finanzerträge	-	3.444	3.444		3.444
Finanzaufwand	(14.521)	(10.316)	(24,837)	7.538	(10.865)
				6.435	
Netto Finanzergebnis	(14.521)	(6.872)	(21.393)	13.972	(7.421)
Gewinn (Verlust) vor Steuern	**(62.581)**	**(9.881)**	**(72.462)**	**14.179**	**(58.283)**
Ertragsteuern	121	-	121	-	121
Nettogewinn (Nettoverlust)	**(62460)**	**(9.881)**	**(72.341)**	**14.179**	**(58.162)**
Unverwässerter und verwässerter Pro-forma-Ergebnis (Verlust) je Aktie					€ (0,52)
Pro forma gewichteter Durchschnitt der ausstehenden Stammaktien (unverwässert und verwässert)					112.285.615

B.3 – Welches sind die zentralen Risiken, die für die Emittentin spezifisch sind?

- Ein weiterer anhaltender wirtschaftlicher Abschwung in der Reisebranche würde unser Geschäft und unsere finanzielle Lage erheblich beeinträchtigen.
- Zunehmender Wettbewerb und Konsolidierung in unserer Branche könnten zu einem Rückgang der Anzahl und der Arten von Unterkünften führen, die wir auf unserer Plattform anbieten, sowie den Nutzen unserer Dienstleistungen für unsere Nutzer verringern und zu einem Verlust von Nutzern führen, was sich nachteilig auf unser Geschäftstätigkeit und unsere Profitabilität auswirken würde.
- HTG hat in jedem Jahr seit der Gründung Verluste erlitten, und wir werden möglicherweise nicht in der Lage sein, wirtschaftliche Rentabilität zu erreichen.
- Wir könnten möglicherweise nicht in der Lage sein, unser Wachstum effektiv zu steuern.
- Wenn es uns nicht gelingt, bestehende Partner zu halten oder neue Partner hinzuzugewinnen, oder wenn Partner keine qualitativ hochwertigen Unterkünfte zur Verfügung stellen, würde dies unsere Geschäftstätigkeit und unsere Ertrags- und Finanzlage erheblich beeinträchtigen.
- Wenn wir nicht weiterhin die für unsere Nutzer und Partner nützlichen Tools und Dienstleistungen stetig verbessern, könnte dies unsere Wettbewerbsfähigkeit beeinträchtigen, worunter unsere Umsatzerlöse sowie unsere Ertragslage leiden könnten.
- Wir sind dem Risiko von IT-Sicherheitsverletzungen, einschließlich Cyberangriffen und der unbefugten Nutzung unserer Websites, Datenbanken, Online-Sicherheitssysteme oder Verwaltungssoftware ausgesetzt.
- Wir sind für den Betrieb unserer Plattform auf eine Reihe von Drittanbietern angewiesen, deren Leistungsausfall die Funktionalität unserer Plattform erheblich beeinträchtigen könnte.
- Da wir den Großteil unserer Umsatzerlöse beim Reiseantritt (Check-in) und nicht bei der Buchung realisieren, spiegeln Anstiege oder Rückgänge bei den Buchungen nicht unmittelbar unsere Ertragslage wider.
- Wir könnten zusätzliches Kapital benötigen, das möglicherweise nicht zu wirtschaftlich vertretbaren Bedingungen oder überhaupt nicht verfügbar ist.
- Gesetze, Verordnungen und sonstige Regelungen, die das Kurzzeitmiet- und Home-Sharing-Geschäft betreffen, haben die Möglichkeit oder Bereitschaft unserer derzeitigen oder potenziellen Partner, Unterkünfte zur Kurzzeitmiete anzubieten, eingeschränkt und können diese weiterhin einschränken und solche Gesetze, Verordnungen und sonstige

Regelungen könnten unsere derzeitigen und potenzielle Partner der Gefahr erheblicher Strafen aussetzen, was unsere Geschäftstätigkeit und unsere Ertrags- und Finanzlage erheblich beeinträchtigen könnte.

- Die HomeToGo GmbH ist ein privates Unternehmen, über das nur wenige Informationen verfügbar sind. Das damalige Management der Gesellschaft hat nur eine begrenzte Due-Diligence-Prüfung der HomeToGo GmbH durchgeführt. Infolgedessen haben der damalige Vorstand und Aufsichtsrat der Gesellschaft die HomeToGo GmbH möglicherweise nicht richtig bewertet.
- Die finanzielle Prognose des Unternehmens, die im Zusammenhang mit dem Unternehmenszusammenschluss erstellt wurde und im Prospekt enthalten ist, kann sich als fehlerhaft erweisen.

C – Basisinformationen über die Wertpapiere

C.1 – Welches sind die wichtigsten Merkmale der Wertpapiere?

Anzahl und Eigenschaften der Aktien – Dieser Prospekt bezieht sich auf die Zulassung zum Handel am regulierten Markt der Frankfurter Wertpapierbörse von 95.055.649 Neuen Öffentlichen Aktien aus einer im Zusammenhang mit dem Unternehmenszusammenschluss und unter Ausnutzung eines entsprechenden Teils des am 17. Februar 2021 von den Gesellschaftern beschlossenen genehmigten Kapitals der Gesellschaft vorgenommenen Kapitalerhöhung gegen Sacheinlagen von € 664.992 auf € 2.441.068,45. Im Zusammenhang mit dem Unternehmenszusammenschluss schloss die Gesellschaft Zeichnungsverträge mit Investoren (die „**PIPE-Investoren**") im Rahmen einer Private-Investment-in-Public-Equity-Transaktion (die „**PIPE-Finanzierung**") in Höhe von insgesamt € 75 Millionen ab. Als Gegenleistung für ihre Investition erhalten die PIPE-Investoren insgesamt 7.500.000 zusätzliche neue öffentliche Aktien der Gesellschaft. Darüber hinaus wandeln sich die Gründeraktien, unter den Bedingungen des Umwandlungsplans (wie unten definiert), in 7,135,000 Neue Öffentliche Aktien, von denen 2.551.667 (einschließlich der 207.372 Gründeraktien, die vom Sponsor in Zusammenhang mit der Rückzahlung des verbleibenden Betrages unter der zusätzlichen Sponsorenzeichnung zurückgegeben wurden und die nun als eigene Aktien von der Gesellschaft gehalten werden) am ersten Werktag nach dem Vollzugsdatum des Unternehmenszusammenschlusses, das heißt dem Billigungsdatum dieses Prospektes als finale Vollzugsbedingung.

Die anschließende Tabelle zeigt pro Kategorie die Anzahl der Neuen Öffentlichen Aktien auf, die zum Stand des Datums dieses Prospektes zum Handel zugelassen werden sollen.

	Anzahl der Aktien
HomeToGo Investoren (einschließlich der Inhaber von Aktionenoptionen unter dem virtuellen Aktionsoptionsplan der HomeToGo GmbH).......	85.003.982
PIPE Investoren..	7.500.000
Umwandlung der Gründeraktien(1)	2.551.667
Total	**95.055.649**

(1) Einschließlich der 207.372 Gründeraktien, die vom Sponsor in Zusammenhang mit der Rückzahlung des verbleibenden Betrages unter der zusätzlichen Sponsorenzeichnung zurückgegeben wurden und die nun als eigene Aktien von der Gesellschaft gehalten werden.

Investment durch die Gründer – Die Gründer halten Aktien der Klasse B der Gesellschaft (die „**Gründeraktien**" und gemeinsam mit den Aktien der Klasse A der Gesellschaft, die „Aktien"), welche in Aktien der Klasse A der Gesellschaft (die „**Öffentlichen Aktien**") wandelbar sind, und 5.350.875 Optionsscheine der Klasse B (die „**Gründeroptionsscheine**"), die in Öffentliche Aktien eintauschbar sind. 2.551.667 Gründeraktien (einschließlich der 207.372 Gründeraktien, die vom Sponsor in Zusammenhang mit der Rückzahlung des verbleibenden Betrages unter der zusätzlichen Sponsorenzeichnung zurückgegeben wurden und die nun als eigene Aktien von der Gesellschaft gehalten werden) wandeln sich am auf den Unternehmenszusammenschluss folgenden Börsentag in Öffentliche Aktien. 2.291.667 Gründeraktien wandeln sich, wenn nach Vollzug des Unternehmenszusammenschlusses der Schlusskurs der Öffentlichen Aktien an 10 Handelstagen innerhalb eines Zeitraums von 30 Handelstagen € 12,00 übersteigt in Öffentliche Aktien, und 2.291.666 Gründeraktien wandeln sich, wenn nach Vollzug des Unternehmenszusammenschlusses der Schlusskurs der Öffentlichen Aktien an 10 Handelstagen innerhalb eines Zeitraums von 30 Handelstagen € 14,00 übersteigt in Öffentliche Aktien (der „**Umwandlungsplan**"). Die Gründeroptionsscheine haben im Wesentlichen die gleichen Bedingungen wie Optionsscheine der Klasse A zum Bezug einer Öffentlichen Aktie, ISIN LU2290524383 (die „**Öffentlichen Optionsscheine**"), einschließlich des selben Ausübungspreises.

***Lieferung und Abwicklung* -** Die Lieferung der Öffentlichen Aktien wird voraussichtlich am oder um den 23. September 2021 erfolgen.

Die erworbenen Öffentlichen Aktien werden nach Wahl des Aktionärs entweder einem von einer deutschen Bank bei Clearstream Banking Aktiengesellschaft, Frankfurt am Main, Deutschland („**Clearstream**") geführten Wertpapierdepot oder einem Wertpapierdepot eines Teilnehmers der Euroclear Bank S.A./N.V., 1, Boulevard Roi Albert II, 1120 Brüssel, Belgien („**Euroclear Bank**"), als Betreiberin des Euroclear-Systems, oder der Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxemburg, Luxemburg („**Clearstream Banking**"), für das Konto des Aktionärs gutgeschrieben.

ISIN/WKN/Common Code/Börsenkürzel	***Öffentliche Aktien***
Internationale Wertpapier-Identifikationsnummer (ISIN)	LU2290523658
Wertpapierkennnummer (WKN)	A2QM3K
Common Code...	229052365
Börsenkürzel..	HTG

Mit den Aktien verbundene Rechte, relative Seniorität und Übertragbarkeit – Jede Öffentliche Aktie gewährt eine Stimme in der Hauptversammlung der Gesellschaft. Alle Öffentlichen Aktien sind ab dem Tag ihrer Ausgabe voll dividendenberechtigt. Die Öffentlichen Aktien sind gemäß den für dematerialisierte Aktien geltenden gesetzlichen Bestimmungen frei übertragbar, vorbehaltlich bestimmter Lock-up-Verpflichtungen im Hinblick auf die Gründeraktien und Öffentlichen Aktien, die von den Gründern gehalten werden, sowie den Öffentlichen Aktien, die von den Gründer von HomeToGo GmbH, den HomeToGo Investoren und den Optionsrechteninhabern unter HomeToGo GmbHs virtuellem Aktienoptionsprogram gehalten werden. Bei allen Angelegenheiten, die den Aktionären zur Abstimmung vorgelegt werden, außer in den Fällen, in denen eine andere Abstimmung nach Luxemburgischem Recht erforderlich ist, stimmen alle Aktien der Gesellschaft gemeinsam als eine einzige Gattung ab, wobei jede Aktie dem Inhaber eine Stimme gewährt.

Dividendenpolitik - Die Gesellschaft beabsichtigt derzeit, alle verfügbaren Mittel und etwaige künftige Gewinne einzubehalten, um ihre operative Tätigkeit zu fördern und das Wachstum und die Entwicklung ihres Geschäfts zu finanzieren. Daher beabsichtigt die Gesellschaft momentan auf absehbare Zeit nicht, Dividenden zu zahlen. Jede künftige Entscheidung darüber, Dividenden zu zahlen, wird in Übereinstimmung mit den geltenden Gesetzen erfolgen und hängt unter anderem von unserer Ertrags- und Finanzlage und unseren vertraglichen Beschränkungen sowie Kapitalanforderungen ab.

C.2 – Wo werden die Wertpapiere gehandelt?

Die Gesellschaft hat am 7. September 2021 die Zulassung der Neuen Öffentlichen Aktien zum Handel im regulierten Markt an der Frankfurter Wertpapierbörse (General Standard) beantragt.

C.3 – Welches sind die zentralen Risiken, die für die Wertpapiere spezifisch sind?

- Bei der Umwandlung der Öffentlichen Optionsscheine (Public Warrants), der Gründeroptionsscheine (Founder Warrants) und der Gründeranteile (Founder Shares) in Aktien (Public Shares) können Investoren der Aktien (Public Shares) eine erhebliche Verwässerung erfahren.
- Es gibt keine Garantie dafür, dass sich nach dem Unternehmenszusammenschluss ein liquider Markt für die Aktien (Public Shares) entwickeln und aufrechterhalten wird.

D – Basisinformationen über die Zulassung zum Handel

D.1 – Zu welchen Konditionen und nach welchem Zeitplan kann ich in dieses Wertpapier investieren?

Börsennotierung und Vollzug – Die Zulassung zur Börsennotierung für die Gegenleistungs-Aktien und die PIPE-Aktien (jeweils wie nachfolgend definiert) wird voraussichtlich am 21. September 2021 und für die Umwandlungs-Aktien (wie nachfolgend definiert) voraussichtlich am 22. September erteilt. Der Handel an der Frankfurter Wertpapierbörse in den Gegenleistungs-Aktien und den PIPE (jeweils wie nachfolgend definiert) wird voraussichtlich am 22. September 2021 und in den Umwandlungs-Aktien (wie nachfolgend definiert) voraussichtlich am 23. September 2021 aufgenommen.

Verwässerung – Nach Vollzug des Unternehmenszusammenschlusses (zu den Zeitpunkten, an denen die Gründeraktien in Öffentliche Aktien in Übereinstimmung mit dem Umwandlungsplan umgewandelt werden), infolge der Umwandlung der Gründeraktien in Aktien der Klasse A mit denselben wirtschaftlichen Rechten wie die Öffentlichen Aktien, werden die Inhaber Öffentlicher Aktien eine starke Verwässerung erfahren.

Erwartete Gesamtkosten – Wir erwarten Gesamtkosten von € 1,1 Million.

Kosten, die Anlegern in Rechnung gestellt werden – Die Gesellschaft stellt den Investoren keine Gebühren in Rechnung. Es werden nur die üblichen Transaktions- und Bearbeitungsgebühren von den Brokern der Anleger in Rechnung gestellt.

D.2 – Wer ist die die Zulassung zum Handel beantragende Person?

Zulassung zum Handel – Am 7. September 2021 haben der Listing Agent und die Gesellschaft die Zulassung der Neuen Öffentlichen Aktien zum Handel am regulierten Markt der Frankfurter Wertpapierbörse (General Standard) beantragt.

D.3 – Weshalb wird dieser Prospekt erstellt?

Gründe für die Börsennotierung – Am 14. Juli 2021 schlossen die Gesellschaft und die HomeToGo GmbH mit weiteren Parteien einen Vertrag über einen Unternehmenszusammenschluss („**Unternehmenszusammenschluss**“) von der Gesellschaft und der HomeToGo GmbH, indem die gesamten Anteile der HomeToGo GmbH gegen Ausgabe von Neuen Öffentlichen Aktien in die Gesellschaft eingebracht werden. Dieser Unternehmenszusammenschluss wird am 21. September 2021 vollzogen werden. In Verbindung mit dem Vollzug des Unternehmenszusammenschlusses gibt die Gesellschaft 85.003.982 Neue Öffentliche Aktien aus (die „**Gegenleistungs-Aktien**“). Zudem schloss die Gesellschaft im

Zusammenhang mit dem Unternehmenszusammenschluss Zeichnungsverträge mit den PIPE Investoren im Rahmen der PIPE Finanzierung in einer Gesamthöhe von €75 Millionen. Im Gegenzug erhalten die Investoren für ihre Investition insgesamt 7.500.00 zusätzliche Neue Öffentliche Aktien der Gesellschaft (die „**PIPE-Aktien**“). Darüber hinaus wandeln sich 2.551.667 Gründeraktien auf einer eins-zu-eins Basis in 2.551.667 Neue Öffentliche Aktien (die „**Umwandlungs-Aktien**“) (einschließlich der 207.372 Gründeraktien, die vom Sponsor in Zusammenhang mit der Rückzahlung des verbleibenden Betrages unter der zusätzlichen Sponsorenzeichnung zurückgegeben wurden und die nun als eigene Aktien von der Gesellschaft gehalten werden) am ersten Handelstag nach dem Vollzugsdatum des Unternehmenszusammenschlusses.

Dieser Prospekt wurde für die Zulassung der Neuen Öffentlichen Aktien zum Handel am regulierten Markt der Frankfurter Wertpapierbörse (General Standard) erstellt.

Verwendung des Erlöses – Dieser Prospekt bezieht sich nicht auf ein Angebot von Aktien. Dementsprechend werden weder die Emittentin noch irgendein Aktionär des Unternehmens Erlöse aus der Ausgabe der Aktien erhalten.

Wesentliche Interessenkonflikte – Keine.

1. RISK FACTORS

*An investment in class A shares, ISIN LU2290523658, (the "**Public Shares**") of Lakestar SPAC I SE (to be renamed HomeToGo SE as of closing of the Business Combination (as defined below)) (Legal Entity Identifier ("**LEI**") 2221001IK1TS34BCHL37), a European company (Societas Europaea) existing under Luxembourg law, having its registered office at 9, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg ("**Luxembourg**") and registered with the Luxembourg Trade and Companies' Register under number B249273 (the "**Company**", and together with its subsidiaries, the "**Group**") is subject to risks. In addition to the other information contained in this prospectus (the "**Prospectus**"), investors should carefully consider the following risks when deciding whether to invest in the Company's Public Shares. The market price of the Public Shares of the Company could decline if any of these risks were to materialize, in which case investors could lose some or all of their investment.*

The following risks, alone or together with additional risks and uncertainties not currently known to the Company, or that the Company might currently deem immaterial, could have a material adverse effect on our future business, financial condition, cash flows, results of operations and prospects. The risk factors featured in the Prospectus are limited to risks which are specific to the Company and which are material for taking an informed investment decision. The materiality of the risk factors has been assessed based on the probability of their occurrence and the expected magnitude of their negative impact. The risk factors are presented in categories depending on their nature. In each category the most material risk factor is mentioned first according to the assessment based on the probability of its occurrence and the expected magnitude of its negative impact. The risks mentioned may materialize individually or cumulatively.

For purposes of this Section 1, unless indicated otherwise, references to "we", "us" or "our", to the extent they concern any period prior to the consummation of the Business Combination, refer to HomeToGo GmbH together with its subsidiaries ("HTG").

1.1 Risks Related to the Industry in which we operate

1.1.1 Any further and continued decline or disruption in the travel industry or economic downturn would materially adversely affect our business, results of operations, and financial condition.

Our financial performance is dependent on the strength of the travel and hospitality industries. The outbreak of COVID-19 has caused many governments to implement quarantines and significant restrictions on travel or to advise that people remain at home where possible and avoid crowds, which has had a particularly negative impact on travel in general. In addition, most airlines have suspended or significantly reduced their flights during this period, further decreasing opportunities for travel. This has led to an industry wide decline in gross bookings. In the second quarter of 2020, gross bookings at three of the largest online travel agencies ("**OTAs**") were approximately 60% – 90% lower as compared to the second quarter of 2019. Similarly, HTG experienced a decrease of bookings and an increase in cancellations in its business. Other events beyond our control, such as unusual or extreme climate conditions and natural disasters, travel-related health concerns including pandemics, wars and terrorist attacks, or changes in regulations can disrupt travel globally or otherwise result in declines in travel demand. Because these events or concerns, and the full impact of their effects, are largely unpredictable, they can dramatically and suddenly affect travel behavior by consumers, and therefore demand for our platform and services, which would materially adversely affect our business, results of operations, and financial condition. In addition, increasing awareness around the impact of air travel on climate change and the impact of over-tourism may adversely affect the travel and hospitality industries and demand for our platform and services. Our financial performance is also subject to global economic conditions and their impact on levels of discretionary consumer spending. Some of the factors that have an impact on discretionary consumer spending include general economic conditions, worldwide or regional recession, unemployment, consumer debt, reductions in net worth, fluctuations in exchange rates, residential real estate and mortgage markets, taxation, energy prices, interest rates, consumer confidence, tariffs, and other macroeconomic factors. Consumer preferences tend to shift to lower-cost alternatives during recessionary periods and other periods in which disposable income is adversely affected, which could lead to a decline in the bookings and prices for rentals on our platform and an increase in cancellations.

1.1.2 Increasing competition and consolidation in our industry could result in a decrease in the amount and types of accommodation that we offer on our platform, the value of our services to users and a loss of users, which would adversely affect our business, financial performance and prospects.

We operate in the highly and increasingly competitive travel industry. Many of our current and potential competitors may have deeper budgets, may have existed longer, may have larger user bases, may have a wider range of products and services, may have a greater name and a better brand recognition and customer loyalty in certain markets and/or significantly greater financial, marketing, personnel, technical and other resources than we do as well as a longer operating history. Some of these competitors may be able to offer products and services on more favorable terms devoting significantly greater resources to marketing and promotional campaigns; attracting and retaining key employees; securing property suppliers; website and systems development; research and development; and enhancing the speed at which their services return user search results. Many of these competitors may also offer user incentives, such as loyalty points or priority access to services, which may not be available if travelers book through third-party sites or services. In addition, search engines might develop their own booking platforms, favoring their own products and promoting such products to their users.

1.2 Risks related to our Business Activities

1.2.1 HTG has incurred net losses in each year since inception, and we may not be able to achieve profitability.

HTG incurred net losses of €29.0 million, €29.4 million, €23.8 million and €62.5 million for the fiscal years ended December 31, 2018, 2019, and 2020 and for the six months ended June 30, 2021, respectively. Historically, HTG has invested significantly in efforts to grow its platform, introduced new or enhanced offerings and features, increased its marketing spend, expanded its operations, hired additional employees. Beginning in the second quarter of 2020, as a result of the COVID-19 pandemic, HTG has significantly reduced its fixed and variable costs including a reduction in workforce and a suspension of substantially all discretionary marketing program spend. However, overall, we expect to resume making significant investments in our business, including improvements on our platform technology, infrastructure and our payment methods in the future. These efforts may prove more expensive than we currently anticipate, and we may not succeed in increasing our revenue sufficiently to offset these higher expenses. In particular, we expect the ongoing economic impact from the COVID-19 pandemic to have a material adverse impact on our revenue and financial results for the current fiscal year ending December 31, 2021 and beyond. While HTG has enacted measures to reduce expenses, we expect to incur a significant net loss for 2021 as a result of the COVID-19 pandemic, and we are utilizing a significant portion of our cash to support our operations in 2021. Certain of our offerings and certain regions in which we operate result in listings with lower commissions and will require significant additional investments from us, which could have a materially negative impact on our overall operating margins as these offerings and regions increase in size over time relative to other areas in which we operate. In addition, we may in the future reduce our commission for strategic or competitive reasons. Any failure to increase our revenue or to manage the increase in our operating expenses could prevent us from achieving or sustaining profitability as measured by net income.

1.2.2 We may not be able to maintain or grow our revenue or our business.

HTG experienced significant growth in the past, with total revenue increasing from €51.0 million in the fiscal year ended December 31, 2018 to €69.5 million in the fiscal year ended December 31, 2019, and, despite travel restrictions due to the COVID-19 pandemic, still being at a level of €65.9 million in the fiscal year ended December 31, 2020 and at €30.0 million in the six months ended June 30, 2021. Similarly, the number of offers imported into our technology system from contracted OTAs, tour operators, property managers and other inventory suppliers (together, "**Partners**") via technical interfaces (consisting of vacation rentals, hotels and other accommodation types, including multiple offers of the same property if offered by more than one Partner on our websites, collectively "**Offers**") since HTG's inception in 2014 has grown to over 14 million as of May 2021. However, there can be no assurance that we will be able to sustain these historic growth levels, or that we will continue to experience significant above-market growth or any growth at all. In addition, we anticipate that our growth rate will decline over time as we achieve higher market penetration rates in all markets in which we operate. To the extent our growth rate slows, our business performance will become increasingly dependent on the efficiency of our operations and the management of our cost-base as well as our ability to achieve economies of scale by, among other things, using our operating leverage, increasing our fulfillment efficiencies and reducing marketing costs in relation to our revenue. HTG has made and we are continuing to make investments in optimizing and localizing our user experience, our fulfillment and technology infrastructure and the development of mobile applications. However, there is no assurance that these efforts will be sufficient to grow our revenue or business in total or in relation to the costs we incur. If our revenue growth slows or if our revenue declines, this could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.2.3 We may not be able to manage our growth effectively.

The rapid growth of HTG's business has placed, and any future growth is expected to continue to place, significant demands on our management and our operational and financial infrastructure. As our operations grow further, we will need to continue to improve and upgrade our systems and infrastructure in order to deal with the greater scale and complexity of operations, especially our technology systems. Such expansion will require us to commit substantial management, operational and other resources in advance of any increase in the size of our business, with no assurance that our revenue and profit will increase accordingly.

Additionally, we continue to have only limited funds available to invest in systems and processes. Hence, there is a risk that underinvestment in systems or infrastructure may impact our ability to further scale and/or profitably scale our business. In some instances, the cost to increase scale may make growth in some areas unfeasible or undesirable.

Continued growth may also strain our ability to maintain reliable service levels for the consumers who visit our websites ("**Users**"), may impede our efforts to attract, train, motivate and retain employees, or complicate our plans to develop and improve our operational, financial and management controls.

Any failure to effectively manage the increasing size and complexity of our business resulting from future growth could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.2.4 We might elect to pursue new business opportunities, develop new websites or apps, or offer new products, or services, which could prove to be non-cost-effective or otherwise unsuccessful.

With a platform built for scale and geographic expansion, we continuously assess attractive opportunities to expand into new geographic markets. While HTG has a track record of market entries, we need to tailor our offering to the specific circumstances of every new geography which results in significant investments. However, we may not be able to reach our strategic goals for these new markets or these markets may prove less attractive than anticipated. If we launch but fail to generate satisfactory returns from any such initiative, it could have a material adverse effect on our business, financial condition, results of operations and prospects. If we choose to enter into new markets, expand our product offering or develop new businesses, websites, apps, promotions, sales formats or services, we believe would be compatible with, adjacent to, or complementary to our existing business, there can be no guarantee that any such endeavor will succeed. As a result, we may need to discontinue parts of our business. Any such initiative that is not favorably received by customers or suppliers, especially in the case of a termination, could damage our reputation and brand, and any expansion or alteration of our operations could require significant additional expenses and divert management and other resources, which could in turn negatively affect our results of operations. Furthermore, our suppliers could consider our development of new products as an increase in direct competition.

1.2.5 Partners, Users, or third-party actions that are criminal, violent, inappropriate, or dangerous, or fraudulent activity, may undermine the safety or the perception of safety of our platform and our ability to attract and retain Partners and Users and materially adversely affect our reputation, business, results of operations, and financial condition.

We have no control over or ability to predict the actions of Users renting a property or third parties, such as neighbors or invitees, either during the User's rental, or otherwise, and therefore, we cannot guarantee the safety of our Partners, Users, and third parties. The actions of Partners, Users, and other third parties have resulted and can further result in fatalities, injuries, other bodily harm, fraud, invasion of privacy, property damage, discrimination, brand and reputational damage. We do not verify the identity of all of our Partners and Users nor do we verify or screen third parties who may be present during a reservation made through our platform. In addition, we do not independently verify the safety, suitability, location, quality, compliance and legal compliance, such as fire code compliance or the presence of carbon monoxide detectors, of all our Partners' Offers. HTG has in the past relied, and we may in the future rely, on Partners to disclose information relating to their Offers and such information may be inaccurate or incomplete. HTG has also faced civil litigation, regulatory information requests, and inquiries involving allegations of, among other things, unsuitable Offers, practices or behavior by Partners, Users, and third parties, general misrepresentations regarding the accuracy of Offers on HTG's platform, and other Partners, Users, or third-party actions that are criminal, or fraudulent. Offers that are inaccurate, or of a lower than expected quality may harm Users and public perception of the quality and safety of Offers on our platform and materially adversely affect our reputation, business, results of operations, and financial condition. If Partners, Users, or third parties engage in criminal activity, misconduct, fraudulent, negligent, or inappropriate conduct or use our platform as a conduit for criminal activity, Users may not consider our platform and the Offers on our platform safe, and we may receive negative media coverage, or be subject to involvement in a government investigation concerning such activity, which could adversely impact our brand and reputation, and lower the adoption rate of our platform.

The methods used by perpetrators of fraud and other misconduct are complex and constantly evolving, and our trust and security measures have been, and may currently or in the future be, insufficient to detect and help prevent all fraudulent activity and other misconduct. In some cases, Users have informed our customer service on potentially fraudulent Offers (*e.g.*, Partners asking for bank transfer to them directly and then fail to provide the property address/check-in information; Partners canceling booking without reason).

1.2.6 Our business depends on our strong brands, which we might not be able to maintain or enhance, and unfavorable customer feedback or negative publicity could adversely affect our brands.

Maintaining and enhancing our main brands, in particular our key brand HomeToGo, is critical to expand and retain our base of Users and Partners, to compete effectively, to preserve and deepen the engagement of our existing Users and Partners, to maintain and improve our standing in the communities where our Partners operate, including our standing with regulatory bodies, and to mitigate legislative or regulatory scrutiny, litigation, and government investigations. We are heavily dependent on the perceptions of Users and Partners who use our platform to help make word-of-mouth recommendations that contribute to our growth. Any incident, whether actual or rumored to have occurred, involving the safety or security of Offers, Partners or Users, fraudulent transactions, or incidents that are mistakenly attributed to our brands, and any media coverage resulting therefrom, could create a negative public perception of our company, which would adversely impact our ability to attract Users and Partners. In addition, when Partners cancel reservations or fail to provide timely refunds to Users in connection with cancellations, User perception of the value of our company is adversely impacted and may cause Users to not use our platform in the future. The impact of these issues may be more pronounced if we are seen to have failed to provide prompt and appropriate User support or our platform policies are perceived to be too permissive, too restrictive, or providing Partners and/or Users with unsatisfactory resolutions. Moreover, media backlash due to publishing or an executive being quoted in controversial or politically incorrect information could lead to loss of reputation for our brands towards Users and Partners as well as potential investors and impact us financially. In addition, our brand and reputation could be harmed if we fail to act responsibly or are perceived as not acting responsibly, or fail to comply with regulatory requirements as interpreted by certain governments or agencies thereof, in a number of other areas, such as safety and security, data security, privacy practices, provision of information about Users and activities on our platform, sustainability, human rights, diversity, non-discrimination, and support for employees and local communities. Media, legislative, or government scrutiny around our company, including the perceived impact on affordable housing and over-tourism, neighborhood nuisance, privacy practices, provision of information as requested by certain municipalities or agencies thereof, content on our platform, business practices and strategic plans, impact of travel on the environment, and public health policies that may cause geopolitical backlash, our Partners, and our practices relating to our platform, Offers, employees, competition, litigation, and response to regulatory activity, could adversely affect our brands and our reputation with our Partners and Users. Social media compounds the potential scope of the negative publicity that could be generated and the speed with which such negative publicity may spread. Any resulting damage to our brands or reputation could materially adversely affect our business, results of operations, and financial condition. In addition, we rely on our Partners, who operate their own booking platform, to provide trustworthy reviews and ratings from their platform that Users of our websites may rely upon to help decide whether or not to book a particular Offer and that we use to enforce quality standards. We rely on these reviews to further strengthen trust among Users. Our Users may be less likely to rely on reviews and ratings if they believe that the reviews and ratings we provide them with are not trustworthy.

1.2.7 Our investments to increase brand awareness, to generate website or app traffic and to build or retain a loyal User base may not be effective.

HTG has made significant investments related to brand awareness, User acquisition and User loyalty, and we expect to continue to spend significant amounts to attract new and retain existing Users. For example, HTG has incurred and we will continue to incur significant expenses in marketing through a broad range of media to attract website and app traffic, to increase User loyalty and repeat bookings in order to increase revenue and maintain our brand awareness and recognition. These expenses include substantial outlays for offline marketing, especially television advertising, and online marketing such as search engine marketing (SEM), search engine optimization (SEO) and the use of social media, including different social media channels of influencers. Therefore, we rely on third-party marketing services, search engines and social media which might fail to deliver sufficient visits or impressions, or attracted visitors might not make sufficient purchases. Our decisions regarding investments in User acquisition substantially depend upon our analysis of the profit contribution generated from Users we acquired in earlier periods. There can be no assurance that our assumptions regarding required User acquisition investment and resulting Booking Revenue (as defined in Section "*13.3.2 Booking Revenue*") from such Users, including those relating to the effectiveness of our marketing expenditures, will prove to be correct or that our marketing efforts and other promotional activities will achieve what we consider to be an optimal mix of advertising and marketing at a cost we consider to be economically viable. Furthermore, we cannot guarantee that certain methods of advertising that we currently utilize will not become less effective, be prohibited or otherwise be unavailable to us in the future. Our marketing partners might be unable to deliver the anticipated number of User visits or impressions, or Users that are attracted to our websites by such campaigns might not make as many bookings as anticipated by us. Moreover, changes to search engines' algorithms or terms of services could exclude our websites from, or rank them lower in, search results.

If we are unable to maintain and enhance our brand awareness, increase website or app traffic, translate a sufficient number of Users into booking accommodations, acquire new Users and maintain a loyal User base, increase repeat bookings from Users, or do any of the foregoing on a cost-effective basis, our future growth could be limited or our revenue could even decline. The occurrence of any of these events, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations which is critical to the success and profitability of our Company.

1.2.8 If we fail to retain existing Partners or add new Partners, or if Partners fail to provide high-quality properties, our business, results of operations, and financial condition would be materially adversely affected.

Our business depends on our Partners maintaining their Offers on our platform and engaging in practices that encourage Users to book those Offers, including increasing the number of nights that are available to book, providing timely responses to inquiries from Users, offering a variety of desirable and differentiated Offers at competitive prices that meet the expectations of Users, and offering exceptional hospitality and services to Users. These practices are outside of our direct control. If Partners do not establish or maintain a sufficient number of Offers and availability for their properties, the number of nights booked declines for a particular period, or the price charged by Partners declines, our revenue would decline and our business, results of operations, and financial condition would be materially adversely affected. Partners manage and control their properties and typically market them on our platform with no obligation to make them available to Users for specific dates and with no obligation to accept bookings from prospective Users. HTG has had many Partners offer their properties on its platform in one period and cease to offer these properties in subsequent periods for a variety of reasons. While we plan to continue to invest in our Partners and in tools to assist Partners, these investments may not be successful in growing our Partners and Offers on our platform. In addition, Partners may not establish or maintain Offers if we cannot attract prospective Users to our platform and generate bookings from a large number of Users. While HTG has experienced only a limited number of contract terminations by Partners in the past, Partners have from time to time taken their inventory temporarily off its websites, *e.g.*, for technical reasons.

If we are unable to retain existing Partners or add new Partners, or if Partners elect to market their Offers exclusively with a competitor or cross-list with a competitor, we may be unable to offer a sufficient supply and variety of properties to attract Users to use our platform. In particular, it is critical that we continue to attract and retain Partners who list their Offers on our platform. We attract Partners predominantly through organic channels such as word of mouth and our strong brand recognition. If we are unable to attract and retain Partners in a cost-effective manner, or at all, our business, results of operations, and financial condition would be materially adversely affected. Partners often offer properties on our platform as well as on the platforms of our competitors. We do not control whether Partners provide us with a sizable allocation of rooms and competitive pricing relative to the same properties offered with other services. If we are not able to effectively deploy professional tools, application programming interfaces, and payment processes, work with third-party channel managers, and develop effective sales and account management teams that address the needs of these Partners, we may not be able to attract and retain Partners. If our fee structure and payment terms are not as competitive as those of our competitors, these Partners may choose to provide less inventory and availability to us. Historically, HTG has seen an increase in the number of, and revenue from, large Partners, such as major OTAs and property managers, on its platform. The uniqueness of Offers on our platform will be negatively impacted if the number of Offers from smaller, regional Partners does not grow at the same rate. The future growth of Partners' Offers on our platform may depend on a number of factors affecting Partners, including:

- cancellations or suspensions of agreements with Partners;
- the COVID-19 pandemic;
- enforcement or threatened enforcement of laws and regulations, including short-term occupancy and tax laws;

- private groups, such as homeowners, landlords, and condominium and neighborhood associations, adopting and enforcing contracts that prohibit or restrict short-term rentals;
- leases and mortgages of the suppliers of our Partners and other agreements, or regulations that purport to ban or otherwise restrict short-term rentals;
- Partners opting for listings on other platforms as an alternative to offering their properties on our platform;
- economic, social, and political factors;
- perceptions of trust and safety on and off our platform;
- negative experiences with Users, including Users who damage Partner property or engage in other unlawful acts; and
- our decision to remove Partners from our platform for not adhering to our partners standards or other factors we deem detrimental to our business.

To the extent our Partners and/or suppliers of our Partners are individuals, they typically rely on the additional income generated from our platform to pay their living expenses or mortgages or have acquired properties specifically for offering on a booking platform. It is not yet clear what financial impact the severe travel reduction occurring during the COVID-19 pandemic will have on these individuals or whether they will be able to keep their homes or operate their businesses as travel resumes. Our business, results of operations, and financial condition could be materially adversely affected if our Partners are unable to return to normal operations in the near to immediate term.

1.2.9 Our business depends to a significant extent on our relationship with our Partners and them providing us with property related content.

Our Partners provide us with content, for example descriptions, images, amenities, customer reviews, that we display on our websites. If our Partners decide to reduce the amount or depth of information that they share with us, the information that we provide to Users may be limited or the quality of the information may suffer, which may negatively affect Users' perception of the value of our product and our reputation. Such a negative perception may have a material adverse effect on our business, results of operations, financial condition and prospects. In addition, technical issues in the IT infrastructure of a partner or application programming interface ("**API**") issues could limit our ability to show results from such a Partner's website or even to a slowdown of our services.

1.2.10 If we do not continue to innovate and provide tools and services that are useful to Users and Partners, we may not remain competitive, and our revenue and results of operations could suffer.

Our success depends on continued innovation to provide features and services that make our websites and apps and other services and products useful for Users and our Partners. Our competitors are constantly developing innovations in online travel-related services and features. As a result, we must continue to invest significant resources in research and development in order to continuously improve the speed, accuracy and comprehensiveness of our services. HTG has invested, and in the future we may invest, in new business strategies and services. These strategies and services may not succeed, and, even if successful, our revenue may not increase. If we are unable to continue offering innovative services, we may be unable to attract additional Users or Partners or retain our current Users or Partners, which may have a material adverse effect on our business, results of operations, financial condition and prospects.

1.2.11 We rely on search engines, which may change their business models or search engine algorithms in ways that could have a negative impact on our business, financial performance and prospects.

We use search engines to generate traffic to our websites, principally through the purchase of traffic with accommodation-related keywords. We obtain a significant amount of traffic via search engines and therefore utilize techniques, such as search engine optimization and search engine marketing to improve our placement in relevant search queries. Search engines frequently update and change the logic that determines the placement and display of results of a User's search. These changes could negatively affect the purchased or algorithmic placement of links to our websites. In addition, a significant amount of traffic is directed to our websites through our participation in display advertising campaigns on search engines, advertising networks, affiliate websites and social networking sites. Pricing and operating dynamics for these traffic sources can experience rapid change, both technically and competitively. Moreover, any of these providers could, for competitive or other purposes, alter their search algorithms or results, causing our websites to place lower in search results. If a major search engine changes its algorithms in a manner that negatively affects the search engine ranking, paid or unpaid, of our websites, or if competitive dynamics impact the costs or effectiveness of search engine optimization, search engine marketing or other traffic generating arrangements in a negative manner, it may have a material adverse effect on our business, results of operations, financial condition and prospects.

1.2.12 We may miss or may not be able to adapt to the latest trends in communication with our Users through social media or other channels.

We rely on social media and also work with influencers to communicate with our Users. Changes to the terms and conditions of the relevant providers could limit our ability to communicate through social media. These services may also change their algorithms or interfaces even without notifying us, which may reduce our visibility or increase our costs. We also use newsletters in the form of emails, app push notifications and other messaging services in order to promote our platform, inform Users of our product offering and/or the status of their bookings. Changes in how webmail services organize and prioritize emails could reduce the number of Users opening our emails. For example, several service providers organize incoming emails into categories. Such tools and features could result in our emails and other messages being shown as "spam" or as lower-priority messages to our Users, which could reduce the likelihood of Users opening or responding positively to them. Actions by third parties to block, impose restrictions on, or charge for the delivery of, emails, app push notifications and other messages, as well as legal or regulatory changes limiting our right to send such messages or imposing additional requirements on our ability to conduct email marketing or send other messages, could impair our ability to communicate with our Users.

If we are unable to communicate through social media, via emails, app push notifications or other messages with our Users, if our messages are delayed, or if Users do not receive or view them, we will no longer be able to use this marketing channel. This could impair our marketing efforts, or make them more expensive if we feel the need to increase spending on paid marketing channels to compensate for the loss of free marketing, and, as a result, our business could be adversely affected.

In addition, any malfunction of our communication services could result in erroneous messages being sent and Users no longer wanting to receive any messages from us. Furthermore, our process to obtain consent from Users of our apps and visitors to our websites (through the use of cookie banners or otherwise) to receive newsletters, app push notifications and other messages from us and to allow us to use their data may be seen as insufficient or invalid. As a result, such individuals or third parties may accuse us of sending unsolicited advertisements and other messages which could result in claims against us.

The way our Users communicate online is constantly evolving. Keeping up with these developments is key for us to effectively present our brand and platform to our Users. However, we may not be able to identify new trends in communication or to adapt to these trends. An inability to communicate through social media, app push notifications, emails or other messaging services could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.2.13 Our cooperation with influencers may not be successful or subject us to reputational damage.

With the constantly increasing popularity of social media (*e.g.*, Facebook, Instagram, Twitter and YouTube, TikTok, Twitch), influencer marketing will most likely become an increasing part of our marketing strategy. We integrate independent influencers into our branding and content creation by using their endorsements and mentions on their social media channels to enhance our brand awareness and drive our business. The success of these cooperations depends on our influencers' successful marketing and brand image vis-à-vis their followers. The fast-paced social media centered nature of influencer marketing which often relies on the influencer's authenticity challenge us to enforce our marketing standards on influencers. Any actual or asserted misbehavior on the part of the various influencers cooperating with us could harm their reputation and thus the success of our cooperation or could be attributed to us and directly harm our reputation. Such negative publicity may be accelerated through social media due to its immediacy and accessibility as a means of communication without affording us an opportunity for redress or correction and we may lose valuable Users, which could have a material adverse effect on our business.

1.2.14 Dissatisfaction with our customer service could negatively affect our User retention and the further implementation of our growth strategy.

A satisfied and loyal User base is crucial to our continued growth. A strong customer service is required to ensure that User complaints are dealt with in a timely manner and to the User's satisfaction. Because we do not have direct face-to-face contact with Users, the way we interact with Users through our customer service team is crucial to maintaining continuous User relationships. We respond to User requests and inquiries through chat function, e-mail and a telephone hotline. Any actual or perceived failure or unsatisfactory response by our customer service could negatively affect User satisfaction and loyalty. Our inability to retain Users due to a lack of satisfactory customer service could have a material adverse effect on the further implementation of our growth strategy.

1.2.15 The broad variety of local and international payment methods we accept exposes us to operational, regulatory and fraud risks.

We currently accept six different payment methods tailored to meet our local Users' payment preferences in our core European markets. These payment methods include, among others, credit and debit cards, Klarna, iDEAL and Bancontact Mobile. Furthermore, we are currently planning to introduce additional payment methods in the future. Although we do not process payments ourselves but rather use established industry processing services, due to the complexity of the broad variety of international and local payment methods we accept, as well as the fact that the functionality of a payment method generally depends on a reliable execution of API based processes between our Partners, us and the payment platform, we face the risk of operational failures in our checkout process, which could adversely affect our conversion rate (*i.e.*, the percentage of visitors on our websites that actually complete a booking) and User satisfaction. In connection with the methods of payment we offer, we may become subject to additional regulations, compliance requirements, and various types of fraud or cyber-attacks. Local, less developed payment methods may be particularly susceptible to malfunctions or fraud. Independent of the payment method, we also face the risk that Partners circumvent our system by refunding our Users and ask them to pay outside our platform.

As an additional payment option, in some parts of our business, we may issue voucher codes, promo codes and gift cards which are susceptible to fraud as fraudsters might generate fake vouchers in a way that they are accepted by our payment system, perform voucher refund scams by asking for a voucher instead of a refund or generate mass fake sign-ups to gain bulk amounts of voucher codes.

For certain payment methods, including credit and debit cards, we pay bank interchange and other fees. These fees may increase over time, increasing our operating costs and decreasing our profitability. We are also subject to operating rules and certification requirements of payment scheme associations, including the Payment Card Industry Data Security Standard and rules governing electronic funds transfers. Amendments to these rules or the introduction of new laws or requirements regarding any payment method we accept could result in increasing compliance costs, higher transaction fees, and the possible loss of or restrictions to our ability to accept credit or debit cards or other types of payment.

We generally rely on third parties to provide payment processing services. We also rely on third-party payment processors, and encryption and authentication technology licensed from third parties, to securely transmit Users' personal information. If these companies become unwilling or unable to provide these services, or increase their fees, such as bank and intermediary fees for credit card payments, our operations may be disrupted and our operating costs could increase. In addition, we may be unable to provide automated online payment processes in all of our markets due to a lack of sophisticated local payment systems. Furthermore, we face risks relating to User claims that bookings or payments were not properly authorized or were transmitted in error, as well as risks that Users have insufficient funds and the risk of fraud. While fraud risks are mostly covered through our contracts with payment processing services, any failure to avoid or limit losses from fraudulent transactions could damage our reputation and result in increased legal expenses and fees.

As part of the overall payment process, we may hold funds in trust for Partners or Users. We face the risk that, due to organizational failures, funds are not correctly kept or forwarded to the wrong Partner. Furthermore, in case of cancellations of bookings, we rely on our employees to issue the correct refund to our Users. Although we take reasonable precautionary measures, we sometimes experience miscalculation of refunds in other currencies, sending wrong amounts back to our Users.

If Users intend to cancel a booking for COVID-19-related reasons (or any other reasons) that do not entitle to a cancellation under the policies by our Partners, there is a risk that these Users try to achieve a chargeback of their funds by disputing the payment, *e.g.*, by raising a dispute with their credit card issuer. Depending on the total number of such disputes, this could place a significant administrative burden on our employees who might get involved by the credit card issuer or another third party in the process of handling the dispute.

The materialization of any of the risks described above could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.2.16 Users' access to our platform through devices other than desktop computers creates challenges. If we are unable to operate effectively on these other device platforms, our business, results of operations, and financial condition could be materially adversely affected.

People regularly access the Internet through mobile phones, tablets, handheld computers, voice-assisted speakers, television set-top devices, smart televisions, wearables, and automobile in-dash systems. These devices enable new modalities of interaction, such as conversational User interfaces, and new intermediaries, such as "super-apps" like WeChat, where consumers can use many online services without leaving a particular app. We anticipate that the use of these means of access will continue to grow and that usage through desktop computers will continue to decline, especially in certain regions of the world experiencing the highest rate of Internet adoption. The functionality and User experiences associated with these alternative devices, such as a smaller screen size or lack of a screen, may make the use of our platform through such devices more difficult than through a desktop computer, lower the use of our platform, and make it more difficult for our Partners to offer properties on our platform. In addition, booking patterns can differ on alternative devices, and it is uncertain how the proliferation of mobile devices will impact the use of our platform and services. Mobile Users may also be unwilling to download multiple apps from multiple companies providing similar services meaning that such potential Users may opt to use one of our competitors' services instead of ours. As a result, brand recognition and the User experience with our mobile app will likely become increasingly important to our business. In addition, these new modalities create opportunities for device or systems companies, such as Amazon, Apple, and Google, to control the interaction with our Users and disintermediate existing platforms such as ours.

We need to provide solutions for Users who are limited in the size of the app they can support on their mobile devices and address latency issues in countries with lower bandwidth for both desktop and mobile devices. Because our platform contains data-intensive media, these issues are exacerbated. As new devices, operating systems, and platforms continue to be released, it is difficult to predict the problems we may encounter in adapting our offerings and features to them, and we may need to devote significant resources to the creation, support, and maintenance of our offerings and features.

Our success will also depend on the interoperability of our offerings with a range of third-party technologies, systems, networks, operating systems, and standards, including iOS and Android; the availability of our mobile apps in app stores and in "super-app" environments; and the creation, maintenance, and development of relationships with key participants in related industries, some of which may also be our competitors. In addition, if accessibility of apps is limited by government actions, the full functionality of devices may not be available to our Users. Moreover, third-party platforms, services and offerings are constantly evolving, and we may not be able to modify our platform to assure its compatibility with those of third parties. If we lose such interoperability, we experience difficulties or increased costs in integrating our offerings into alternative devices or systems, or manufacturers or operating systems elect not to include our offerings, make changes that degrade the functionality of our offerings, or give preferential treatment to competitive products, the growth of our business, results of operations, and financial condition could be materially adversely affected. This risk may be exacerbated by the frequency with which Users change or upgrade their devices. In the event Users choose devices that do not already include or support our platform or do not install our mobile apps when they change or upgrade their devices, our traffic and User engagement may be harmed.

1.2.17 A failure to adopt and apply technological advances in a timely manner could limit our growth and prevent us from reaching or maintaining profitability.

The Internet and e-commerce are characterized by rapid technological development. New advances in technology can increase competitive pressure. Our success therefore depends, for example, on our ability to improve our current technological machine learning algorithms and big data infrastructure and to develop new online features and apps for a variety of platforms in a timely manner in order to remain competitive. Any failure to adopt and apply new technological advances in a timely manner could decrease the attractiveness of our websites and apps to Users and thus adversely affect our growth and our revenue.

1.2.18 Changes in Internet browser functionality could result in a decrease in our overall revenues.

We generate revenues, in part, by redirecting Users to our Partners' websites. Changes in browser functionality may either prevent or limit our ability to redirect Users to our Partners or to open third-party content in separate browser tabs or windows (so-called tab-/pop-under). As a result, our revenue could decline if we are no longer able to offer this feature to our Users.

The introduction of certain technologies may reduce the effectiveness of our services. For example, some of our services and marketing activities rely on cookies, which are placed on individual browsers when Users visit websites. We use these cookies to optimize our marketing campaigns and our Partners' campaigns, to better understand our Users' preferences and to detect and prevent fraudulent activity. Users can block or delete cookies through their browsers or "ad-blocking" software or apps. The most common Internet browsers allow Users to modify their browser settings to prevent cookies from being accepted by their browsers, or are set to block third-party cookies by default. Increased use of methods, software or apps that block cookies, or the disaffection of Users resulting from our use of such marketing activities, may have an adverse effect on our business, results of operations, financial condition and prospects.

1.2.19 We are exposed to the risk of security breaches, including cyber-attacks, and unauthorized use of one or more of our websites, databases, online security systems or computerized logistics management systems.

We operate websites and apps through which we collect, maintain, transmit and store information about our Users, Partners and others, including credit card or other financial information and personal information, as well as other confidential and proprietary information, including information related to intellectual property. We also employ third-party service providers that store, process and transmit proprietary, personal and confidential information on our behalf. Furthermore, we rely on encryption and authentication technology licensed from third parties in an effort to securely transmit confidential and sensitive information, including credit card details. While we have a cyber-risk management in place and take extensive steps to protect the security, integrity and confidentiality of sensitive and confidential information (*e.g.*, password policies and firewalls), our security practices may be insufficient and third parties may breach our systems (*e.g.*, through Trojans, spyware, ransomware or other malware attacks, or breaches by our employees or third party service providers), which may result in unauthorized use or disclosure of information. Such attacks might lead to blackmailing attempts, forcing us to pay substantial amounts to release our captured data or resulting in the unauthorized release of such data. Given that techniques used in those attacks change frequently and often are not recognized until launched against a target, it may be impossible to properly secure our systems. In addition, technical advances or a continued expansion and increased complexity of our IT-infrastructure could increase the likelihood of security breaches. In addition, we cannot rule out the possibility of former employees accessing our data unauthorized, *e.g.*, through group shared accounts in particular third party tools, to which such employee might still have access even after the end of his or her employment. Furthermore, we regularly grant outsiders, such as temporary freelancers or consultants, access to certain shared drives as part of their engagement. It cannot be ruled out that such outsiders can access sensitive information on such share drives that is not essential to their engagement and that they therefore should not access.

Advances in computer capabilities, new technological discoveries or other developments could increase the frequency or likelihood of security breaches. In addition, security breaches can also occur as a result of non-technical issues, including intentional or inadvertent breaches by our employees or by persons with whom we have commercial relationships. Any compromise or breach of our security measures, or those of our third-party service providers, could violate applicable privacy, data security and other laws, and cause significant legal and financial risks, adverse publicity or a loss of confidence in our security measures. We have not taken out cyber-security insurance and cannot be certain that our insurance coverage concerning other risks will be adequate for liabilities that we might actually incur or that such insurance will continue to be available to us on economically reasonable terms, or at all. Additionally, we may need to devote significant resources to protect against security breaches or to address problems caused by breaches, which may require us to divert resources from the growth and expansion of our business. The materialization of any of the foregoing risks could have a material adverse effect on our business, financial condition, results of operations and prospects as well as our reputation as a software enterprise.

1.2.20 Measures that we are taking to improve the trust and safety of our platform may cause us to incur significant expenditures and may not be successful.

HTG has taken, and we continue to take, measures to improve the trust and safety of our platform, combat fraudulent activities and other misconduct and improve trust, such as requiring identity and other information from Partners and Users, attempting to confirm the location of properties, removing suspected fraudulent Offers or Offers repeatedly reported by Users to be significantly not as described, and removing Partners and Users who fail to comply with our policies. These measures are long-term investments in our business and the trust and safety of our Partners and Users; however, some of these measures increase friction on our platform by increasing the number of steps required to list or book, which reduces Partner and User activity on our platform, and could materially adversely affect our business, results of operations, and financial condition. HTG has invested, and we plan to continue to invest, significantly in the trust and safety of our platform, but there can be no assurances that these measures will be successful, significantly reduce criminal or fraudulent activity on or off our platform, or be sufficient to protect our reputation in the event of such activity.

1.2.21 Our platform is highly complex, and any undetected errors could materially adversely affect our business, results of operations, and financial condition.

Our platform is a complex system composed of many interoperating components and software. Our business is dependent upon our ability to prevent system interruption on our platform. Our software, including open source software that is incorporated into our code, may now or in the future contain undetected errors, bugs, or vulnerabilities. Some errors in our software code have not been and may not be discovered until after the code has been released. HTG has, from time to time, found defects or errors in its system and software limitations that have resulted in, and we may discover additional issues in the future that could result in, platform unavailability or system disruption. Any errors, bugs, or vulnerabilities discovered in our code or systems released to production or found in third-party software, including open source software, that is incorporated into our code, any misconfigurations of our systems, or any unintended interactions between systems could result in poor system performance, an interruption in the availability of our platform, incorrect payments, negative publicity, damage to our reputation, loss of existing and potential Partners and Users, loss of revenue, liability for damages (including economic damages of a partner), a failure to comply with certain legal or tax reporting obligations, and regulatory inquiries or other proceedings, or technical failures such as display of incorrect information (*e.g.*, regarding price and/or availability of a property), loss of data in connection with implementing or migrating data from Partners on our system, failures of backup systems, failures in our monitoring solutions which help us track the performance of our services, any of which could materially adversely affect our business, results of operations, and financial condition.

1.2.22 System capacity constraints, system or operational failures, or denial-of-service or other attacks could materially adversely affect our business results of operations, and financial condition.

Since its founding, HTG has experienced rapid growth in User traffic to its platform. If our systems and network infrastructure cannot be expanded or are not scaled to cope with increased demand or fail to perform, we could experience unanticipated disruptions in service, slower response times, decreased User satisfaction, and delays in the introduction of new offerings. It may be particularly difficult for us to manage these issues during the COVID-19 pandemic and the related governmentally mandated shelter at home orders, as a result of which few, if any, of our employees are physically present in our headquarters.

A significant portion of our research and development activities, and certain other critical business operations are located at our corporate headquarter Berlin (Germany) as well as at our offices in Vilnius and Kaunas (Lithuania), Milan (Italy) and Barcelona (Spain). Furthermore, we currently intend to establish an office in Austin, Texas (USA) in the near future. Our systems and operations are vulnerable to damage or interruption from human error, computer viruses, earthquakes, floods, fires, power loss, and similar events. A catastrophic event that results in the destruction or disruption of our headquarters, any third-party cloud partnering facilities, or our critical business or information technology systems could severely affect our ability to conduct normal business operations and result in lengthy interruptions or delays of our platform and services.

Our systems and operations are also subject to break-ins, sabotage, intentional acts of vandalism, terrorism, and similar misconduct from external sources and malicious insiders. Our existing security measures may not be successful in preventing attacks on our systems, and any such attack could cause significant interruptions in our operations. For instance, from time to time, we have experienced brutal-force crawling type attacks on our systems, however, none of which has caused a denial of service. There are numerous other potential forms of attack, such as phishing, account takeovers, malicious code injections, ransomware, and the attempted use of our platform to launch a denial-of-service attack against another party, each of which could cause significant interruptions in our operations or involve us in legal or regulatory proceedings. Reductions in the availability and response time of our online platform could cause loss of substantial business volumes during the occurrence of any such attacks on our systems and measures we may take to divert suspect traffic in the event of such an attack could result in the diversion of bona fide Users. These issues are likely to become more difficult to manage as we expand the number of places where we operate and the variety of services we offer, and as the tools and techniques used in such attacks become more advanced and available. Successful attacks could result in negative publicity and damage to our reputation, and could prevent Users from booking accommodations or visiting our platform during the attack, any of which could materially adversely affect our business, results of operations, and financial condition.

In the event of certain system failures, we may not be able to switch to back-up systems immediately and the time to full recovery could be prolonged. HTG has experienced system failures from time to time. In addition to placing increased burdens on our engineering staff, these outages create a significant amount of questions by Users and complaints that need to be addressed by our support team. Any unscheduled interruption in our service could result in an immediate and significant loss of revenue, an increase in support costs, and harm our reputation, and could result in some Users switching to our competitors. If we experience frequent or persistent system failures, our brands and reputation could be permanently and significantly harmed, and our business, results of operations, and financial condition could be materially adversely affected. While HTG has taken, and we continue to take, steps to increase the reliability and redundancy of our systems, these steps are expensive and may not be completely effective in reducing the frequency or duration of unscheduled downtime. We do not carry any business interruption insurance.

We use both internally developed systems and third-party systems to operate our platforms, including transaction and payment processing, and financial and accounting systems. If the number of Users on our platform increases substantially, or if critical third-party systems stop operating as designed, we may need to significantly upgrade, expand, or repair our transaction and payment processing systems, financial and accounting systems, and other infrastructure. We may not be able to upgrade our systems and infrastructure to accommodate such conditions in a timely manner, and depending on the systems affected, our transaction and payment processing, and financial and accounting systems could be impacted for a meaningful amount of time, which could materially adversely affect our business, results of operations, and financial condition.

Our business depends on the performance and reliability of the Internet, mobile, telecommunications network operators, and other infrastructures that are not under our control. As Users increasingly turn to mobile devices, we also become dependent on our Users' access to the Internet through mobile carriers and their systems. Disruptions in Internet access, whether generally, in a specific region or otherwise, could materially adversely affect our business, results of operations, and financial condition.

1.2.23 Ineffective protection of confidential information might materially weaken our market position.

Our key employees and officers have access to sensitive confidential information relating to our business, especially relating to the functioning of our websites and apps, our proprietary machine learning algorithms and big data infrastructure. While we have contractual and technical measures in place, we cannot assure that third parties or the general public never gain access to such information. Any ineffective protection of such information relating to our business might materially weaken our market position and thus adversely affect our business and operations.

1.2.24 We rely on a number of third party providers for the operation of our platform and their failure to provide these services could severely impact the functionality of our platform.

We rely on third party providers with regard to essential parts of our platform such as partnering, cloud computing and map services. Third-party providers may in the future fail or stop to provide such services. For example, there has been an instance where a cloud computing data center in Frankfurt am Main, Germany experienced an outage for a longer period of time. While we have back up plans in place for such scenarios, we may not or may only to a certain degree be able to continue the operation of our platform. Additionally, we might not be able to find an adequate replacement to provide such services to us. Furthermore, there is a risk that services by third-party providers are hacked or otherwise attacked or manipulated, which could cause service availability issues, data leaks, data altering or data loss. Additionally some of our third-party providers are at the same time our competitors and might, while providing service to us, have access to sensitive information regarding our business model.

1.2.25 If we are unable to manage the risks presented by our business model internationally, our business, results of operations, and financial condition would be materially adversely affected.

We are a global platform conducting business in 23 countries with our Partners offering vacation rentals worldwide. As of the end of June 2021, HTG had offices in five cities and have more than 350 employees at our locations in Germany, Lithuania, Italy and Spain (this number includes the members of software engineering teams set up and provided by an international digital innovation company located in Lithuania and exclusively working for us, which we use to source development personnel). We expect to continue to make investments to expand our international operations. Managing a global organization is difficult, time consuming, and expensive, and requires significant management attention and careful prioritization, and any international expansion efforts that we may undertake may not be successful. In addition, conducting international operations subjects us to risks, which include:

- operational and compliance challenges caused by distance, language, and cultural differences;
- the cost and resources required to localize our platform and services, which often requires the translation of our platform into foreign languages and adaptation to local practices and regulatory requirements;
- unexpected, more restrictive, differing, and conflicting laws and regulations, including those laws governing Internet activities, short-term and long-term rentals (including those implemented in response to the COVID-19 pandemic), tourism, tenancy, taxes, licensing, payment processing, messaging, marketing activities, registration and/or verification of Users, ownership of intellectual property, content, data collection and privacy, security, data localization, data transfer and government access to personal information, and other activities important to our business;
- competition with companies that understand local markets better than we do, or that have a local presence and pre-existing relationships with potential Partners and Users in those markets;
- potentially adverse tax consequences, including those resulting from the complexities of foreign corporate income tax systems, value added tax ("**VAT**") regimes, tax withholding rules, lodging taxes, often known as transient or occupancy taxes, hotel taxes, and other indirect taxes, tax collection or remittance obligations, and restrictions on the repatriation of earnings; and
- increased financial accounting and reporting burdens, and complexities and difficulties in implementing and maintaining adequate internal controls in an international operating environment.

Increased operating expenses, decreased revenue, negative publicity, negative reactions from our Partners and Users and other stakeholders, or other adverse impacts from any of the above factors or other risks related to our international operations could materially adversely affect our brand, reputation, business, results of operations, and financial condition.

1.2.26 The failure to successfully execute and integrate acquisitions could materially adversely affect our business, results of operations and financial condition.

HTG has acquired multiple businesses since 2018 and we will continue to regularly evaluate potential acquisitions. We may expend significant cash or incur substantial debt to finance such acquisitions, which indebtedness could result in restrictions on our business and significant use of available cash to make payments of interest and principal. In addition, we may finance acquisitions by issuing equity or convertible debt securities, which could result in further dilution to our existing stockholders. We may enter into negotiations for acquisitions that are not ultimately consummated. Those negotiations could result in diversion of management time and significant out-of-pocket costs. If we fail to evaluate and execute acquisitions successfully, our business, results of operations, and financial condition could be materially adversely affected.

In addition, we may not be successful in integrating acquisitions or the businesses we acquire may not perform as well as we expected. While our acquisitions to date have not caused major disruptions in our business, any future failure to manage and successfully integrate acquired businesses could materially adversely affect our business, results of operations, and financial condition. Acquisitions involve numerous risks, including the following:

- difficulties in integrating and managing the combined operations, technology platforms, or offerings of the acquired companies and realizing the anticipated economic, operational, and other benefits in a timely manner, which could result in substantial costs and delays, and failure to execute on the intended strategy and synergies;
- failure of the acquired businesses to achieve anticipated revenue, earnings, or cash flow;
- diversion of management's attention or other resources from our existing business;

- our inability to maintain the key customers, business relationships, suppliers, and brand potential of acquired businesses;
- uncertainty of entry into businesses or geographies in which we have limited or no prior experience or in which competitors have stronger positions;
- responsibility for the liabilities of acquired businesses, including those that were not disclosed to us or exceed our estimates;
- difficulties in or costs associated with assigning or transferring to us or our subsidiaries the acquired companies' intellectual property or its licenses to third-party intellectual property;
- challenges in integrating the workforce of acquired companies and the potential loss of key employees of the acquired companies; and
- challenges in ensuring strict compliance with rules and regulations applicable to an acquired business.

1.2.27 We are subject to risks associated with a corporate culture that promotes entrepreneurialism among its employees, decentralized decision making and continuous learning.

HTG has delegated considerable operational autonomy and responsibility to its employees, including allowing certain employees flexible working hours that allow employees to determine when, where and for how long they work. In addition, core of our culture is allowing our employees to grow, ensuring that they continuously accept new challenges and take on new responsibilities. As a consequence, we may have less experienced people in key positions, and we rotate experienced employees to other jobs within the company, *e.g.*, in connection with the development of new products for our platform by teams whose members may be junior and/or used to a different style of work. As our employees have significant autonomy, this could result in poor decision making, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

1.2.28 We may be unable to attract, train, motivate and retain suitably qualified personnel and to maintain good relationships with our workforce.

The competence and commitment of our employees are important factors for our successful development and management of opportunities and risks. Therefore, our success is largely dependent on our ability to attract, train, motivate and retain highly qualified individuals, while building our corporate culture. A lack of qualified and motivated personnel, especially in key positions, could impair our development and growth, increase our costs and harm our reputation. We face competition for qualified personnel, for example those in information technology positions. Any loss of qualified personnel, high employee turnover, or persistent difficulties in filling job vacancies with suitable applicants could have a material adverse effect on our ability to compete effectively in our business and considerable expertise could be lost by us or access thereto gained by our competitors. In addition, to attract or retain qualified personnel, we might have to offer competitive compensation packages and other benefits which could lead to higher personnel costs. Any failure to attract, train, motivate or retain skilled personnel at reasonable costs could result in a material adverse effect on our business, financial condition and our reputation.

Personnel expenses represent a significant cost factor for our business. Although none of our own employees is currently subject to any collective bargaining agreement, there can be no assurance that labor disputes, work stoppages, strikes or similar actions will not occur in the future which might urge us to adopt or negotiate a collective bargaining agreement. Any material disagreements between us and our employees could disrupt our operations, lead to a loss in revenue and customers and increase our operating costs.

Furthermore, current employees including key employees with crucial skills and knowledge might leave our company which could lead to a loss of skills and knowledge if previous work has not been documented correctly.

1.2.29 The requirements of being a public company may strain our resources and distract our management, which could make it difficult to manage our business.

Operating our business as a public company with shares traded on a stock exchange, we will incur higher legal, accounting and other expenses than HTG incurred prior to the Business Combination. We are subject to applicable securities rules and regulations. Applicable law requires that we file periodic reports with respect to our business, financial condition and results of operations and that we establish and maintain effective internal controls and procedures for financial reporting. Furthermore, the need to establish the corporate infrastructure demanded of an operational public company may divert our management's attention from implementing our growth strategy, which could prevent us from improving our business, financial condition and results of operations. HTG has made changes to its, and we will continue to make, changes to our internal controls and procedures for financial reporting and accounting systems to meet our reporting obligations as a public company. However, we have previously relied on experts and the measures we take may not be sufficient to satisfy our obligations as a public company. In addition, these rules and regulations will increase our legal and financial compliance costs, will make some activities more time-consuming and costly and increase demand on our systems and resources. For example, we expect these rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to incur substantial costs to maintain the same or similar coverage. These additional obligations could have a material adverse effect on our business, financial condition, results of operations and cash flow.

In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of our management's time and attention from revenue-generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us and our business, financial condition, results of operations and cash flow could be adversely affected.

1.2.30 The inability to forecast our business accurately could prevent us from properly planning expenses and process capacity.

We base our expense levels on forecasts, estimates and assumptions which may prove to be wrong. Especially seasonal variations increase the difficulty of our financial forecasting. In addition to seasonality, our results of operations may fluctuate as a result of a variety of other factors, some of which are beyond our control, including:

- reduced travel and cancellations due to other events beyond our control, including the COVID-19 pandemic;
- periods with increased investments in our platform for existing offerings, new offerings and initiatives, marketing, and the accompanying growth in headcount;
- our ability to maintain growth and effectively manage that growth;
- increased competition;
- our ability to expand our operations in new and existing regions;
- changes in governmental or other regulations affecting our business;
- changes to our internal policies or strategies;
- harm to our brand or reputation; and
- other risks described elsewhere in this Prospectus.

Therefore, an exact forecast of our actual expenses is difficult and counteracts the proper planning of our expenses and process capacity. Moreover, a substantial portion of our expenses is fixed or incurred, and we may be unable to adjust our spending in a timely manner to compensate for any unexpected shortfall in revenue. As a result, a cost overrun could occur and/or a not sufficient funding could be available to execute our business and development. The occurrence of any issue regarding the forecasting of our expenses, alone or in combination, could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.2.31 We track certain operational metrics, which are subject to inherent challenges in measurement, and real or perceived inaccuracies in such metrics may harm our reputation and materially adversely affect our business, results of operations, and financial condition.

We track certain operational metrics, including metrics such as gross booking value ("**GBV**") (before cancellations) (as further defined in Section "*13.3.1 Gross Booking Value*"). Partners, active Offers, active Users and, to the extent possible, returning Users, which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. Our internal systems and tools are subject to a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics undercount or overcount performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring how our platform is used across large populations globally.

The calculation of GBV, and active Offers requires the ongoing collection of data on new Offers that are added to our platform over time and, with regard to our redirects of Users to the booking websites of our Partners, calculation of GBV also requires us to make certain estimations concerning User behavior after the redirect as we are technically unable to track User behavior after they have left our website. Our business is complex, and the methodology used to calculate GBV and active Offers may require future adjustments to accurately represent the full value of new offerings.

The number of active Users on our platform is based on activity during a certain time period. Certain individuals may have more than one user account and therefore may be counted more than once in our count of active Users.

Our metrics, including our measured GBV and active Offers, may include fraudulent bookings, accounts, and other activities that have not been flagged by our trust and safety teams or identified by our machine learning algorithms or not yet addressed by our operational teams, which could mean these activities on our websites are not identified or addressed in a timely manner or at all, reducing the accuracy of our metrics. Further, any such fraudulent activity, along with associated refunds and cancellations, would reduce our metrics, in particular GBV and active Offers, in the quarter in which it is discovered. Limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our operational metrics are not accurate representations of our business, or if investors do not perceive these metrics to be accurate, or if we discover material inaccuracies with respect to these metrics, our reputation may be significantly harmed, we may be subject to stockholder litigation, and our business, results of operations, and financial condition could be materially adversely affected.

1.2.32 Because we recognize most of our revenue upon check-in and not at booking, upticks or downturns in bookings are not immediately reflected in our results of operations.

We recognize revenue from cost-per-click ("**CPC**") or cost-per-lead ("**CPL**") based agreements in the month in which the click or lead has occurred, while we realize our revenue from commission based agreements (cost-per-action, "**CPA**") mostly upon check-in or in some occasions upon check-out. With respect to CPA based agreements, we therefore experience a difference in timing between when a booking is made and when we recognize revenue, and the effect of significant downturns in check-ins in a particular quarter may not be fully reflected in our results of operations until future periods because of this timing in revenue recognition.

1.2.33 In recent fiscal years, a substantial part of our revenue depended, and in the future may continue to depend, on certain key Partners. The loss of one or more of these Partners could adversely affect our business.

In 2020, HTG's top three Partners accounted for 63% of its revenue (2019: 60%; 2018: 66%). In 2021 and beyond, there may also be periods during which a substantial part of our revenue depends on certain key Partners. Such future dependence on certain Partners could be caused (i) by the way we recognize revenue, *i.e.*, during periods when travel activity and check-ins are low, and we therefore recognize less revenue from CPA based agreements (see risk factor 1.2.32 above), our revenue depends to a larger degree on our business with certain key CPC/CPL Partners, or (ii) by other factors outside our control such as local travel restrictions that limit our business with other Partners. For example, for the six-month period ended June 30, 2021, HTG's top two Partners accounted for 63% of its revenue, with the top Partner accounting for 41% of its revenue and the second strongest Partner accounting for 22% (in case of the second strongest Partner, almost entirely CPC revenue).

Although we expect that our dependence on these key Partners will significantly decline in the second half of 2021 once COVID-19-related travel restrictions are lifted globally and check-ins in Europe experience an uptick, our ability to maintain close relationships with these and other key Partners is essential to the growth and profitability of our business.

Since our key Partners, in particular OTAs, typically operate their own platforms and/or also use the services of other platforms, we face the risk that a key Partner may decide to suspend or terminate its partnership with us. Such decisions can be based on factors that are beyond our control. For example, a key Partner may decide to reduce spending on services from us due to a challenging economic environment or other factors, both internal and external, relating to its business. These factors, among others, may include corporate restructuring, pricing pressure, changes to an outsourcing strategy, or switching to another platform.

Furthermore, our reliance on certain key Partners for a significant portion of our revenue may give these Partners a certain degree of pricing leverage against us when negotiating contracts and terms of service.

The loss of all or a portion of our business with, or the failure to retain a significant amount of business with, any of our key Partners could have a material adverse effect on our business, financial condition and results of operations.

1.2.34 Due to technical constraints, parts of our business are dependent on our Partners providing us with information on the bookings by Users and their subsequent check-ins.

In order to verify whether we are entitled to a commission, we rely on our Partners to provide us with information about the respective bookings, check-ins or check-outs (where relevant) of our Users. Although we are able to estimate the basis of our CPA revenue based on historical data, we cannot guarantee that our Partners provide us with accurate information on bookings and check-ins. Historically however, HTG's monthly revenue has only differed marginally from its estimates. In order to further mitigate such risk, we regularly conduct sample bookings with our Partners. Throughout the past HTG has not experienced any major conflicts with Partners regarding commissions and was able to resolve any conflicts with Partners on bookings, re-bookings and check-ins in a mutually agreeable manner to the benefit of all parties. Yet, if our Partners provide us with inaccurate or incomplete booking and check-in data, this could have a material adverse effect on our revenue and financial situation.

1.2.35 Given that we are a relatively new enterprise, our internal controls may not be sufficient.

HTG is a relatively new enterprise, having launched its operations in 2014. As a result, HTG's internal control systems had to evolve over time and is still in the process of being further developed given HTG's rapid growth in the past. Consequently, HTG's internal control environment is commensurate to its size and profile pre-listing. We are constantly working on improving our internal control system. As a company pre-listing our internal control environment has not been subject to any self-testing or internal audit. Moreover, some of our management team have no experience in managing a public company. There is no guarantee that our decision-making processes and internal controls have developed sufficiently to prevent errors (including accounting- and tax-related errors), inefficiencies and compliance violations. For example, accounting errors could occur due to revenue or expenses being recorded in wrong periods or otherwise. In any such case or if we otherwise discover deficiencies in our internal control systems, we may be required to undertake corresponding corrections, incur unexpected costs and trust in our business and operations may be adversely affected. Complying with the various laws and regulations applicable to our business is particularly challenging and this challenge will increase as we continue to grow. Consequently, there is no guarantee that our compliance and risk management systems are sufficient to ensure that our employees, third-party contractors, related parties and agents are or will be in compliance with all applicable laws and regulations. The criteria for determining compliance are often complex and subject to change and new interpretation, and the internationalization of our business adds further complexity. For example, we are currently implementing systems and frameworks to prevent Partners in sanctioned countries to list their properties on our websites. However, there can be no assurance that our measures will be sufficient. If we fail to comply with applicable laws and regulations, we may breach representations made to our contractual partners or governmental authorities, and such governmental authorities may require remedial actions. In addition, such violations may be punishable by criminal and civil sanctions, including substantial fines, and harm our reputation.

1.2.36 A significant portion of our bookings and revenue are denominated in foreign currencies, and our financial results are exposed to changes in foreign exchange rates.

A significant portion of our business is denominated and transacted in foreign currencies, which subjects us to foreign exchange risk. We offer integrated payments to our Partners and Users in over 28 currencies. Generally speaking, Euro strength adversely impacts the translation of the portion of our revenue that is generated in foreign currencies into Euro. For the fiscal year ended December 31, 2020, approximately 27% of HTG's revenue, respectively, was denominated in currencies other than Euro. Our results of operations could also be negatively impacted by a strengthening of the Euro as a large portion of our costs are Euro-denominated.

While HTG has entered, and we may choose to enter, into transactions to hedge portions of our foreign currency translation and balance sheet exposure in the future, it is impossible to predict or eliminate the effects of foreign exchange rate exposure. Strengthening of the Euro could materially adversely affect our results of operations and financial condition.

1.2.37 We may require additional capital which might not be available on economically acceptable terms, or at all.

In the medium- to long-term, we will likely require additional capital to finance our future growth and further scale our operations. We may also require additional capital if we encounter difficulties in meeting obligations associated with our financial liabilities. HTG recorded negative cash flows from operating activities during the periods for which financial information is included in this Prospectus, and we require periodic injections of capital in order to continue our business. If we are not able to raise the required capital on economically acceptable terms, or at all, we may be forced to limit or even scale back our operations, which may adversely affect our growth, business and market share and could ultimately lead to an insolvency of the Company. If we choose to raise capital by issuing new shares, our ability to place such shares at attractive prices, or at all, depends on the condition of equity capital markets in general and the share price of the Company in particular, and such share price may be subject to considerable fluctuations. If we choose to raise capital through debt financing, such financing may require us to post collateral in favor of lenders or accept other restrictions on our business and financial position (*e.g.*, in the form of covenants). Such restrictions may adversely affect our operations and prevent us from growing our business as intended. A breach of covenants may trigger immediate prepayment obligations or may lead lenders to seize collateral posted by us, all of which may adversely affect our business. In addition, if we raise capital through debt financing on unfavorable terms, this could adversely affect our operational flexibility and profitability.

1.3 Regulatory, Legal and Tax Risks

1.3.1 We are subject to a variety of regulations, including but not limited to consumer protection laws, regulations governing e-commerce, data protection and competition laws, and future regulations might impose additional requirements and other obligations on our business.

We are subject to a number of laws and regulations that apply to our business and to public companies generally. These laws and regulations cover, among other things, consumer protection, taxation, tariffs, anti-bribery, sanctions, antitrust, pricing, content, copyrights, trademarks, distribution, mobile, social media and other communication, advertising practices, electronic contracts, credit card processing procedures, the provision of online payment services, environmental protection, unencumbered Internet access to our services, the design and operation of websites, and the characteristics and quality of services that are offered online. Furthermore, as the Internet continues to revolutionize commercial relationships on a global scale, and as the use of the Internet and mobile devices in everyday life becomes ever more prevalent, these laws and regulations continue to evolve at a rapid pace and can differ, or be subject to differing interpretations, from jurisdiction to jurisdiction. Existing and future regulations and laws relating to the Internet may impede the growth and availability of the Internet and online services, inhibit our ability to grow our business, or adversely affect our business by increasing costs and administrative burdens.

Given the broad variety of applicable rules and their evolving nature, we cannot guarantee that HTG's practices have complied or our practices will comply fully with all applicable laws and regulations. For example, it cannot be ruled out that we unintentionally violate the General Data Protection Regulation ("**GDPR**"), *e.g.*, through user data not being fully deleted upon user request. Any failure, actual or perceived, by us to comply with any of these laws or regulations could result in damage to our reputation and a loss of revenue, and any legal or enforcement action brought against us as a result of actual or alleged non-compliance could further damage our reputation and result in substantially increased legal expenses. Adverse changes in laws or regulations applicable to us could cause us to incur substantial costs or require us to change our business practices, and could compromise our ability to pursue our growth strategy effectively. Any compliance failure may also give rise to civil liability, administrative orders (including injunctive relief), fines or even criminal charges.

In addition, various legislative and regulatory bodies, or self-regulatory organizations in the jurisdictions in which we operate, may extend the scope of current laws or regulations, enact new laws or regulations or issue revised rules or guidance regarding privacy, data protection and consumer protection. For example, the European Commission's Digital Single Market (DSM) initiative is expected to result in additional rules on e-commerce or data protection, information security and privacy, which may increase our compliance costs or affect our business model. If passed, such law could lead to significantly higher compliance costs or require a change in our business practices. If we were unable to comply with any such new or expanded rules we could be subject to investigations, fines and adverse effects on our reputation.

Furthermore, various governments have introduced and will likely continue to introduce regulatory requirements for platforms offering short-term rentals. These regulations are passed throughout the world with the intention to control and reduce the rental of private accommodations. This leads to a high number of regulations that have to be observed and abided by us. Such laws may lead to significantly higher legal costs and resources depending on individual markets and jurisdictions. If we are not able to react in time or do not assess and comply with any new regulations we could be subject to significant fines, litigation, administrative orders or even criminal charges having a material adverse effect on our business, results of operations, and financial condition.

1.3.2 Conducting business in multiple countries requires us to comply with numerous, complex and sometimes conflicting legal and regulatory requirements, which makes compliance more costly and challenging.

The properties offered on our websites are located in more than 230 countries, and our business may therefore be subject to various laws and regulations of these countries. Many of these laws and regulations are complex and difficult to interpret and we may not always be aware of all countries where the properties are located. Moreover, as we expand our international operations to target Users in additional countries, we will become subject to additional laws and regulatory regimes, including laws and regulations relating to countries or individuals that are subject to sanctions. The legal and regulatory frameworks governing our business and operations may become increasingly uncertain due to quickly changing laws, contradictory interpretation of laws and regulations, administrative bypassing of legal frameworks or a lack of market precedents upon which we can rely.

For example, France introduced new articles for the real estate market in its Tourist Code including, *inter alia* information obligations for digital platforms that have to disclose data on booked (furnished) accommodations and its owners to municipalities upon request. The French law allows for a fine of up to €50,000.00 per property which may lead to very high administrative orders or litigation with a high amount in dispute. In January 2021, the City of Paris filed suit before the ordinary courts in Paris against one of the Company's subsidiaries, Casamundo GmbH. The plaintiff claims that the defendant violated the French Code of Tourism, under which certain information on the owners of vacation rentals located in Paris have to be disclosed to the public authorities. The City of Paris demanded that the court impose the highest possible penalty of €50,000.00 per vacation accommodation which adds up to a total amount of the claim of €101,800,000.00. The defendant submitted a detailed statement of defense before the court hearing in March and June 2021. A judgment is expected in the second half of 2021. We continue to believe the case is without merit and should be dismissed. In the event the City of Paris were to prevail in the case, we have been advised that any monetary penalty would be unlikely to significantly exceed a high six digit euro amount. It cannot be completely ruled out, however, that the court decides to impose a higher penalty.

Another example is the Tourist Promotion Act enforced in Vienna, Austria. It stipulates that platforms have to report addresses and contact details of registered vacation rentals proactively to the city. Furthermore, in Barcelona, Spain, platforms may only advertise vacation rentals that have obtained a license by displaying the adequate registration number. If the requirements of these laws are not met, administrative, penalties can be imposed. Our international business is subject to laws and regulations in many areas, including those governing short-term rental, local employment, privacy, data security, telecommunications, online content, intellectual property protection, corporate governance, foreign ownership and foreign investment, tax, finance, money laundering, online payment, anti-corruption and antitrust. These various laws and regulations often evolve and sometimes conflict with each other. Furthermore, operating in foreign jurisdictions entails an inherent risk of misinterpreting and wrongly implementing foreign laws and regulations. We cannot rule out that HTG has not been in full compliance with these laws and regulations in the past.

Additionally, some of the tax systems in our countries of operations are very complex and there is no guarantee that tax authorities agree with the positions HTG has taken or the tax optimization structures and measures HTG has used to minimize legal risks, administrative burdens and tax rates. The application of foreign direct investment laws and regulations, license rules and similar rules and regulations is also often unclear. These laws and regulations are subject to multiple interpretations, *e.g.*, by different courts, regulators and other players in the legal community, which may differ from the interpretations to which we have adhered. In other countries, changes in the political or legal climate may impact our use of local currency and local banking. Similarly, we are bound by extended waiting periods and complex and costly administrative approval processes and registration.

As these laws continue to evolve and as we expand into new jurisdictions, our compliance efforts will become more complex and expensive and the risk of non-compliance will increase. Violations of applicable laws and regulations may harm our reputation and result in legal action, criminal and civil sanctions, or administrative fines and penalties against us or members of our governing bodies and our employees. Such violations may also result in damage claims by third parties or other adverse legal consequences, including legal proceedings by national and international regulators resulting in the limitation or prohibition of business operations. There is no guarantee that we can successfully manage or avoid any of the legal risks to which we are exposed, and non-compliance with the legal and regulatory frameworks that govern our operations, whether intentional or not, may have material adverse effects on our businesses, including causing us to cease our operations entirely.

1.3.3 We may not be able to maintain directors' & officers' insurance at the currently agreed contractual terms or at all.

Under the terms of both the Company's and HomeToGo GmbH's current directors' & officers' (D&O) insurance contracts, the Business Combination could be considered an event that would entitle the insurer to modify the agreed terms of insurance to reflect a general increase in risk, including reducing the coverage amount and increasing premiums. Furthermore, given that insurers in Europe have relatively limited experience with transactions involving special acquisition companies, such as the Business Combination, we might not be able to renew our existing, or enter into new, D&O insurance contracts for the benefit of the members of our management board and supervisory board. Even if we renew, or conclude new, insurance contracts, such renewal or conclusion may be possible only at terms less favorite than terms for other companies in our industry whose corporate history does not involve a transaction such as the Business Combination. Additionally, as insurers have expressed to us in recent discussions certain concerns with respect to the insurability of risks in the travel industry, we may not be able to renew, or conclude new, D&O insurance contracts at the same terms as companies in other industries or at all.

Any lack, or limited protection, of D&O insurance coverage would increase the personal liability risk of the members of our management board and supervisory board, which could have an adverse effect on their decision making process, i.e., could reduce management's willingness to take decisions that involve risks, and could thus limit our ability to cease certain business opportunities. In addition, members of the supervisory board could resign from their office to avoid such increased personal liability risk. Any of these events may have a material adverse effect on our business, results of operations, financial condition and prospects.

1.3.4 If we do not adequately protect our intellectual property and our data, our business, results of operations, and financial condition could be materially adversely affected.

We hold a broad collection of intellectual property rights related to

- our brands,
- certain content and design elements on our platforms,
- research and development efforts,
- a repository of licensed visual assets,
- marketing and promotional concepts and materials, and
- a collection of editorial content.

This includes registered domain names, registered and unregistered trademarks, copyrights, trade secrets, licenses of intellectual property rights of various kinds, and other forms of intellectual property rights in the

European Union and in many countries around the world. In addition, to extend its proprietary rights, HTG has purchased trademarks, domain name registrations and copyrights. In the future, we may acquire or license additional intellectual property assets and rights from third parties, which could require significant cash expenditures.

We rely on a combination of trademark, copyright, and trade secret laws, international treaties, contractual provisions, restrictions on disclosure, technological measures, and confidentiality and assignment agreements with our employees, consultants and third parties to protect our intellectual property assets from infringement and misappropriation. Our pending and future trademark applications may not be approved. Furthermore, effective intellectual property protection may not be available in every country in which we operate or intend to operate our business. There can be no assurance that others will not offer technologies, products, services, features, or concepts that are substantially similar to ours and compete with our business, or copy or otherwise obtain, disclose and/or use our brand, content, design elements, creative, editorial, and entertainment assets, or other proprietary information without authorization. We may be unable to prevent third parties from seeking to register, acquire, or otherwise obtain trademarks, service marks, domain names, or social media handles that are similar to, infringe upon or diminish the value of our trademarks, service marks, copyrights, and our other proprietary rights. Third parties have also obtained or misappropriated certain of our data through website scraping, robots, or other means to launch copycat sites, aggregate our data for their internal use, or to feature or provide our data through their respective websites, and/or launch businesses monetizing this data. While we routinely employ technological and legal measures in an attempt to divert, halt, or mitigate such operations, we may not always be able to detect or halt the underlying activities as technologies used to accomplish these operations continue to rapidly evolve.

Our intellectual property assets and rights are essential to our business. If the protection of our proprietary rights and data is inadequate to prevent use that is unauthorized or in a legal grey area or misappropriation by third parties, the value of our brand and other intangible assets may be diminished and competitors may be able to more effectively mimic our technologies, offerings, or features or methods of operations. For example, competitors have used in the past, and may use in the future, sophisticated website crawling mechanisms to collect (technological) data (*e.g.*, regarding inventory matching) from our websites. Even if we do detect such actions or misappropriations and decide to enforce our rights, litigation may be necessary to enforce our rights, and any enforcement efforts we undertake could be time-consuming and expensive, could divert our management's attention, and may result in a court determining that certain of our intellectual property rights are unenforceable. If we fail to protect our intellectual property and data in a cost-effective and meaningful manner, our competitive standing could be harmed; our Partners and Users could devalue the content of our platform; and our brand, reputation, business, results of operations, and financial condition could be materially adversely affected.

1.3.5 The inability to acquire, use or maintain our local trademarks and domain names for our sites could substantially harm our business, financial condition and results of operations.

We are the registrant of the HomeToGo trademarks used in our app and websites in numerous jurisdictions and have also registered various Internet domain names containing *e.g.*, our brand names for our websites combined with the relevant top level domain in those jurisdictions in which we are active (*e.g.*, www.hometogo.de). Additionally, many trademarks of our other brands are registered in numerous jurisdictions. As we seek to register our trademarks in new jurisdictions, we may encounter opposition which may hinder our ability to continue to register our trademarks as desired. Domain names are generally regulated by Internet regulatory bodies and are also subject to the trademark laws and other related laws of each country in which we operate. For any particular country, if we do not have, or cannot obtain or maintain on reasonable terms, the ability to use our trademarks, or to use or register our domain name, we could be forced either to incur significant additional expenses to market our platform within that country – including the development of a new brand – or elect not to market our platform in that country. In addition, we cannot rule out the possibility of losing our right to a particular trademark or domain due to overlooking an applicable trademark or domain renewal interval, or due to missing evidence of use of a trademark.

Furthermore, the regulations governing domain names and laws protecting marks and similar proprietary rights could change in ways that block or interfere with our ability to use relevant domains or our current brands. In addition, we might not be able to prevent third parties from registering, using or retaining domain names that interfere with our User communications or infringe or otherwise decrease the value of our marks, domain names and other proprietary rights. Regulatory bodies may establish additional generic or country-code top-level domains or may allow modifications of the requirements for registering, holding or using domain names. As a result, we might not be able to register, use or maintain the domain names that utilize our brand names in all of the countries in which we currently conduct business or intend to conduct business in the future, which, alone or in combination with the above risks, could have a material adverse effect on the further implementation and expansion of our business.

1.3.6 Third parties might accuse us of infringing their intellectual property rights.

We might be subject to litigation and disputes related to our intellectual property rights and technology in the future, as well as disputes related to intellectual property and product offerings of third-party suppliers featured on our websites and apps. The costs of defending against such actions can be high, and there is no guarantee that such defenses will be successful. In addition, as our business expands and the number of competitors in our market increases, infringement claims against us could increase in number and significance.

Legal claims regarding intellectual property rights are subject to inherent uncertainties due to the complex issues involved, and we cannot be certain that we will be successful in defending ourselves against such claims. Many potential litigants have the ability to dedicate substantially greater resources than we allocate to the enforcement of intellectual property rights and defense of claims that may be brought against them. If successful, a claimant could secure a judgment against us for substantial damages or prevent us from conducting our business as HTG has historically done so or as we may desire to do so in the future. We could also be required to seek additional licenses or pay royalties for the use of the intellectual property we need to conduct our business, which might not be available on commercially acceptable terms or at all. Alternatively, we may be forced to develop non-infringing technology or intellectual property on a proprietary basis, which could be expensive and/or unsuccessful.

HTG has received in the past, and we anticipate receiving in the future, communications alleging that certain items posted on our websites or apps violate third-party copyrights, marks and trade names or other intellectual property rights or other proprietary rights. Brand and content owners and other proprietary rights owners have actively asserted their purported rights against online companies, including HTG. Such claims, whether or not meritorious, could result in significant additional expenses, redirect management attention and have an adverse effect on our reputation as well as on our financial condition.

1.3.7 Our use of "open source" software could adversely affect our ability to offer our platform and services and subject us to costly litigation and other disputes and increase our risk that hackers could gain unauthorized access.

HTG has in the past incorporated, and we may in the future incorporate, certain "open source" software into our code base as we continue to develop our platform and services. Open source software is generally licensed by its authors or other third parties under open source licenses, which in some instances may subject us to certain unfavorable conditions, including requirements that we offer our products that incorporate the open source software for no cost, that we make publicly available the source code for any modifications or derivative works we create based upon, incorporating or using the open source software, or that we license such modifications or derivative works under the terms of the particular open source license. From time to time, companies that use open source software have faced claims challenging the use of open source software or compliance with open source license terms. Furthermore, there is an increasing number of open-source software license types, almost none of which have been tested in a court of law, resulting in a dearth of guidance regarding the proper legal interpretation of such licenses. We could be subject to suits by parties claiming ownership of what we believe to be open source software or claiming noncompliance with open source licensing terms.

While we employ practices designed to monitor our compliance with the licenses of third-party open source software and protect our proprietary source code, inadvertent use of open source software is fairly common in software development in the Internet and technology industries. Such inadvertent use of open source software could expose us to claims of non-compliance with the applicable terms of the underlying licenses, which could lead to unforeseen business disruptions, including being restricted from offering parts of our product that incorporates the software, being required to publicly release proprietary source code, being required to re-engineer parts of our code base to comply with license terms, or being required to extract the open source software at issue. Our exposure to these risks may be increased as a result of evolving our core source code base, introducing new offerings, integrating acquired-company technologies, or making other business changes, including in areas where we do not currently operate. Any of the foregoing could adversely impact the value or enforceability of our intellectual property, and materially adversely affect our business, results of operations, and financial condition.

The use of open source software can also present additional security risks because the source code for open source software is publicly available, which could make it easier for third parties to determine how to breach our websites and systems that rely on open source software. Any unauthorized access to our systems as well as third-party challenges to our User rights could divert our management's attention from day-to-day tasks, incur significant legal costs and thus have a material adverse effect on our reputation, business and financial condition.

1.3.8 We may not be able to obtain and maintain the licenses or other (usage) rights required to operate our business as intended.

The operation of our business requires a number of licenses and other (usage) rights, *e.g.*, in connection with integrating content into our platform. In the future, we may require additional licenses (*e.g.*, if legal environments change or we provide additional services). There is, however, no guarantee that we will be able to obtain all required licenses or other (usage) rights or that we will manage to comply with all requirements imposed on us thereunder. If we fail to obtain and maintain such licenses or rights, we may not be able to conduct our business as intended, which may adversely affect our growth and profitability.

1.3.9 The control and prevention mechanisms of our compliance structure might not be sufficient to adequately protect us from all legal or financial risks.

To protect us against legal risks and other potential harm, we have introduced, or are in the process of introducing, several compliance programs including a code of conduct, an anti-corruption policy, sanctions framework and further programs. These codes, guidelines and policies and the oversight of our internal compliance and legal departments might not be sufficient to prevent all unauthorized practices, legal infringements, corruption and fraud or other adverse consequences of non-compliance within our organization or by or on behalf of our employees. Any compliance failure could harm our reputation and have a material adverse effect on our business, financial condition, results of operations and prospects.

1.3.10 Laws, regulations, and rules that affect the short-term rental and home sharing business have limited and may continue to limit the ability or willingness of our current or potential Partners to offer properties for short-term rent and expose them to significant penalties, which have had and could continue to have a material adverse effect on our business, results of operations, and financial condition.

Since HTG launched its operations in 2014, there have been and continue to be legal and regulatory developments that affect the short-term rental and home sharing business. Hotels and groups affiliated with hotels have engaged and will likely continue to engage in various lobbying and political efforts for stricter regulations governing our business in both local and national jurisdictions. Other private groups, such as homeowners, landlords, and condominium and neighborhood associations, have adopted contracts or regulations that purport to ban or otherwise restrict short-term rentals, and third-party lease agreements between landlords and tenants, home insurance policies, and mortgages may prevent or restrict the ability of Partners to list their properties. In Europe, a group of mayors representing 22 cities (including Amsterdam, Barcelona, and London) has been meeting with the European Commission to seek increased regulatory control in relation to short-term rental platforms. These groups and others cite concerns around affordable housing and over-tourism in major cities, and some state and local governments have implemented or considered implementing rules, ordinances, or regulations governing the short-term rental of properties and/or home sharing. Such regulations include ordinances that restrict or ban Partners from short-term rentals, set annual caps on the number of days Partners can share their homes, require Partners to register with the municipality or city, or require Partners to obtain permission before offering short-term rentals. In addition, some jurisdictions regard short-term rental or home sharing as "hotel use" and claim that such use constitutes a conversion of a residential property to a commercial property requiring a permitting process. Macroeconomic pressures and public policy concerns could continue to lead to new laws and regulations, or interpretations of existing laws and regulations, that limit the ability of Partners to offer properties for short-term rent. If laws, regulations, rules, or agreements significantly restrict or discourage Partners in certain jurisdictions from sharing their properties, it would have a material adverse effect on our business, results of operations, and financial condition.

While a number of cities and countries have implemented legislation to address short-term rentals, there are many others that are not yet explicitly addressing or enforcing short-term rental laws, and could follow suit and enact regulations. New laws, regulations, government policies, or changes in their interpretations in the cities where we operate entail significant challenges and uncertainties. In the event of any such changes, pre-existing bookings may not be honored and current and future listings and bookings could decline significantly, and our relationship with our Partners and Users could be negatively impacted, which would have a materially adverse effect on our business, results of operations, and financial condition. For example, when new regulations requiring us to share Partner data with the city in which such Partner's property is located, such Partner may withdraw its Offers from our platform.

While we seek to work with governments, HTG has in the past, and we are likely in the future to, become involved in disputes with government agencies regarding such laws and regulations. For example, some governments have attempted to impose fines on us regarding what they contend is illegal offering of short-term accommodations or non-compliance with requests for information in violation of applicable laws. Certain jurisdictions have adopted laws and regulations that seek to impose lodging taxes, often known as transient or occupancy taxes, on travelers, collection and remittance obligations on our Partners and/or us, and withholding obligations on us. In addition, some third parties and regulators have asserted that we, through our operations, are subject to regulations with respect to short-term rentals, Partner registration, licensing, and other requirements for the listing of accommodations, such as real estate broker or agent licenses, travel agency licenses, and insurance-related licenses. We could be held liable and incur significant financial and potential criminal penalties if we are found to have violated any of these regulations.

In certain jurisdictions, HTG has resolved disputes concerning the application of these laws and regulations by agreeing, among other things, to share certain data with government agencies in order to assist in the enforcement of limits on short-term rentals as well as the enforcement of safety regulations, and to implement measures to confirm to the government that Partners are operating in compliance with applicable law. When a government agency seeks to apply laws and regulations in a manner that limits or curtails Partners' and Users' ability or willingness to offer and search for accommodations in that particular geography, HTG has attempted, and we may continue to attempt, through litigation or other means to defend against such application of laws and regulations, but has sometimes been, and we may continue to be, unsuccessful in certain of those efforts. Further, if we or our Partners and Users were required to comply with laws and regulations, government requests, or agreements with government agencies that adversely impact our relations with Partners and Users, our business, results of operations, and financial condition would be materially adversely affected. Moreover, if we enter an agreement with a government or governmental agency to resolve a dispute, the terms of such agreement will likely be publicly available and could create a precedent that may put us in a weaker bargaining position in future disputes with other governments.

1.3.11 We are subject to a wide variety of complex, evolving, and sometimes inconsistent and ambiguous laws and regulations that may adversely impact our operations and discourage Partners and Users from using our platform, and that could cause us to incur significant liabilities which could have a material adverse effect on our business, results of operations, and financial condition.

There are national, state, local, and foreign laws and regulations in jurisdictions that relate to or affect our business. Moreover, the laws and regulations of each jurisdiction in which we operate are distinct and may result in inconsistent or ambiguous interpretations among local, regional, or national laws or regulations applicable to our business. Compliance with laws and regulations of different jurisdictions imposing varying standards and requirements is burdensome for businesses like ours, imposes added cost and increases potential liability to our business, and makes it difficult to realize business efficiencies and economies of scale. For example, we incur significant operational costs to comply with requirements of jurisdictions and cities that have disparate requirements around tax collection, tax reporting, Partner registration, limits on lengths of stays, and other regulations, each of which require us to dedicate significant resources to provide the infrastructure and tools needed on our platform for our Partners to meet these legal requirements and for us to fulfill any obligations we may have. The complexity of our platform and changes required to comply with the large number of disparate requirements can lead to compliance gaps if our internal resources cannot keep up with the pace of regulatory change and new requirements imposed on our platform, or if our platform does not work as intended or has errors or bugs.

It may be difficult or impossible for us to investigate or evaluate laws or regulations in all cities, countries, and regions. The application of existing laws and regulations to our business and platform can be unclear and may be difficult for Partners, Users, and us to understand and apply, and are subject to change, as governments or government agencies seek to apply legacy systems of laws or adopt new laws to new online business models in the travel and accommodations industries, including ours. Uncertain and unclear application of such laws and regulations to Partner and User activity and our platform could cause and has caused some Partners to leave or choose not to use our platform for their Offers, more generally reduce supply and demand for our platform and services, increase the costs of compliance with such laws and regulations, and increase the threat of litigation or enforcement actions related to our platform, all of which would materially adversely affect our business, results of operations, and financial condition.

There are laws that apply to us, and there are laws that apply to our Partners and/or Users. While we require our Partners and Users to comply with their own independent legal obligations under our terms of service, we have limited means of enforcing or ensuring the compliance of our Partners and Users with all applicable legal requirements. Sometimes governments try to hold us responsible for laws that apply to our Partners and/or Users. Whether applicable to us, our Partners, and/or our Users, the related consequences arising out of such laws and regulations, including penalties for violations of and costs to maintain compliance with such laws and regulations, have had and could continue to have a material adverse effect on our reputation, business, results of operations, and financial condition.

We take certain measures to comply, and to help Partners comply, with laws and regulations, such as requiring registration numbers to be displayed on a listing profile for listings in some jurisdictions where such registration is required. These measures, changes to them, and any future measures we adopt could increase friction on our platform, and reduce the number of listings available on our platform from Partners and bookings by Users, and could reduce the activity of Partners and Users on our platform. We may be subject to additional laws and regulations which could require significant changes to our platform that discourage Partners and Users from using our platform.

We are also subject to laws regulating employment, employee working conditions, including wage and hour laws, employment dispute and employee bargaining processes, collective and representative actions, and other employment compliance requirements.

As a result of the COVID-19 pandemic, many jurisdictions have also adopted laws, rules, regulations, and/or decrees intended to address the COVID-19 pandemic, including implementing travel restrictions or restricting access to city centers or limiting accommodation offerings in surrounding areas. In addition, many jurisdictions have limited social mobility and gatherings. As the COVID-19 pandemic develops, governments, corporations, and other authorities may continue to implement restrictions or policies that could further restrict the ability of our Partners and customers to participate on our platform.

There is increased governmental interest in regulating technology companies in areas including privacy, tax, data localization and data access, algorithm-based discrimination, and competition. In addition, climate change and greater emphasis on sustainability could lead to regulatory efforts to address the carbon impact of housing and travel. As a result, governments may enact new laws and regulations and/or view matters or interpret laws and regulations differently than they have in the past, and in a manner that could materially adversely affect our business, results of operations, and financial condition.

Any new or existing laws and regulations applicable to existing or future business areas, including amendments to or repeal of existing laws and regulations, or new interpretations, applications, or enforcement of existing laws and regulations, could expose us to substantial liability, including significant expenses necessary to comply with such laws and regulations, and materially adversely impact bookings on our platform, thereby materially adversely affecting our business, results of operations, and financial condition. Furthermore, some of our Partners or some of our offerings may now or in the future be subject to the European Package Travel Directive, which imposes various obligations upon package providers and upon marketers of travel packages, such as disclosure obligations to consumers and liability to consumers.

1.3.12 We are subject to regulatory inquiries, litigation, and other disputes, which have materially adversely affected and could materially adversely affect our business, results of operations, and financial condition.

HTG has been, and we expect to continue to be, a party to various legal and regulatory claims, litigation or pre-litigation disputes, and proceedings arising in the normal course of business. The number and significance of these claims, disputes, and proceedings have increased as HTG has grown larger, the number of bookings on its platform has increased, there is increased brand awareness, and the scope and complexity of HTG's business have expanded, and we expect they will continue to increase.

HTG has been, and we expect to continue to be, subject to various government inquiries, investigations, and proceedings related to legal and regulatory requirements such as compliance with laws related to short-term rentals, tax, consumer protection, pricing, advertising, discrimination, data protection, data sharing, payment processing, privacy, and competition. In many cases, these inquiries, investigations, and proceedings can be complex, time consuming, costly to investigate, and require significant company and also management attention. For certain matters, we are implementing recommended changes to our products, operations, and compliance practices, including enabling tax collection, tax reporting, display of object registration numbers, and removal of noncompliant listings. We are unable to predict the outcomes and implications of such inquiries, investigations, and proceedings on our business, and such inquiries, investigations, and proceedings could result in large fines and penalties and require changes to our products and operations, and materially adversely affect our brand, reputation, business, results of operations, and financial condition. In some instances, applicable laws and regulations do not yet exist or are being adapted and implemented to address certain aspects of our business, and such adoption or change in their interpretation could further alter or impact our business and subject us to future government inquiries, investigations, and proceedings.

HTG has been involved in litigation with consumer protection associations, municipalities and other government authorities, including as a plaintiff and as a defendant, concerning laws seeking to limit or outlaw short-term rentals and to impose obligations or liability on HTG as a platform. For example, as described in Section 1.3.2 above, the city of Paris brought an action against our subsidiary Casamundo GmbH for failure to respond to a request for information. The same subsidiary in the first instance successfully submitted a suit against an administrative penalty by the city of Vienna enforced due to the alleged failure to display identification and contact details of property owners in Vienna.

We may also become more vulnerable to third-party claims as European laws such as the European E-Commerce Directive and/or laws in other jurisdictions are interpreted by the courts or otherwise modified or amended, as our platform and services provided to our Partners and customers continue to expand, and as we expand geographically into jurisdictions where the underlying laws with respect to the potential liability of online intermediaries such as ourselves are either unclear or less favorable. Furthermore, we face claims and litigation relating to fatalities, violent acts, illness (including COVID-19), cancellations and refunds, personal injuries, property damage and privacy violations that occurred at listings or experiences during a booking made on our platform.

In addition, in the ordinary course of business, disputes may arise because we are alleged to have infringed third parties' intellectual property or in which we agree to provide indemnification to third parties with respect to certain matters, including losses arising from our breach of such agreements or from intellectual property infringement claims, or where we make other contractual commitments to third parties.

Adverse results in any regulatory inquiry, litigation, legal proceedings, or claims may include awards of potentially significant monetary damages, including statutory damages for certain causes of action in certain jurisdictions, penalties, fines, injunctive relief, royalty or licensing agreements, or orders preventing us from offering certain services. Moreover, many regulatory inquiries, litigation, legal proceedings, or claims are resolved by settlements that can include both monetary and nonmonetary components. Adverse results or settlements may result in changes in our business practices in significant ways, increased operating and compliance costs, and a loss of revenue. In addition, any litigation or pre-litigation claims against us, whether or not meritorious, are time consuming, require substantial expense, and result in the diversion of significant operational resources. We use various software platforms that in some instances have limited functionality which may impede our ability to fully retrieve records in the context of a governmental inquiry or litigation. In addition, our insurance may not cover all potential claims to which we are exposed and may not be adequate to indemnify us for all liability that may be imposed. As we continue to grow, regulatory inquiries, litigation, legal proceedings, and other claims will continue to consume significant company resources and adverse results in future matters could materially adversely affect our business, results of operations, and financial condition.

1.3.13 We could face liability for information or content on or accessible through our platform.

We could face claims relating to information or content that is published or made available on our platform. Although content on our platform is, to a large extent, provided by our Partners and not by us, claims of defamation, disparagement, negligence, warranty, personal harm, intellectual property infringement, or other alleged damages could be asserted against us. While we rely on a variety of legal frameworks and defenses, including those the E-Commerce Directive in the European Union, differences between statutes, limitations on immunity, requirements to maintain immunity, and moderation efforts in the many jurisdictions in which we operate may affect our ability to rely on these frameworks and defenses, or create uncertainty regarding liability for information or content uploaded by Partners and Users or otherwise contributed by third parties to our platform. Moreover, regulators in Germany, Europe or in other countries may introduce new regulatory regimes that increase potential liability for information or content available on our platform. For example, the European Union is reviewing the regulation of digital services, and it has been reported that the European Union plans to introduce the Digital Services Act ("**DSA**"), a package of legislation intended to update the liability and safety rules for digital platforms, products, and services, which could negatively impact the scope of the limited immunity provided by the E-Commerce Directive. Some European jurisdictions have also proposed or intend to pass legislation that imposes new obligations and liabilities on platforms with respect to certain types of harmful content. In parallel, the European Commission is working on a legislative proposal to introduce new ex ante regulation of online platforms and new market investigation powers as a separate piece of legislation, the Digital Markets Act ("**DMA**"). If the DMA is enacted, it may contain certain regulatory requirements and/or obligations that negatively impact our business. Some European jurisdictions are also reviewing their competition rules in relation to digital platforms which could lead to new regulations similar to the DMA at national level. Furthermore, there is proposed U.S. federal legislation seeking to hold platforms liable for user-generated content, including content related to short-term rentals. We could incur significant costs investigating and defending such claims and, if we are found liable, significant damages. While the scope and timing of these proposals are currently uncertain, if enacted and applied to our platform, the new rules may adversely affect our business.

Because liability often flows from information or content on our platform and/or services accessed through our platform, as we continue to expand our offerings, tiers, and scope of business, both in terms of the range of offerings and services and geographical operations, we may face or become subject to additional or different laws and regulations. Our potential liability for information or content created by third parties and posted to our platform could require us to implement additional measures to reduce our exposure to such liability, may require us to expend significant resources, may limit the desirability of our platform to Partners and Users, may cause damage to our brand or reputation, and may cause us to incur time and costs defending such claims in litigation, thereby materially adversely affecting our business, results of operations, and financial condition.

In the European Union, the Consumer Rights Directive and the Unfair Commercial Practices Directive harmonized consumer rights across the EU member states. If Consumer Protection Regulators find that we are in breach of consumer protection laws, we may be fined or required to change our terms and processes, which may result in increased operational costs. Consumers and certain Consumer Protection Associations may also bring individual claims against us if they believe that our terms and/or business practices are not in compliance with local consumer protection laws. Currently, class actions may also be brought in certain countries in the European Union, and the Collective Redress Directive will extend the right to collective redress across the European Union.

1.3.14 To a large extent, we use standardized contracts and terms and conditions, which increases the risk if any clause is held to be void.

We maintain legal relationships with a large number of Partners, Users or other third parties. In this context, we also use standardized documents, contracts and terms and conditions. If such documents, contracts or terms and conditions are found to contain provisions that are interpreted in a manner disadvantageous to us, or if any clauses are held to be void and thereby replaced by statutory provisions that are disadvantageous to us, a large number of our contractual relationships could be affected.

In addition, standardized terms and conditions must comply with the statutory laws on general terms and conditions in the various countries in which we currently operate, which means that in many countries such standardized terms and conditions are subject to intense scrutiny by the courts. We cannot guarantee that all standardized terms and conditions we use currently comply and will continue to comply with the relevant requirements. Even if terms and conditions are prepared with legal advice, it is impossible for us to guarantee that they are valid, given that changes may continue to occur in the laws applicable to such terms and conditions and/or their interpretation by the courts. If clauses in our standardized documents, contracts or terms and conditions are found to be void, this could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.3.15 Our business is subject to the general tax environment in the jurisdictions in which we are conducting our business and possible future changes may adversely affect our operations. We may be required to pay additional taxes, accrued interest and penalties following tax audits of the Group.

Our business is subject to the general tax environments in the countries in which we operate. Changes in tax legislation or case law, especially with regards to transnational e-commerce activities – which might be applied retroactively – could increase our tax burden. Since 2017, the G20/OECD Inclusive Framework has been working on addressing the tax challenges arising from the digitalization of the economy and has proposed a two-pillar tax approach with pillar one referring to the re-allocation of taxing rights, addressing issues such as where tax should be paid and on what basis (*i.e.*, where sustained and significant business is conducted, regardless of a physical presence), and pillar two ensuring a minimum tax to be paid by multinational enterprises. An agreement on the approach presented could have material adverse effects for us as a digital and multinational enterprise with regards to our tax obligations.

Changes in tax treatment of companies engaged in e-commerce in the jurisdictions in which we operate could adversely affect the commercial use of our sites and our financial results. For example, some jurisdictions in which we operate our business (*e.g.*, Italy) have introduced new local taxes on transnational e-commerce activities ("**digital services taxes**" or "**DST**"). These DST generally aim at securing taxation rights of the jurisdiction for the revenues / profits generated by the transnational e-commerce activities with customers who are resident in this specific jurisdiction. We have established a process to assess on a regular (*i.e.*, quarterly) basis whether or not our revenues / profits are subject to these DST. For 2020, it was concluded that there should be no such DST liability but there is a general risk that new local DST will be introduced or that the existing DST will be applied differently with the result that this could adversely affect our tax liability. We cannot predict the effect of current attempts to impose sales, income or other taxes on e-commerce. New or revised taxes – *e.g.*, sales taxes, VAT and similar taxes – would likely increase the cost of doing business online and decrease the attractiveness of advertising and renting accommodations over the Internet. New taxes could also lead to significant increases in internal costs necessary to capture data and collect and remit taxes.

Additionally, tax laws may be interpreted differently by the competent tax authorities and courts, and their interpretations may change at any time, which could lead to an increase of our tax burden. Accordingly, we may face unfounded tax claims in such countries. Moreover, legislators and tax authorities may change territoriality rules or their interpretation for the application of VAT on cross-border services, which may lead to significant additional payments for past and future periods. In addition, court decisions are sometimes ignored by competent tax authorities or overruled by higher courts, which could lead to higher legal and tax advisory costs and create significant uncertainty. New taxes could also result in additional costs necessary to collect the data required to assess these taxes and to remit them to the relevant tax authorities. Besides this, the documentation obligations under applicable VAT and VAT-related laws are considerable. Therefore, it cannot be ruled out that we may not fully comply, or, as the case may be, may have not fully complied with applicable VAT regulations throughout all phases of their development.

Taxes actually assessed in future tax audits for periods not yet covered by our last tax audit may exceed the taxes already paid by us. As a result, we may be required to make significant additional tax payments with respect to previous periods. Furthermore, the competent tax authorities could revise their original tax assessments. Any tax assessments that deviate from our expectations could lead to an increase in our tax burden. In addition, we may be required to pay interest on these additional taxes as well as late filing penalties. Any of these events occurring could, alone or in combination, have a material adverse effect on our business, financial condition, results of operations and prospects.

1.3.16 We might be exposed to tax risks resulting from deviating interpretations of applicable tax laws by the tax authorities or adverse amendments to current legislation.

HTG was in the past, and we expect it to continue to be, audited by the tax authorities regularly. As a result of such audits, the tax authorities could revise original tax assessments (*e.g.*, by refusing to recognize our entitlement to recover invoiced value-added taxes (VAT)) which might materially increase the tax burden (including interest and penalty payments) of the relevant entities of the Group.

Due to our operations in various jurisdictions, we are exposed to various tax risks, including risks based on transfer pricing rules which apply to cross-order business relationships. Pursuant to such transfer pricing rules, related enterprises are required to conduct any inter-company transactions on terms which would also apply among unrelated third parties concluding comparable agreements (so-called "arm's length principle") and to sufficiently document the relevant transactions. It cannot be excluded that one or more tax authorities might not agree with, and thus challenge the cross-jurisdictional transfer pricing model we implemented. For example, our documentation may be considered to be insufficient by the relevant tax authorities or transfer prices may be considered to be inadequate or inadequately justified. This may result in double taxation in two or more jurisdictions and penalties. Moreover, transfer pricing risks may increase in the future in case our intra-group cross-border business grows or changes or if tax authorities change their interpretation of applicable transfer pricing rules.

Furthermore, our business is subject to the general tax environment in the countries in which we operate. Changes in tax legislation, administrative practice or case law or treatments of tax facts by the relevant tax authorities which deviate from our assessments could result in a higher tax burden. The realization of any of these risks, alone or in combination, may have adverse effects on our business, financial condition and results of operations.

1.3.17 We might be exposed to tax risks regarding the elimination of tax losses and tax loss carry-forwards in connection with the changes of the Company's shareholder structure.

In cases (i) where, within any given five year period, more than 50% of the subscribed capital, membership rights, ownership rights or voting rights in a corporate entity are directly or indirectly transferred to an acquirer or to its related parties or to a group of acquirers with convergent interest, or (ii) where a comparable event occurs (a "**Relevant Change of Control**") the German Corporate Income Tax Act (*Körperschaftsteuergesetz*) provides for an elimination of tax loss carry forwards and current losses for German corporate income and trade tax purposes. In case of a Relevant Change of Control involving more than 50% of the subscribed capital, membership rights, ownership rights or voting rights, tax losses and tax loss carry forwards will be eliminated in their entirety. The same applies to an interest carry forward in the sense of the German earnings stripping rules. However, tax loss carry forwards and current losses are not eliminated, if and to the extent the entity recording such tax loss carry forwards and current losses holds assets which comprise built-in gains that are subject to German income taxation (the "**Built-in gains Exemption**").

According to our assessment (subject to potential adjustments made by the tax authorities in tax audits), HTG had (i) net operating losses for German entities for German corporate income tax purposes in the aggregate amount of approximately €79 million and (ii) net operating losses for German entities for German trade tax purposes in the aggregate amount of approximately €78 million each at the end of the fiscal year ended December 31, 2020 (together the "**Tax Loss Carry-Forwards**"). We believe that these Tax Loss Carry-Forwards have been and will be protected by the Built-in gains Exemption. However, if the tax authorities were not to follow this view, the Tax Loss Carry-Forwards might be eliminated fully or partially in case of future Relevant Change of Controls. Any such elimination would prevent us from offsetting the currently not recorded Tax Loss Carry-Forwards against future profits, if any, and result in a substantially higher effective tax rate on any such future profits for German corporate income tax and German trade tax purposes as currently anticipated by us.

1.4 Risks Related to the Public Shares and to the Business Combination

1.4.1 Upon conversion of the Public Warrants, the Founder Warrants and the Founder Shares into Public Shares, investors in the Public Shares may experience substantial dilution.

The Company placed 9,166,666 Class A warrants to subscribe for one Public Share, ISIN LU2290524383 (the "**Public Warrants**"), and 5,333,333 Class B warrants subscribed by the Founders (the "**Founder Warrants**"). Each Public Warrant and Founder Warrant entitles its holder to subscribe for one Public Share, with a stated exercise price of €11.50 (subject to customary anti-dilution adjustments). The Public Warrants and Founder Warrants will become exercisable 30 days after the consummation of the Business Combination and will expire five years from the date of the consummation of the Business Combination, *i.e.*, September 21, 2021, or earlier upon redemption by the Company or liquidation.

Furthermore, following the consummation of the Business Combination, the Founders hold 4,583,333 class B shares (the "**Founder Shares**"), which will convert into Public Shares in accordance with the following schedule: (i) 2,291,667 Founder Shares if, post consummation of the Business Combination, the closing price of the Public Shares for any 10 trading days within a 30 trading day period exceeds €12.00, and (ii) 2,291,666 Founder Shares if, post consummation of the Business Combination, the closing price of the Public Shares for any 10 trading days within a 30 trading day period exceeds €14.00.

The exercise of Public Warrants and Founder Warrants and the conversion of Founder Shares will substantially dilute the economic and voting rights of the existing holders of Public Shares between 11.5% and 14.6% and accordingly reduce the value of their interests in the Company.

1.4.2 There is no guarantee that following the Business Combination a liquid market for the Public Shares will develop and persist.

The shares of HomeToGo GmbH have not been publicly traded. There is no guarantee that following the Business Combination an active and liquid market for the Public Shares will develop and persist. Consequently, investors may not be able to sell their Public Shares at or above the price at which they acquired the Public Shares. In addition, the lack of trading history of the Public Shares of the Company as a holding company with respect to HTG's business will make it harder for investors to assess the future volatility of the price of the Public Shares. The development of the price of the Public Shares may be volatile and investors may lose all or part of their investments.

1.4.3 The payment of future dividends will depend on our business, financial condition, cash flows and results of operations.

The general shareholders' meeting will decide on matters relating to the payment of future dividends. Such decisions will be based on the Company's particular situation at the time, including its earnings, financial and capital expenditure needs, and the availability of distributable capital. In addition, some future financing arrangements may contain restrictions and covenants relating to leverage ratios and restrictions on dividend distributions upon a breach of any covenant. Any of these factors, individually or in combination, could restrict the Company's ability to pay dividends.

1.4.4 Prior to the Business Combination, the Company had no operating or financial history and the Company's financial position and results of operations may differ significantly from the unaudited pro forma consolidated financial information included in this Prospectus.

The Company has been recently incorporated and had no operating history and no revenue prior to the consummation of the Business Combination. This Prospectus includes (i) an unaudited pro forma consolidated statement of profit or loss for the six-month ended June 30, 2021 and an unaudited pro forma consolidated statement of profit or loss for the fiscal year ended December 31, 2020, giving effect to the Business Combination as if it had occurred on January 1, 2020, and (ii) an unaudited pro forma consolidated statement of financial position as of June 30, 2021, giving effect to the Business Combination as if it had occurred on June 30, 2021, prepared in accordance with the principles described in the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, Annex 20 Pro Forma Information (together, the "**Unaudited Pro Forma Consolidated Financial Information**").

The Unaudited Pro Forma Consolidated Financial Information is presented for illustrative purposes only and is not necessarily indicative of the financial position and results of operations that would have been achieved had the Business Combination and related transactions occurred on the dates indicated. Further, the Unaudited Pro Forma Consolidated Financial Information may not be useful in predicting the future financial condition and results of operations of the Company. The Company's future financial position and results of operations may differ significantly from any predictions based on the Unaudited Pro Forma Consolidated Financial Information.

1.4.5 Subsequent to the consummation of the Business Combination, the Company may be required to take write-downs or write-offs, restructuring and impairment or other charges that could have a significant negative effect on its financial condition, results of operations and share price, which could cause investors to lose some or all of their investment.

Although the Company has conducted due diligence on HTG, the Company cannot assure that this diligence revealed all material issues that may be present in HTG's business, that it would be possible to uncover all material issues through a customary amount of due diligence, or that factors outside of the Company's and HTG's control will not later arise. As a result, the Company may be forced to write down or write off assets, restructure its operations, or incur impairment or other charges that could result in losses. Even if the Company's due diligence successfully identifies certain risks, unexpected risks may arise and previously known risks may materialize in a manner not consistent with the Company's preliminary risk analysis. Even though these charges may be non-cash items and may not have an immediate impact on the Company's liquidity, the fact that the Company reports charges of this nature could contribute to negative market perceptions about the post-combination company or its securities. In addition, charges of this nature may cause the Company to be unable to obtain future financing on favorable terms or at all.

1.4.6 HomeToGo GmbH is a private company about which little information is available, and the Company's former management conducted a limited due diligence review of HomeToGo GmbH. As a result, the Company's former management board and supervisory board may not have properly valued HomeToGo GmbH.

As a private company, very little public information generally exists about HomeToGo GmbH, and as a result, the Company's former management board and supervisory board were only able to conduct a limited due diligence review, based on the materials provided. In addition, the Company's management board and supervisory board did not obtain a third-party valuation or fairness opinion in connection with the determination to approve the Business Combination. As a result, the Company's management board and supervisory board may not have made the necessary analyses and determinations regarding the Business Combination and the value of HomeToGo GmbH.

1.4.7 The Company's financial forecasts, which were prepared in connection with the Business Combination and are included in this Prospectus, may prove to be inaccurate.

In connection with the Business Combination, the Company, together with HTG, prepared certain forecasted financial information including, but not limited to, profitability, GBV, revenue, long-term growth rate and revenue composition. Such financial forecasts were based on numerous variables and assumptions at the time of preparation, all of which are inherently uncertain and many of which are beyond the Company's control. Important factors that may affect actual results and cause such financial forecasts to not be achieved include, but are not limited to, risks and uncertainties relating to the Company's business (including its ability to achieve strategic goals, objectives and targets over applicable periods), industry performance, the competitive environment, changes in technology, general business and economic conditions. The variables and assumptions underlying the Company's financial forecasts may prove to not have been, or may no longer be, accurate. Accordingly, such financial forecasts may not be realized, and actual results may be significantly higher or lower than projected. As a result, the inclusion of such forecasted financial information in this Prospectus should not be relied on as "guidance" or otherwise predictive of actual future events, and actual results may differ materially.

2. GENERAL INFORMATION

2.1 Responsibility Statement

The Company assumes responsibility for the content of this Prospectus pursuant to the Prospectus Regulation and declares that the information contained in this Prospectus is, to the best of its knowledge, correct and contains no material omissions, and that it has taken all reasonable care to ensure that the information contained in this Prospectus is, to the best of its knowledge, correct and contains no material omission likely to affect its import.

The Listing Agent (as defined below) makes no representation or warranty as to the accuracy or completeness of the information contained in the Prospectus.

2.2 Competent Supervisory Authority

The Prospectus for this listing has been approved by the CSSF in its capacity as competent authority under the Prospectus Regulation and the Luxembourg Prospectus Law for the purpose of the admission of the New Public Shares to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (General Standard), meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company or the quality of the Public Shares and investors should make their own assessment as to the suitability of investing in the Public Shares. Application has been made to notify BaFin in accordance with the European passport mechanism set forth Article 25 para. 1 of the Prospectus Regulation.

This Prospectus will be published in electronic form on the website of the Luxembourg Stock Exchange (http://www.bourse.lu) and on the Company's website at www.hometogo.com under the "Investor Relations" section. By approving this Prospectus, the CSSF gives no undertaking as to the economic or financial soundness of the transaction or the quality and solvency of the Company in line with the provisions of Article 6 para. 4 of the Luxembourg Prospectus Law.

The information on the websites does not form part of this Prospectus and has not been scrutinized or approved by the CSSF.

2.3 Purpose of this Prospectus

For the purpose of admissions to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), this Prospectus relates to 95,055,649 New Public Shares with par-value of €0.0192 each as part of (i) the consideration for the acquisition of HomeToGo GmbH from a capital increase against contributions in kind in the amount of 85,003,982 New Public Shares (the "**Consideration Shares**") and (ii) the issuance of 7,500,000 New Public Shares in the PIPE Financing (as defined below) against payment of €10.00 per Public Share (the "**PIPE Shares**") resolved on by the Company's management board ("**Management Board**") on September 21, 2021, and approved by the Company's supervisory board ("**Supervisory Board**") on the same day, utilizing the authorized capital under the Company's articles of association (the "**Articles of Association**") as well as (iii) the conversion of 2,551,667 Founder Shares, in accordance with the Promote Schedule (as defined below), on a one-on-one basis into 2,551,667 New Public Shares (including the 207,372 Founder Shares redeemed by the Sponsor as part of the payback of the remaining amount under the Additional Sponsor Subscription (as defined below), which are now held as treasury shares by the Company) on the trading day following the consummation date of the Business Combination, *i.e.*, the approval date of this Prospectus as the final closing condition (the "**Conversion Shares**").

2.4 Information on the Company's Securities

The Company is a European company (*Societas Europaea*) and its affairs are governed by the Articles of Association, the applicable Luxembourg law and Council Regulation no 2157/2001 of 8 October 2001 on the Statute for a European company (SE). The following description summarizes certain terms of the securities.

2.4.1 Shares

2.4.1.1 General

Prior to the Business Combination, the Company had issued 27,500,000 Public Shares and 7,135,000 Founder Shares, which were each issued at a par value of €0.0192.

The Company placed the gross proceeds from the placement of the Public Shares and the additional subscription by ANXA Holding PTE Ltd. (the "**Sponsor**") into an escrow account (the "**Escrow Account**") established with Deutsche Bank Aktiengesellschaft, business address Taunusanlage 12, 60325 Frankfurt am Main, Germany (telephone +49 (69) 91000; website: www.db.com), LEI 7LTWFZYICNSX8D621K86 ("**Deutsche Bank**") and opened by the Company's German affiliate LS I Advisors GmbH & Co. KG.

In connection with the Business Combination, the Company issued 85,003,982 New Public Shares to the HomeToGo Investors (as defined below) Option holders under HomeToGo VSOPs (as defined below) and 7,500,000 New Public Shares under the subscription agreements in connection with the Business combination entered into by the Company with investors (the "**PIPE Investors**") in a private investment in public equity transaction (the "**PIPE Financing**") to the PIPE Investors, each from its authorized capital under Luxembourg law. In addition, 2,551,667 Founder Shares (including the 207,372 Founder Shares redeemed by the Sponsor as part of the payback of the remaining amount under the Additional Sponsor Subscription, which are now held as treasury shares by the Company) converted into Public Shares on the trading day following the consummation date of the Business Combination. Hence, the share capital of the Company under its Articles of Association will amount to €2,441,068.45 and 127,138,982 Shares will be outstanding including:

- 122,555,649 Public Shares; and
- 4,583,333 Founder Shares.

All Public Shares carry full dividend rights from the date of their issuance.

For any matter submitted to a vote of the shareholders, except as required by Luxembourg law, holders of Public Shares and holders of Founder Shares will vote together as a single class, with each share entitling the holder to one vote.

In the event of a liquidation, dissolution or winding up of the Company, the holders of Public Shares are entitled to share pro rata in all assets remaining available for distribution to them after payment of liabilities.

Through the issuance of 85,003,982 New Public Shares in connection with the Business Combination, *i.e.*, the New Public Shares issued to the HomeToGo Investors (as defined below) and the Option holders under HomeToGo VSOPs (as defined below), the dividend rights of each existing holder of Public Shares were diluted by approximately 83%.

2.4.1.2 Founder Shares

The Founder Shares are designated as Class B Shares and, except as described below, are identical to the Public Shares and holders of Founder Shares have the same shareholder rights as holders of Public Shares, except that (i) the Founder Shares are subject to certain transfer restrictions, as described in more detail below, and (ii) until the Founder Shares convert into Public Shares in accordance with the Promote Schedule (as defined below), the Founder Shares will not have any rights to dividends and distributions or any right to participate in liquidation proceeds (prior to the redemption of the Public Shares).

2,551,667 Founder Shares (including the 207,372 Founder Shares redeemed by the Sponsor as part of the payback of the remaining amount under the additional sponsor subscription, which are now held as treasury shares by the Company) convert into Public Shares in connection with the consummation of the Business Combination. 2,291,667 Founder Shares convert into Public Shares if, post consummation of the Business Combination, the closing price of the Public Shares for any 10 trading days within a 30 trading day period exceeds €12.00, and 2,291,666 Founder Shares convert into Public Shares if, post consummation of the Business Combination, the closing price of the Public Shares for any 10 trading days within a 30 trading day period exceeds €14.00 (the "**Promote Schedule**").

The Sponsor and the other Founders have committed not to transfer, assign, pledge or sell any of the Founder Shares and Founder Warrants other than to Permitted Transferees (as defined below) in accordance with the Founder Lock-Up (as defined below). From the consummation of the Business Combination, the Public Shares received by the Founders as a result of conversion of their Founder Shares in accordance with the Promote Schedule, except for the Excluded Shares (as defined below), will become transferrable on the first anniversary of the Business Combination or earlier if, at any time, the closing price of the Public Shares equals or exceeds €12.00 for any 20 trading days within any 30-trading day period (the "**Founder Lock-Up**"). Any Permitted Transferees (as defined below) will be subject to the same restrictions as the Founders with respect to any Founder Shares and Founder Warrants. The "**Excluded Shares**" are a number of Public Shares representing half of the first tranche of Public Shares converted in accordance with the Promote Schedule that are transferable without restrictions by the Founders from the consummation of the Business Combination.

The foregoing restrictions are not applicable to transfers (a) to the members of the Management Board or Supervisory Board or, in case an advisory board is established at the level of the Company, the members of such advisory board, any affiliates or family members of any members of the Management Board or Supervisory Board, any members or partners of the Sponsor or their affiliates, any affiliates of the Sponsor, or any employees of such affiliates; (b) in the case of an individual, by gift to a member of one of the individual's immediate family or to a trust, the beneficiary of which is a member of the individual's immediate family, an affiliate of such person or to a charitable organization; (c) in the case of an individual, by virtue of laws of descent and distribution upon death of the individual; (d) in the case of an individual, pursuant to a qualified domestic relations order; (e) by private sales or transfers made in connection with the consummation of a Business Combination at prices no greater than the price at which the Founder Shares and Founder Warrants were originally purchased; (f) in the form of pledges, charges or any other security interest granted to any lenders or other creditors, (g) of Founder Shares and Founder Warrants pursuant to enforcement of any security interest entered into in accordance with (f); (h) by virtue of the Sponsor's organizational documents upon liquidation or dissolution of the Sponsor; (i) to the Company for no value for cancellation in connection with the consummation of the Business Combination; (j) in the event of the liquidation of the Company prior to the completion of the Business Combination; or (k) in the event of the completion of a liquidation, merger, share exchange or other similar transaction concerning the Company which results in all of the holders of Public Shares having the right to exchange their Public Shares for cash, securities or other property subsequent to the completion the Business Combination (the "**Permitted Transferees**"); provided, however, that in the case of clauses (a) through (g) these Permitted Transferees must enter into a written agreement agreeing to be bound by these transfer restrictions and the other restrictions included in a certain agreement between the Company and its Founders.

2.4.2 Warrants

Pursuant to article 31.4 of the Articles of Association, the management board of the Company shall create a specific reserve in respect of the exercise of any Public Warrants and Founder Warrants issued by the Company (the "**Warrant Reserve**") and allocate and transfer sums contributed to the share premium and/or any other distributable reserve of the Company to such Warrant Reserve. The management board of the Company may, at any time, fully or partially convert amounts contributed to such Warrant Reserve to pay for the subscription price of any Public Shares to be issued further to an exercise of Public Warrants or Founder Warrants. The Warrant Reserve is not distributable or convertible prior to the exercise, redemption or expiration of all outstanding Public Warrants and Founder Warrants and may only be used to pay for the Public Shares issued pursuant to the exercise of such Public Warrants and Founder Warrants. Thereupon, the Warrant Reserve will be a distributable reserve.

2.4.2.1 Public Warrants

The Company has issued 9,166,666 Public Warrants. The Public Warrants will become exercisable 30 days after the consummation of a Business Combination. The Public Warrants will expire five years from the date of consummation of a Business Combination, or earlier upon redemption or liquidation. Except as described in more detail below, holders of Public Warrants may exercise their Public Warrants on a cashless basis unless the Company elects to require exercise against payment in cash of the exercise price.

A holder of Public Warrants may exercise its warrants only for a whole number of Public Shares. The terms and conditions of the Public Warrants are available on the Company's website (www.hometogo.com) under the "Investor Relations" section.

2.4.2.1.1 Redemption

Once the Public Warrants become exercisable, the Company may redeem the outstanding Public Warrants in the following two circumstances. The Company has established the following redemption criteria to permit a redemption call only if there is at the time of the call a significant premium to the Public Warrant exercise price or if the Company offers the possibility of a Make-Whole Exercise (as defined below).

The price of Public Shares issued upon such exercise may fall below the €18.00 or even the stated €11.50 Public Warrant exercise price after the redemption notice is issued. A decline in the price of the Public Shares will not result in the redemption notice being withdrawn or give rise to the right to withdraw an exercise notice.

2.4.2.1.1.1 Redemption of Public Warrants when the price per Public Share equals or exceeds €18.00

If, and only if, the closing price equals or exceeds €18.00 per Public Share for any 20 out of the 30 consecutive trading days ending three business days prior to the Company sending the redemption notice, the Company may redeem the Public Warrants

- in whole but not in part;
- at a price of €0.01 per Public Warrant; and
- upon a minimum of 30 days' prior written notice of redemption.

If the foregoing conditions are satisfied and the Company issues a notice of redemption of the Public Warrants, each holder of a Public Warrant will be entitled to exercise his, her or its warrant prior to the scheduled redemption date. In such case, the Public Warrants may be exercised on a cashless basis unless the Company elects to require exercise against payment of the exercise price in cash.

Upon exercise of the Public Warrants on a cashless basis, a Public Warrant holder will receive in aggregate a number of Public Shares equal to the number of Public Warrants validly exercised multiplied by the quotient of (i) the volume-weighted average price of the Public Shares as appearing on Bloomberg screen page HP (setting "**Weighted Average Line**") or any future successor screen page or setting of the Public Shares (the "**Share Price**") during a period of 20 consecutive trading days ending on the trading day immediately preceding the date on which the exercise of the Public Warrant is validly received by the Company (except in the event that Public Warrants are exercised following the receipt of a redemption notice by the Company, in which case the period of 20 consecutive trading days shall end on the date immediately preceding the date on which the redemption notice is issued by the Company) (the "**Averaging Period**") minus the exercise price, as it may have been adjusted pursuant to anti-dilution adjustments as described below, (ii) divided by Share Price during the Averaging Period.

Upon exercise of the Public Warrants on a cash basis, by contrast, the holder of a Public Warrant will receive one Public Share against payment in cash of the exercise price, as it may have been adjusted pursuant to anti-dilution adjustments as described below.

2.4.2.1.1.2 Redemption of Public Warrants when the price per Public Share equals or exceeds €10.00

If, and only if, the closing price is below €18.00 per Public Share but equals or exceeds €10.00 per Public Share for any 20 out of the 30 consecutive trading days ending three business days prior to the Company sending the redemption notice, the Company may, subject to the availability of sufficient reserves to redeem the Public Warrants on a cashless basis, redeem the Public Warrants

- in whole but not in part;
- at a price of €0.01 per Public Warrant; and
- upon a minimum of 30 days' prior written notice of redemption.

If the foregoing conditions are satisfied and the Company issues a notice of redemption, each Public Warrant holder may exercise its Public Warrants prior to the scheduled redemption date, at such holder's election, in cash or on a cashless basis. The numbers in the table below represent the number of Public Shares that a holder of a Public Warrant will receive in case of a cashless exercise in connection with a redemption by us pursuant to this redemption feature, based on the "fair market value" of the Public Shares on the corresponding redemption date (assuming holders elect to exercise their Public Warrants and such warrants are not redeemed for €0.01 per Public Warrant), determined for these purposes based on the volume weighted average price of the Public Shares during the 10 trading days immediately following the date on which the notice of redemption is sent to the holders of Public Warrants, and the number of months that the corresponding redemption date precedes the expiration date of the Public Warrants, each as set forth in the table below. The Company will provide the holders of Public

Warrants with the final fair market value no later than one business day after the 10-trading day period described above ends (the "**Make-Whole Exercise**").

References above to Public Shares shall include a security other than Public Shares into which the Public Shares have been converted or exchanged for in the event the Company is not the surviving company in the Business Combination. The numbers in the table below will not be adjusted when determining the number of Public Shares to be issued upon exercise of the Public Warrants if the Company is not the surviving entity following the Business Combination.

The share prices set forth in the column headings of the table below will be adjusted as of any date on which the number of shares issuable upon exercise of a Public Warrant or the exercise price of a Public Warrant is adjusted as set forth under Section "*2.4.2.1.3 Anti-Dilution Adjustments*" below. If the number of shares issuable upon exercise of a Public Warrant is adjusted, the adjusted share prices in the column headings will equal the share prices immediately prior to such adjustment, multiplied by a fraction, the numerator of which is the number of shares deliverable upon exercise of a Public Warrant immediately prior to such adjustment and the denominator of which is the number of shares deliverable upon exercise of a Public Warrant as so adjusted. The number of shares in the table below shall be adjusted in the same manner and at the same time as the number of shares issuable upon exercise of a Public Warrant. If the exercise price of a Public Warrant is adjusted, (i) in the case of an adjustment pursuant to the fifth paragraph in Section "*2.4.2.1.3 Anti-Dilution Adjustments*" below, the adjusted share prices in the column headings will equal the unadjusted share price multiplied by a fraction, the numerator of which is the higher of the Market Value and the Newly Issued Price (both as defined below) as set forth under Section "*2.4.2.1.3 Anti-Dilution Adjustments*" and the denominator of which is €10.00 and (ii) in the case of an adjustment pursuant to the second paragraph in Section "*2.4.2.1.3 Anti-Dilution Adjustments*" below, the adjusted share prices in the column headings will equal the unadjusted share price less the decrease in the exercise price of a warrant pursuant to such exercise price adjustment.

Fair Market Value of Public Shares									
Redemption Date (period to expiration of Public Warrants)	≤ €10.00	€11.00	€12.00	€13.00	€14.00	€15.00	€16.00	€17.00	≥ €18.00
60 months	0.261	0.281	0.297	0.311	0.324	0.337	0.348	0.358	0.361
57 months	0.257	0.277	0.294	0.310	0.324	0.337	0.348	0.358	0.361
54 months	0.252	0.272	0.291	0.307	0.322	0.335	0.347	0.357	0.361
51 months	0.246	0.268	0.287	0.304	0.320	0.333	0.346	0.357	0.361
48 months	0.241	0.263	0.283	0.301	0.317	0.332	0.344	0.356	0.361
45 months	0.235	0.258	0.279	0.298	0.315	0.330	0.343	0.356	0.361
42 months	0.228	0.252	0.274	0.294	0.312	0.328	0.342	0.355	0.361
39 months	0.221	0.246	0.269	0.290	0.309	0.325	0.340	0.354	0.361
36 months	0.213	0.239	0.263	0.285	0.305	0.323	0.339	0.353	0.361
33 months	0.205	0.232	0.257	0.280	0.301	0.320	0.337	0.352	0.361
30 months	0.196	0.224	0.250	0.274	0.297	0.316	0.335	0.351	0.361
27 months	0.185	0.214	0.242	0.268	0.291	0.313	0.332	0.350	0.361
24 months	0.173	0.204	0.233	0.260	0.285	0.308	0.329	0.348	0.361
21 months	0.161	0.193	0.223	0.252	0.279	0.304	0.326	0.347	0.361
18 months	0.146	0.179	0.211	0.242	0.271	0.298	0.322	0.345	0.361
15 months	0.130	0.164	0.197	0.230	0.262	0.291	0.317	0.342	0.361
12 months	0.111	0.146	0.181	0.216	0.250	0.282	0.312	0.339	0.361
9 months	0.090	0.125	0.162	0.199	0.237	0.272	0.305	0.336	0.361
6 months	0.065	0.099	0.137	0.178	0.219	0.259	0.296	0.331	0.361
3 months	0.034	0.065	0.104	0.150	0.197	0.243	0.286	0.326	0.361
0 months	--	--	0.042	0.115	0.179	0.233	0.281	0.323	0.361

The exact fair market value and redemption date may not be set forth in the table above, in which case, if the fair market value is between two values in the table or the redemption date is between two redemption dates in the table, the number of Public Shares to be issued for each Public Warrant exercised will be determined by a straight-line interpolation between the number of shares set forth for the higher and lower fair market values and the earlier and later redemption dates, as applicable, based on a 365 or 366-day year, as applicable. For example, if the volume weighted average price of the Public Shares during the 10 trading days immediately following the date on which the notice of redemption is sent to the holders of the Public Warrants is €11.00 per share, and at such time there are 57 months until the expiration of the Public Warrants, holders may choose to, in connection with this redemption feature, exercise their Public Warrants for 0.277 Public Shares for each whole Public Warrant. For an example, where the exact fair market value and redemption date are not as set forth in the table above, if the volume weighted average price of Public Shares during the 10 trading days immediately following the date on which the notice of redemption is sent to the holders of the Public Warrants is €13.50 per share, and at such time there are 38 months until the expiration of the Public Warrant, holders may choose to, in connection with this redemption feature, exercise their Public Warrants for 0.298 Public Shares for each whole Public Warrant. In no event will the Public Warrants be exercisable on a cashless basis in connection with this redemption feature for more than 0.361 Public Shares per Public Warrant (subject to adjustment). Finally, as reflected in the table above, if the Public Warrants are out of the money and about to expire, they cannot be exercised on a cashless basis in connection with a redemption by us pursuant to this redemption feature, since they will not be exercisable for any Public Shares.

The redemption features are structured to allow for all of the outstanding Public Warrants to be redeemed when the Public Shares are trading at or above €10.00 per Public Share, which may be at a time when the trading price of the Public Shares is below the exercise price of the Public Warrants. The Company has established this redemption feature to provide the Company with the flexibility to redeem the Public Warrants without the warrants having to reach the €18.00 per share threshold. Holders choosing to exercise their Public Warrants in connection with a redemption pursuant to this feature will, in effect, receive a number of Public Shares for their Public Warrants based on an option pricing model with a fixed volatility input as of the date of this Prospectus. This redemption right provides the Company with an additional mechanism by which to redeem all of the outstanding Public Warrants, and therefore have certainty as to the Company's capital structure as the Public Warrants would no longer be outstanding and would have been exercised or redeemed. The Company will be required to pay the applicable redemption price to holders of Public Warrants if the Company chooses to exercise this redemption right and it will allow the Company to quickly proceed with a redemption of the Public Warrants if it determines it is in the Company's best interest to do so. As such, the Company would redeem the Public Warrants in this manner when it believes it is in the Company's best interest to update the capital structure to remove the Public Warrants and pay the redemption price to the holders of Public Warrants.

As stated above, the Company can redeem the Public Warrants when the Public Shares are trading at a price starting at €10.00, which is below the exercise price of €11.50, because it will allow the Company to adjust its capital structure and cash position after the completion of the Business Combination while providing holders of Public Warrants with the opportunity to exercise their Public Warrants on a cashless basis for the applicable number of shares. If the Company chooses to redeem the Public Warrants when the Public Shares are trading at a price below the exercise price of the Public Warrants, this could result in the holders of Public Warrants receiving fewer Public Shares than they would have received if they had had the ability to wait to exercise their Public Warrants for Public Shares if and when such Public Shares were trading at a price higher than the exercise price of €11.50.

No fractional Public Shares will be issued upon exercise. If, upon exercise, a holder of a Public Warrant would be entitled to receive a fractional interest in a Public Share, the Company will round down to the nearest whole number of the number of Public Shares to be issued to the holder. If, at the time of redemption, the Public Warrants are exercisable for a security other than the Public Shares (for instance, if the Company is not the surviving company in the Business Combination), the Public Warrants may be exercised for such security. At such time as the Public Warrants become exercisable for a security other than the Public Shares, the Company (or surviving company) will use its commercially reasonable efforts to register the security issuable upon the exercise of the Public Warrants.

2.4.2.1.2 Settlement

The Public Warrants will be issued in bearer form. Holders of book-entry interests in the Public Warrants may exercise their Public Warrants through the relevant participant in Clearstream, Clearstream Banking and Euroclear Bank through which they hold the book-entry interests, following applicable procedures for exercise and payment. Upon issuance, the Public Shares will be credited to the accounts specified by the exercising holder.

If the holder of the Public Warrants has a right to elect either a cashless exercise of the Public Warrants or an exercise against payment in cash of the exercise price, such holder has to elect in which form to exercise the Public Warrants in the exercise form. In case of an exercise against payment in cash of the exercise price, such holder has to pay the exercise price, as it may have been adjusted pursuant to anti-dilution adjustments (as described in detail below). In case the Company elects to require exercise against payment in cash of the exercise price, the Company will inform the holder of the Public Warrants within three business days after receipt of the exercise form accordingly (unless the Company already exercised its right to elect to require exercise against payment in cash of the exercise price in its redemption notice).

The holders of the Public Warrants do not have the rights or privileges of holders of Public Shares and any voting rights until they exercise the Public Warrants and receive Public Shares. After the issuance of Public Shares upon exercise of the Public Warrants, each holder will be entitled to one vote for each Share held in the general shareholders' meeting of the Company.

No fractional Public Shares will be issued upon exercise of the Public Warrants. If, upon exercise of the Public Warrants, a holder would be entitled to receive a fractional interest in a Public Share, the Company will, upon exercise, round down to the nearest whole number the number of Public Shares to be issued to the holder of Public Warrants.

2.4.2.1.3 Anti-Dilution Adjustments

If the number of outstanding Public Shares is increased by a share dividend payable in Public Shares, or by a split-up of Public Shares or other similar event, then, on the effective date of such share dividend, split-up or similar event, the number of Public Shares issuable on exercise of each Public Warrant will be increased in proportion to such increase in the outstanding Public Shares. A rights offering to holders of Public Shares entitling holders to purchase Public Shares at a price less than the historical fair market value will be deemed a share dividend of a number of Public Shares equal to the product of (i) the number of Public Shares actually sold in such rights offering (or issuable under any other equity securities sold in such rights offering that are convertible into or exercisable for Public Shares) and (ii) one minus the quotient of (x) the price per Public Share paid in such rights offering and (y) the historical fair market value. For these purposes, (i) if the rights offering is for securities convertible into or exercisable for Public Shares, in determining the price payable for Public Shares, there will be taken into account any consideration received for such rights, as well as any additional amount payable upon exercise or conversion and (ii) historical fair market value means the volume weighted average price of Public Shares as reported during the ten (10) trading day period ending on the trading day prior to the first date on which the Public Shares trade on the applicable exchange or in the applicable market, regular way, without the right to receive such rights.

In addition, if the Company, at any time while the Public Warrants are outstanding and unexpired, pay a dividend to the holders of Public Shares or make a distribution in cash, securities or other assets to the holders on account of such Public Shares (or other securities into which the Public Warrants are convertible), other than (a) as described above, (b) any cash dividends or cash distributions which, when combined on a per share basis with all other cash dividends and cash distributions paid on the Public Shares during the fiscal year preceding the date of declaration of such dividend or distribution does not exceed €0.50 (as adjusted to appropriately reflect any other adjustments and excluding cash dividends or cash distributions that resulted in an adjustment to the exercise price or to the number of Public Shares issuable on exercise of each Public Warrant), but only with respect to the amount of the aggregate cash dividends or cash distributions equal to or less than €0.50 per share, (c) to satisfy the redemption rights of the holders of Public Shares in connection with the Business Combination, (d) to satisfy the redemption rights of the holders of Public Shares in connection with a shareholder vote to amend the Articles of Association (A) to modify the substance or timing of the Company's obligation to redeem 100% of the Public Shares if the Company do not complete the Business Combination within 24 months from the date on which trading in the Public Shares and Public Warrants initially commenced (*i.e.*, February 22, 2021) or within three additional months if the Company signs a legally binding agreement with the seller of a target within the initial 24 months ("**Business Combination Deadline**") or (B) with respect to any other provisions relating to the rights of holders of the Public Shares, or (e) in connection with the redemption of the Public Shares upon the Company's failure to complete the Business Combination, then the Public Warrant exercise price will be decreased, effective immediately after the effective date of such event, by the amount of cash and/or the fair market value of any securities or other assets paid on each Public Share in respect of such event.

If the number of outstanding Public Shares is decreased by a consolidation, combination, reverse share split or reclassification of Public Shares or other similar event, then, on the effective date of such consolidation, combination, reverse share split, reclassification or similar event, the number of Public Shares issuable on exercise of each Public Warrant will be decreased in proportion to such decrease in outstanding Public Shares.

Whenever the number of Public Shares purchasable upon the exercise of the Public Warrants is adjusted, as described above, the Public Warrant exercise price will be adjusted by multiplying the Public Warrant exercise price immediately prior to such adjustment by a fraction (x) the numerator of which will be the number of Public Shares purchasable upon the exercise of the Public Warrants immediately prior to such adjustment and (y) the denominator of which will be the number of Public Shares so purchasable immediately thereafter.

In addition, if (x) the Company issues additional Public Shares or equity-linked securities for capital raising purposes in connection with the consummation of the Business Combination (the "**Closing**") at an issue price or effective issue price of less than €9.20 per Public Share (with such issue price or effective issue price to be determined in good faith by us and, in the case of any such issuance to the Sponsor or Founders or their affiliates, without taking into account any Founder Shares held by the Sponsor or Founders or such affiliates, as applicable, prior to such issuance (the "**Newly Issued Price**"), (y) the aggregate gross proceeds from such issuances represent more than 60% of the total equity proceeds, and interest thereon, available for the funding of the Business Combination on the date of the consummation of the Business Combination, *i.e.*, September 21, 2021, (net of redemptions), and (z) the volume weighted average price of Public Shares during the 20 trading day period starting on the trading day prior to the day on which the Company consummates the Business Combination (the "**Market Value**") is below €9.20 per share, (i) the exercise price of the Public Warrants will be adjusted (to the nearest cent) to be equal to 115% of the higher of the Newly Issued Price or the Market Value, (ii) the €18.00 per share redemption trigger price described above under "*2.4.2.1.1.1 - Redemption of Public Warrants when the price per Public Share equals or exceeds €18.00*" and "2*.4.2.1.1.2 - Redemption of Public Warrants when the price per Public Share equals or exceeds €10.00*" will be adjusted (to the nearest cent) to be equal to 180% of the higher of the Market Value and the Newly Issued Price, and (iii) the €10.00 per share redemption trigger price described above under "2*.4.2.1.1.2 - Redemption of Public Warrants when the price per Public Share equals or exceeds €10.00*" will be adjusted (to the nearest cent) to be equal to the higher of the Market Value and the Newly Issued Price.

In case of any reclassification or reorganization of the outstanding Public Shares (other than those described above or that solely affects the par value of such Public Shares), or in the case of any merger or consolidation of the Company with or into another corporation (other than a consolidation or merger in which the Company is the continuing corporation and that does not result in any reclassification or reorganization of the Company's outstanding Public Shares), or in the case of any sale or conveyance to another corporation or entity of the assets or other property of the Company as an entirety or substantially as an entirety in connection with which the Company is dissolved, the holders of the Public Warrants will thereafter have the right to purchase and receive, upon the basis and upon the terms and conditions specified in the Public Warrants and in lieu of the Public Shares immediately theretofore purchasable and receivable upon the exercise of the rights represented thereby, the kind and amount of Public Shares or other securities or property (including cash) receivable upon such reclassification, reorganization, merger or consolidation, or upon a dissolution following any such sale or transfer, that the holder of the Public Warrants would have received if such holder had exercised their Public Warrants immediately prior to such event. If less than 70% of the consideration receivable by the holders of Public Shares in such a transaction is payable in the form of Public Shares in the successor entity that is listed for trading on a national securities exchange or is quoted in an established over-the-counter market, or is to be so listed for trading or quoted immediately following such event, and if the holder of the Public Warrant properly exercises the Public Warrant within 30 days following public disclosure of such transaction, the Public Warrant exercise price will be reduced based on the Black-Scholes value of the Public Warrant (as defined in the terms and conditions of the Public Warrants). The purpose of such exercise price reduction is to provide additional value to holders of the Public Warrants when an extraordinary transaction occurs during the exercise period of the Public Warrants pursuant to which the holders of the Public Warrants otherwise do not receive the full potential value of the Public Warrants.

2.4.2.2 Founder Warrants

The Founders have subscribed for an aggregate of 5,333,333 Founder Warrants (€8,000,000 in the aggregate) in a separate private placement at the initial listing of the Company. In addition, the Sponsor subscribed to 260,000 Founder Shares and 86,666 Founder Warrants, representing €2,600,000 (the "**Additional Sponsor Subscription**"). The Sponsor elected to request repayment of the remaining cash portion of the Additional Sponsor Subscription not used to cover the effects of negative interest in the amount of €2,073,718.77 by entering into an agreement with the Company to redeem 207,372 of Founder Shares and 69,124 Founder Warrants.

In addition, the Founders paid an additional purchase price for the Founder Warrants in the aggregate of €3,200,000. For the avoidance of doubt, no additional Founder Warrants were issued for this additional purchase price. The additional purchase price will be repaid to the Founders upon consummation of the Business Combination in the amount it was not used of approximately €2,250,000, subject to a final breakdown between the parties after closing of the Business Combination.

From the consummation of the Business Combination, the Founder Warrants are subject to the same Founder Lock-Up as the Founder Shares and any Public Shares held by the Founders due to the conversion of Founder Warrants.

The Founder Warrants will not be redeemable so long as they are held by the Founders or their Permitted Transferees, it being specified that if some or all of Founder Warrants are held by other holders than the Founders or their Permitted Transferees, such Founder Warrants will be redeemable by the Company under the same terms and conditions as those governing the redemption of Public Warrants. The Founders, or Permitted Transferees, always have the option to exercise the Founder Warrants on a cashless basis (subject to the availability of sufficient reserves of the Company or if the Founder pays the par value for each Public Share to be received under such cashless exercise in cash). Otherwise, and except for that, the Founder Warrants have terms and provisions that are identical to the Public Warrants that were sold in the Private Placement. If the Founder Warrants are held by holders other than the Founders or Permitted Transferees, the Founder Warrants will be redeemable and exercisable by the holders on the same basis as the Public Warrants.

The Founder Warrants will become exercisable 30 days after the consummation of the Business Combination. The Founder Warrants will expire five years from the date of consummation of the Business Combination, or earlier upon redemption or liquidation. No fractional Public Shares will be issued. If the holder of Founder Warrants elects to exercise the Founder Warrants on a cashless basis, the holder of the Founder Warrants will receive in aggregate a number of Public Shares that is equal to the number of Founder Warrants being exercised multiplied with (i) the Share Price during the period of 20 consecutive trading days ending on the trading day immediately preceding the date on which the conversion exercise request is validly received, minus the exercise price of the Founder Warrants and (ii) divided by the Share Price during the period of 20 consecutive trading days ending on the trading day immediately preceding the date on which the conversion exercise request is validly received.

The reason that the Company has agreed that the Founder Warrants may be exercisable on a cashless basis so long as they are held by the Founders or Permitted Transferees is because it is not known at this time whether they will be affiliated with the Company following the Business Combination. If they remain affiliated with the Company, their ability to sell the Company's securities in the open market will be significantly limited. The Company expects to have policies in place that prohibit insiders from selling the Company's securities except during specific periods of time. Even during such periods of time when insiders will be permitted to sell the Company's securities, an insider cannot trade in the Company's securities if he or she is in possession of material non-public information. Accordingly, unlike holders of Public Shares who could exercise their Public Warrants and sell the Public Shares received upon such exercise freely in the open market in order to recoup the cost of such exercise, the insiders could be significantly restricted from selling such securities. As a result, the Company believes that allowing the holders to exercise such Founder Warrants on a cashless basis is appropriate.

2.4.3 ISIN/WKN/Common Code/Stock Symbol

The ISIN, WKN, common code and stock symbol for the Public Shares are:

International Securities Identification Number (ISIN)	LU2290523658
German Securities Identification Number (*Wertpapierkennnummer* (*WKN*))............	A2QM3K
Common Code	229052365
Stock Symbol	HTG

The ISIN, WKN, common code and stock symbol for the Public Warrants are:

International Securities Identification Number (ISIN)	LU2290524383
German Securities Identification Number (*Wertpapierkennnummer* (*WKN*))............	A3GPQR
Common Code	229052438
Stock Symbol	HTGW

2.4.4 Form, Certification of the Public Shares and Public Warrants and Currency of the Securities Issue

After the initial listing of the Company, the share capital of the Company amounted to €664,992 and was divided into 27,500,000 Public Shares and 7,135,000 Founder Shares with a par value of €0.0192 each. After the PIPE Financing and the consummation of the Business Combination, the share capital of the Company amounts to €2,441,068.45 and is divided into 122,555,649 Public Shares and 4,583,333 Founder Shares with a par value of €0.0192 each. The Public Shares are dematerialized shares. The Founder Shares are registered shares. The Public Warrants are represented by global certificates that will be deposited with a depositary common to Euroclear Bank SA/NV and Clearstream Banking SA ("**Common Depositary**") for Euroclear Bank and Clearstream Banking.

2.4.5 Voting Rights, Dividend and Liquidation Rights

All Public Shares are entitled to one vote in the Company's general meeting. For all matters submitted to a vote of the shareholders, except as required by Luxembourg law, holders of Founder Shares and holders of Public Shares will vote together as a single class, with each share entitling the holder to one vote.

All Public Shares carry full dividend rights from the date of their issuance. Until the Founder Shares convert into Public Shares in accordance with the Promote Schedule, the Founder Shares will not have any rights to dividends and distributions and will not participate in any liquidation proceeds. Only once the Founder Shares are converted into Public Shares will they carry full dividend rights that will allow them to participate in not previously distributed dividends.

There will be no liquidation distributions with respect to the Public Warrants and Founder Warrants, which will expire worthless.

2.5 Admission to the Frankfurt Stock Exchange and Commencement of Trading

The Company, together with the Listing Agent (as defined below), applied for the admission of 92,503,982 New Public Shares, consisting of the Consideration Shares and the PIPE Shares, to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (General Standard) on September 7, 2021. The approval (admission decision) for the Consideration Shares and the PIPE Shares is expected to be granted by the Frankfurt Stock Exchange on September 21, 2021. Trading in the Consideration Shares and the PIPE Shares on the Frankfurt Stock Exchange is expected to commence on September 22, 2021.

Additionally, the Company, together with the Listing Agent (as defined below), applied for the admission of 2,551,667 New Public Shares, consisting of the Conversion Shares, to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (General Standard) on September 21, 2021. The approval (admission decision) for the Conversion Shares is expected to be granted by the Frankfurt Stock Exchange on September 22, 2021. Trading in the Conversion on the Frankfurt Stock Exchange is expected to commence on September 23, 2021.

2.6 Listing Agent

Baader Bank Aktiengesellschaft will act as listing agent (the "**Listing Agent**") in respect of the listing of the Public Shares on the Frankfurt Stock Exchange. The address of the Listing Agent is Weihenstephaner Str. 4, 85716 Unterschleißheim, Germany.

2.7 Cost of Listing

The costs related to the listing of the New Public Shares are expected to total approximately €1.1 million. Investors will not be charged with expenses by the Issuer or the Listing Agent.

2.8 Forward-Looking Statements

This Prospectus contains forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts or events or to facts or events as of the date of this Prospectus. This applies, in particular, to statements in this Prospectus containing information on our future earnings capacity, plans and expectations regarding our business and the general economic conditions to which we are exposed. Statements made using words such as "predicts", "forecasts", "projects", "plans", "intends", "endeavors", "expects" or "targets" indicate forward-looking statements.

The forward-looking statements contained in this Prospectus are subject to opportunities, risks and uncertainties, as they relate to future events, and are based on estimates and assessments made to the best of the Company's present knowledge. These forward-looking statements are based on assumptions, uncertainties and other factors, the occurrence or non-occurrence of which could cause our actual results, including our financial condition and profitability, to differ materially from those expressed or implied in the forward-looking statements. These expressions can be found in various sections of this Prospectus, including wherever information is contained in this Prospectus regarding our plans, intentions, beliefs, or current expectations relating to our future financial condition and results of operations, plans, liquidity, business prospects, growth, strategy and profitability, investments and capital expenditure requirements, future growth in demand for our products as well as the economic and regulatory environment to which we are subject.

Future events mentioned in this Prospectus may not occur. Actual results, performance or events may turn out to be better or worse compared to the results, performance and events described in the forward-looking statements, in particular due to:

- changes in general economic conditions (or disruptions in the travel industry in particular), including changes to the economic growth rate, political changes, changes in the unemployment rate, the level of consumer prices and wage levels;
- our ability to manage our growth effectively;
- our ability to retain existing Partners or add new Partners to our business, or our Partners' ability to provide high-quality properties;
- our reliance on third-party providers for the operation of our platform and their ability to provide their services;
- fluctuations in interest and currency exchange rates;
- changes in the competitive environment and in the level of competition;
- our ability to comply with applicable laws and regulations, in particular if such laws and regulations change, are abolished and/or new laws and regulations are introduced;
- our ability to maintain and enhance our reputation;
- the occurrence of accidents, natural disasters, fires, environmental damages or systemic delivery failures; and
- our ability to attract and retain qualified personnel.

Each of the factors listed above may be affected by the COVID-19 pandemic currently affecting virtually all EEA Member States as well as the United Kingdom and Switzerland, the global community and the global economy.

Moreover, it should be noted that all forward-looking statements only speak as of the date of this Prospectus and that the Company assumes no obligation, except as required by law, to update any forward-looking statement or to conform any such statement to actual events or developments.

The Section "*1. Risk Factors*" contains a detailed description of various risks applicable to the industry in which we operate, our business, our regulatory, legal and tax environment, the Public Shares and the Business Combination and the other factors that could adversely affect the actual outcome of the matters described in the Company's forward-looking statements.

2.9 Sources of Market Data

Unless otherwise specified, the information contained in this Prospectus on the market environment, market developments, growth rates, market trends and competition in the markets in which the Group operates are based on the Company's assessments. These assessments, in turn, are based in part on internal market observations and on various market studies.

The following sources were used in the preparation of this Prospectus:

- Deutsche Bank Research, Airbnb – The air bed looks fully inflated, January 4, 2021 ("**Deutsche Bank Research Report**");
- Exane BNP Paribas, Airbnb – Floating On Air, January 4, 2021 ("**BNP Paribas Research Report**"); and
- Airbnb, Vrbo Go to Great – Sometimes Annoying Lengths – to Woo Hosts, Bloomberg Article, July 17, 2021 ("**Bloomberg**").

It should be noted, in particular, that reference has been made in this Prospectus to information concerning markets and market trends. Such information was obtained from the aforementioned sources. The Company has accurately reproduced such information and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading.

Prospective investors are, nevertheless, advised to consider these data with caution. For example, market studies are often based on information or assumptions that may not be accurate or appropriate, and their methodology is inherently predictive and speculative. The fact that information from the aforementioned third-party sources has been included in this Prospectus should not be considered as a recommendation by the relevant third parties to invest in, purchase or take any other action with respect to, shares in the Company.

In addition, certain sources of market data included in this Prospectus or market data used in these sources were prepared before the pandemic spread of COVID-19 and have not been updated for the potential effects of this pandemic. The Company is not able to determine whether the third parties who have prepared such sources or market data will revise their estimates and projections due to the potential impact of COVID-19 on future market developments.

Irrespective of the assumption of responsibility for the content of this Prospectus by the Company (see Section "*2.1 Responsibility Statement*"), the Company has not independently verified the figures, market data or other information on which third parties have based their studies. Accordingly, the Company makes no representation or warranty as to the accuracy of any such information from third-party studies included in this Prospectus. In addition, prospective investors should note that the Company's own estimates and statements of opinion and belief are not always based on studies of third parties.

2.10 Documents Available for Inspection

For the period during which this Prospectus is valid, copies of the following documents are available for inspection during regular business hours at the Company's registered office at 9, rue de Bitbourg, L-1273 Luxembourg, Luxembourg:

- the up to date memorandum and the Articles of Association of the Company as well as the articles of association of HomeToGo GmbH; and
- the financial statements.

For a period of ten years commencing on the date of this Prospectus, the abovementioned documents will also be available on the Company's website at www.hometogo.com and at the Company's offices at 9, rue de Bitbourg, L-1273 Luxembourg, Luxembourg. In accordance with the Luxembourg law of August 10, 1915 on commercial companies, as amended (the "**Luxembourg Company Law**"), the annual financial accounts are also filed with the Luxembourg Trade and Companies Register (*Registre de commerce et des sociétés de Luxembourg*) and published in the Luxembourg Official Gazette (*Recueil Électronique des Sociétés et Associations,* "**RESA**").

The Company's future annual and interim reports will be available on the Company's website (www.hometogo.com) and may be inspected at the Company's registered office.

This Prospectus contains certain references to websites. The information on these websites does not form part of the Prospectus and has not been scrutinized or approved by the CSSF in its capacity as competent authority for the approval of publication of the Prospectus.

2.11 Alternative Performance Measures

Throughout this Prospectus, we present financial information and operating data that is not prepared in accordance with IFRS, or any other internationally accepted accounting principles, including gross booking value or "GBV" (as defined in Section "*13.3.1 Gross Booking Value*"), Booking Revenue (as defined in Section "*13.3.2 Booking Revenue*") and Adjusted EBITDA (as defined in Section "*13.3.3 Adjusted EBITDA*") (collectively the "**Alternative Performance Measures**").

We present these Alternative Performance Measures because we use them to measure our operating performance and as a basis for our strategic planning, and because we believe that such Alternative Performance Measures will be used by investors and analysts to assess our performance. Such Alternative Performance Measures should not be considered as alternatives or substitutes for profit or loss for the period or other data from financial information prepared in accordance with IFRS, or as measures of profitability or liquidity. The Alternative Performance Measures do not necessarily indicate whether cash flows will be sufficient to fulfill cash requirements and may not be indicative of future results. Furthermore, the Alternative Performance Measures are not recognized under IFRS, should not be considered as substitutes for an analysis of operating results prepared in accordance with IFRS, and may not be comparable to similarly titled information published by other companies.

For further information on the Alternative Performance Measures, see Section "*13.3 Key Financial Information and Operating Data*".

3. EARNINGS AND DIVIDENDS PER SHARE, DIVIDEND POLICY

3.1 General Provisions Relating to Profit Allocation and Dividend Payments

The shareholders' entitlement to profits is determined based on their respective interests in the Company's share capital. Distributions of dividends for a given fiscal year, and the amount and payment date thereof, are decided by the general shareholders' meeting, which shall determine how the remainder of the Company's profits shall be used in accordance with the law and the Articles of Association upon recommendation of the management board.

Dividends may only be distributed from the Company's distributable amounts. Subject to the conditions provided for by Luxembourg Company Law, the amount of distributable amounts is equivalent to the amount of the profits at the end of the last fiscal year plus any profits carried forward and any amounts drawn from reserves or share premium which are available for that purpose, minus any losses carried forward and sums to be placed in reserves in accordance with the law or the Articles of Association.

As of December 31, 2020, the Company had no distributable capital reserve. Any dividend distribution from the distributable capital reserve is subject to the availability of distributable cash on the unconsolidated balance sheet of the Company.

In accordance with Luxembourg Company Law and the Articles of Association, the Company must allocate at least 5% of any annual net profit to a legal reserve account. Such contribution ceases to be compulsory as soon as and as long as the legal reserve reaches 10% of the Company's subscribed share capital but shall again be compulsory if the legal reserve falls below such 10% threshold. The legal reserve of the Company amounted to zero as of December 31, 2020.

In accordance with the Luxembourg Company Law and the Articles of Association, the remainder of any net profit is at the disposal of the general shareholders' meeting to be allocated as appropriate to a reserve, a provision fund, to be carried forward and/or to be distributed equally between all the shares, as the case may be, together with profits carried forward, distributable reserves and share premium. Subject to the conditions provided for by Luxembourg Company Law, Article 31 of the Articles of Association also authorizes the Management Board to make interim payments on accounts of dividends for a particular fiscal year to be deducted from profits or the available reserves. The Management Board must determine the amount and the date of payment of any such interim payments.

The payment of the dividends to a depositary operating principally with a settlement organization in relation to transactions on securities, dividends, interest, matured capital or other matured monies of securities or of other financial instruments being handled through the system of such depositary discharges the Company. Said depositary shall distribute these funds to his depositors according to the amount of securities or other financial instruments recorded in their name. The Luxembourg Company Law further provides that claims for dividends lapse in favor of the Company five years after the date on which such dividends were declared.

The Company does not have any dividend restrictions or special procedures for non-resident holders.

Details concerning any dividends resolved by the general shareholders' meeting and the paying agents named by the Company in each case will be published on the Company's website under www.hometogo.com.

3.2 Dividend Policy and Earnings per Share

We currently intend to retain all available funds and any future earnings to support our operations and to finance the growth and development of our business. Therefore, we currently do not intend to pay dividends for the foreseeable future. Any future decision to pay dividends will be made in accordance with applicable laws and will, among other things, depend on our results of operations, financial condition, contractual restrictions and capital requirements.

No distributions of profits or reserves were made to the Company's or HomeToGo GmbH's shareholders since these entities' respective incorporation.

The tax legislation of the shareholder's member states and/or other relevant jurisdictions and of the Company's country of incorporation may have an impact on the income received from the New Public Shares. See the Sections "*21. Taxation in the Grand Duchy of Luxembourg*" and "*22. Taxation in the Federal Republic of Germany*" for an overview of the material tax consequences of the acquisition, holding, settlement, redemption and disposal of Public Shares and Public Warrants. Dividend payments are generally subject to withholding tax in Luxembourg.

4. CAPITALIZATION AND INDEBTEDNESS; STATEMENT ON WORKING CAPITAL

The following table sets forth (a) the capitalization of Lakestar SPAC I SE ("**Lakestar SPAC**"), HomeToGo GmbH and the sum of Lakestar SPAC and HomeToGo GmbH as of June 30, 2021, (b) adjustments for (i) the Capital Reorganization, (ii) the PIPE Financing, and (iii) other adjustments, and (c) total numbers as adjusted for these effects.

Investors should read this section in conjunction with Section "*12. Management's Discussion and Analysis of Financial Condition and Results of Operations of Lakestar SPAC* I SE" and the Company's consolidated financial statements included in this Prospectus.

4.1 Capitalization

	Lakestar SPAC as of June 30, 2021	**HomeToGo GmbH as of June 30, 2021**	**Sum total before adjustments (1)**	**Adjustments to reflect the Capital Reorganization (2)**	**Adjustment to reflect the PIPE Financing (3)**	**Other adjustments (4)**	**Sum total after adjustments**
	(unaudited) (in € thousands)	(unaudited) (in € thousands)	(unaudited) (in € thousands)	(unaudited) (in € thousands)	(unaudited) (in € thousands)	(unaudited) (in € thousands)	(unaudited) (in € thousands)
Total current debt(5)	**281,249**	**34,994**	**316,243**	**(279,275)**	–	–	**36,967**
Thereof guaranteed	–	–	–	–	–	–	–
Thereof secured	–	–	–	–	–	–	–
Thereof unguaranteed/unsecured	281,249	34,994	316,243	**(279,275)**	–	–	**36,968**
Total non-current debt(6)	–	**153,986**	**153,986**	–	–	**(125,395)**	**28,591**
Thereof guaranteed	–	–	–	–	–	–	–
Thereof secured	–	–	–	–	–	–	–
Thereof unguaranteed/unsecured	–	153,986	153,986	–	–	**(125,395)**	**28,591**
Total shareholder's equity(7)	**58**	**(28,521)**	**(28,463)**	**133,765**	**75,000**	**95,107**	**275,409**
Share capital(8)	132	93	225	**1,767**	**144**	**20**	**2,156**
Other reserves(9)	(74)	(28,614)	(28,688)	**131,998**	**74,856**	**95,087**	**273,253**
Total(10)	**281,307**	**160,459**	**441,766**	**(145,510)**	**75,000**	**(30,288)**	**340,966**

(1) Reflects the sum of unaudited consolidated financial positions of Lakestar SPAC and HomeToGo GmbH before adjustments as of June 30, 2021.

(2) Reflects adjustments related to the Business Combination, accounted for as a capital reorganization, between Lakestar SPAC I SE ("**Lakestar SPAC**") and HomeToGo GmbH including:

- the conversion of the convertible loans of HomeToGo GmbH into 18,438 HomeToGo GmbH shares against a cash payment of € 1.00 per share for the nominal value of each HomeToGo GmbH share issued prior to closing of the Business Combination;
- the conversion of the Earn-Out Shares (as defined in Section 9.1 below) of HomeToGo GmbH into 1,290 HomeToGo GmbH shares against a cash payment of € 1.00 per share for the nominal value of each HomeToGo GmbH share issued prior to closing of the Business Combination;
- the adjustment to subscribed capital and capital reserve after the contribution of HomeToGo GmbH's shares (including the HomeToGo GmbH's shares pursuant to the conversion of the convertible loans of HomeToGo GmbH into HomeToGo GmbH shares prior to closing of the Business Combination and the issuance of HomeToGo GmbH shares issuable for earn-outs pursuant to the convertible loan agreement) outstanding to Lakestar SPAC in exchange for 80,793,077 Public Shares resulting in a total subscribed capital of € 1.6 million and a decrease in capital reserve of € 1.4 million, respectively. HomeToGo GmbH's historical subscribed capital of € 0.1 million is eliminated;
- the adjustment for the 10,062,662 Public Shares redeemed by Lakestar SPAC public shareholders resulting in a decrease to Lakestar SPAC's cash balance of € 100.6 million with a corresponding reduction to subscribed capital and capital reserve of € 0.2 million and € 100.4 million, respectively;
- the elimination of Lakestar SPAC's historical equity balances, after recording the transaction costs to be incurred by Lakestar SPAC, as well as elimination of the financial instrument liabilities related to Public Shares and Public Warrants and the Founder Shares and Founder Warrants subscribed under the Additional Sponsor Subscription;
- 17,437,338 Public Shares deemed issued to Lakestar SPAC shareholders, which includes 2,344,295 of Class B1 shares converted into Public Shares immediately following the Business Combination, resulting in an increase subscribed capital and capital reserve. Additionally, Class B2 and Class B3 Founder Shares, of 2,291,667 and 2,291,666 respectively, and 9,166,666 Public Warrants and 5,350,875 Founder Warrants are treated as equity-settled share-based payment awards deemed issued to Lakestar SPAC shareholders and founders with a corresponding increase to share-based payments reserve;
- the estimated expense recognized, in accordance with IFRS 2, for the excess of the fair value of Lakestar SPAC shares and warrants deemed issued over the fair value of Lakestar SPAC identifiable net assets, adjusted for estimated transaction costs and deferred underwriting and additional discretionary fees to be paid by Lakestar SPAC, acquired at the date of the Business Combination, resulting in a € 105.4 million decrease to retained earnings. The fair value of the Public Shares and the Public Warrants deemed issued was estimated based on a market price of € 9.98 per Public Shares and € 0.90 per Public Warrant, as of July 14, 2021 (signing of the Business Combination Agreement). The fair value of the Class B2 shares and Class B3 shares of € 9.25 per share and € 8.90 per share, respectively, is determined by the estimated future stock price as of a valuation date of July 14, 2021 (signing of the Business Combination Agreement). The fair value of the Founder Warrants of € 2.95 per warrant, is determined by the estimated future stock price as of a valuation date of July 14, 2021 (signing of the Business Combination Agreement). The values are

preliminary and will change based on fluctuations in the price of the Public Shares and Public Warrants through the closing date. Based on the approximate volatility of Lakestar share price from the Business Combination Agreement signing date and the preparation date of the Unaudited Pro Forma Consolidated Financial Information, a two percent change in the fair value per share and warrant would result in a change of € 5,261 thousand in the estimated expense;

- the election by the Sponsor for repayment of the remaining cash portion of the Additional Sponsor Subscription not used to cover negative interest of € 1.9 million, after adjustment for € 0.3 million of estimated negative interest to be incurred subsequent to June 30, 2021 until the Business Combination recognized as a decrease to retained earnings and cash and cash equivalents, against redemption of 207,372 Class B1 shares and 69,124 Founder Warrants from the Additional Sponsor Subscription upon consummation of the Business Combination. Additionally, reflects the adjustment for the election by the Founders for repayment of the expected remaining cash portion of the additional purchase price of € 0.4 million, adjusted for estimated costs to be incurred subsequent to June 30, 2021 in connection with the Business Combination;
- the issuance of 4,210,905 Public Shares in fulfilment of the VSOP payment shares of exercising options holders pursuant to the HomeToGo VSOPs Amendment (as defined in Section 5.3 below).

(3) Reflects the proceeds of € 75.0 million from the issuance and sale of 7,500,000 Public Shares at € 10.00 (with a nominal value of € 0.0192 per share) per share in the PIPE Financing pursuant to the terms of the Subscription Agreements (as defined in Section 9.1), increasing cash and cash equivalents with corresponding increases to subscribed capital and capital reserve of € 0.1 million and € 74.9 million, respectively.

(4) Reflects other adjustments related to the payment of approximately € 22.6 million of estimated and incremental transaction costs incurred in connection with the Business Combination and PIPE Financing by HomeToGo GmbH and Lakestar SPAC subsequent to June 30, 2021 resulting in a decrease to capital reserves of € 9.9 million for equity issuance costs (namely, professional fees directly attributable to the shares deemed issued to Lakestar SPAC and PIPE Financing), including € 0.1 million of costs directly attributable to raising new capital which had been capitalized within other assets (current) of HomeToGo GmbH as of June 30, 2021, and the remaining balance of € 12.8 million as a decrease to retained earnings. Additionally, reflects the payment of approximately € 7.6 million of deferred underwriting and additional discretionary fees related to Lakestar SPAC's private placement payable by Lakestar SPAC on completion of the Business Combination with a corresponding decrease to retained earnings.

(5) Shown as "Current liabilities" in the Company's and HomeToGo GmbH's unaudited interim condensed consolidated statements of financial position as of June 30, 2021.

(6) Shown as "Non-current liabilities" in the Company's and HomeToGo GmbH's unaudited interim condensed consolidated statements of financial position as of June 30, 2021.

(7) Shown as "Total equity" in the Company's unaudited interim condensed consolidated statements of financial position as of June 30, 2021 and "Total shareholder´s equity" in HomeToGo GmbH's unaudited interim condensed consolidated statement of financial position as of June 30, 2021.

(8) Shown as "Issued capital" in the Company's unaudited interim condensed consolidated statements of financial position as of June 30, 2021and "Subscribed capital" in HomeToGo GmbH's unaudited interim condensed consolidated statement of financial position as of June 30, 2021.

(9) The Sum of "Other capital reserves", "Accumulated deficit" and "Non-controlling interests" as shown as in the Company's unaudited interim condensed consolidated statement of financial position as of June 30, 2021 and the sum of "Capital reserves", "Share based payment reserve", and "Retained earnings" as shown as in HomeToGo GmbH's unaudited interim condensed consolidated statement of financial position as of June 30, 2021.

(10) Shown as "Total equity and liabilities" in the Company's unaudited interim condensed consolidated statement of financial position as of June 30, 2021 and "Total shareholder´s equity and liabilities" in HomeToGo GmbH's unaudited interim condensed consolidated statement of financial position as of June 30, 2021.

4.2 Indebtedness

The following table sets forth (a) the indebtedness of Lakestar SPAC I SE, HomeToGo GmbH and the sum of Lakestar SPAC I SE and HomeToGo GmbH of June 30, 2021, (b) adjustments for (i) the Capital Reorganization, (ii) the PIPE Financing, and (iii) other adjustments, and (c) total numbers as adjusted for these effects.

Except as otherwise disclosed in the following table, Lakestar SPAC I SE and HomeToGo GmbH did not have any long-term or short-term indebtedness as of June 30, 2021.

		Lakestar SPAC I SE as of June 30, 2021	**HomeToGo GmbH as of June 30, 2021**	**Sum total before adjust-ments[(1)]**	**Adjustments to reflect the Capital Reorganization[(2)]**	**Adjustment to reflect the PIPE Financing [(3)]**	**Other adjustments [(4)]**	**Sum total after adjustments**
		(unaudited) (in € thousands)	(unaudited) (in € thousands)	(unaudited) (in € thousands)	(unaudited) (in € thousands)	(unaudited) (in € thousands)	(unaudited) (in € thousands)	(unaudited) (in € thousands)
A.	Cash[(5)]	**3,798**	**64,087**	**67,885**	**(145,510)**	**75,000**	**247,293**	**244,667**
B.	Cash equivalents	–	–	–	–	–	–	–
C.	Other current financial assets[(6)]	**277,465**	**1,981**	**279,446**	–	–	**(277,465)**	**1,981**
D.	Liquidity (A)+(B)+(C)	**281,263**	**66,068**	**347,331**	**(145,510)**	**75,000**	**(30,172)**	**246,648**
E.	Current financial debt (including debt instruments, but excluding current portion of non-	**279,275**	**8,890**	**288,165**	**(279,275)**	–	–	**8,890**

	current financial debt)[7]							
F.	Current portion of non-current financial debt[8]	**–**	**1,336**	**1,336**	**–**	**–**	**–**	**1,336**
G.	Current financial indebtedness (E)+(F)	**279,275**	**10,226**	**289,501**	**(279,275)**	**–**	**–**	**10,226**
H.	Net current financial indebtedness (G)-(D)	**(1,988)**	**(55,842)**	**(57,830)**	**(133,765)**	**(75,000)**	**30,172**	**(236,422)**
I.	Non-current financial debt (excluding current portion and debt instruments)[9]	**–**	**58,387**	**58,387**	**–**	**–**	**(44,963)**	**13,424**
J.	Debt instruments[10]	**–**	**90,442**	**90,442**	**–**	**–**	**(80,432)**	**10,010**
K.	Non-current trade and other payables	**–**	**–**	**–**	**–**	**–**	**–**	**–**
L.	Non-current financial indebtedness (I)+(J)+(K)	**–**	**148,829**	**148,829**	**–**	**–**	**(125,395)**	**23,434**
M.	Total financial indebtedness (H)+(L)	**(1,988)**	**92,987**	**90,999**	**(133,765)**	**(75,000)**	**(95,223)**	**(212,989)**

(1) Reflects the sum of unaudited financial positions of Lakestar SPAC I SE and HomeToGo GmbH before adjustments as of June 30, 2021.

(2) Reflects adjustments related to the Business Combination, accounted for as a capital reorganization, between Lakestar SPAC and HomeToGo GmbH including:

- the conversion of the convertible loans of HomeToGo GmbH into 18,438 HomeToGo GmbH shares against a cash payment of € 1.00 per share for the nominal value of each HomeToGo GmbH share issued prior to closing of the Business Combination;
- the conversion of the shares to the Earn-Out Subscriber (as defined below) of HomeToGo GmbH into 1,290 HomeToGo GmbH shares against a cash payment of € 1.00 per share for the nominal value of each HomeToGo GmbH share issued prior to closing of the Business Combination;
- the election by the Sponsor for repayment of the remaining cash portion of the Additional Sponsor Subscription not used to cover negative interest of € 1.9 million, after adjustment for € 0.3 million of estimated negative interest to be incurred subsequent to June 30, 2021 until the Business Combination recognized as a decrease to retained earnings and cash and cash equivalents, against redemption of 207,372 Class B1 shares and 69,124 Founder Warrants from the Additional Sponsor Subscription upon consummation of the Business Combination. Additionally, reflects the adjustment for the election by the Founders for repayment of the expected remaining cash portion of the additional purchase price of € 0.4 million, adjusted for estimated costs to be incurred subsequent to June 30, 2021 in connection with the Business Combination;
- the elimination of the financial instrument liabilities related to Public Shares and Public Warrants and the Founder Shares and Founder Warrants subscribed for under Additional Sponsor Subscription, after redemption of the Additional Sponsor Subscription Founder Shares and Founder Warrants, which are treated as equity instruments deemed issued to Lakestar SPAC shareholders and founders in the Business Combination;
- the adjustment for the 10,062,662 Public Shares redeemed by Lakestar SPAC public shareholders resulting in a decrease to Lakestar SPAC's cash balance of € 100.6 million with a corresponding reduction to subscribed capital and capital reserve of € 0.2 million and € 100.4 million, respectively;
- the issuance of 4,210,905 Public Shares and € 42.1 million payment in cash in fulfilment of the VSOP payment shares of exercising options holders pursuant to the HomeToGo VSOPs Amendment (as defined in Section 5.3).

(3) Reflects the proceeds of € 75.0 million from the issuance and sale of 7,500,000 Public Shares at € 10.00 (with a nominal value of € 0.0192 per share) per share in the PIPE Financing pursuant to the terms of the Subscription Agreements (as defined below), increasing cash and cash equivalents with corresponding increases to subscribed capital and capital reserve of € 0.1 million and € 74.9 million, respectively.

(4) Reflects other adjustments related to:

- the liquidation and reclassification of € 277.5 million of investments held in the Escrow Account to cash and cash equivalents that becomes available at the Business Combination;
- the payment of approximately € 22.6 million of estimated and incremental transaction costs incurred in connection with the Business Combination and PIPE Financing by HomeToGo GmbH and Lakestar SPAC subsequent to June 30, 2021;
- the payment of approximately € 7.6 million of deferred underwriting and additional discretionary fees related to Lakestar SPAC's private placement payable by Lakestar SPAC on completion of the Business Combination.

(5) Shown as "Cash and cash equivalents" in the Company's and HomeToGo GmbH's unaudited interim condensed consolidated statement of financial position as of June 30, 2021.

(6) Shown as "Cash held in escrow account" in the Company's unaudited interim condensed consolidated statement of financial position as of June 30, 2021 and "Other financial assets (current)" in HomeToGo GmbH's unaudited interim condensed consolidated statement of financial position as of June 30, 2021.

(7) Shown as "Other current liabilities" in the Company's unaudited interim condensed consolidated statement of financial position as of June 30, 2021 and "Borrowings (current)" and "Other financial liabilities (current)" in HomeToGo GmbH's unaudited interim condensed consolidated statement of financial position as of June 30, 2021.

(8) Includes current lease liabilities of € 1.3 million as included within "Other financial liabilities (current)" in HomeToGo GmbH's unaudited interim condensed consolidated statements of financial position as of June 30, 2021.

(9) Shown as "Other financial liabilities (non-current)" in HomeToGo GmbH's unaudited interim condensed consolidated statement of financial position as of June 30, 2021; includes HomeToGo GmbH's non-current lease liabilities of €13.3 million.

(10) Shown as "Borrowings (non-current)" and "Convertible loans (non-current)" in HomeToGo GmbH's unaudited interim condensed consolidated statement of financial position as of June 30, 2021.

4.3 Contingent and Indirect Liabilities

The Group did not have any contingent or indirect liabilities as of the date of this Prospectus.

4.4 Statement on Working Capital

The Company is of the opinion that the Group has sufficient working capital to meet its due payment obligations for at least a period of 12 months from the date of this Prospectus.

Following consummation of the Business Combination, the Company has access to the proceeds in the Escrow Account and the working capital of HTG, as well as the ability to borrow additional funds, such as a working capital revolving debt facility or a longer-term debt facility. The Company is of the opinion and confident that these proceeds will provide the Company access to sufficient working capital on an ongoing basis.

4.5 Significant Changes in Financial Performance or Financial Position

On September 21, 2021, the management board of the Company resolved, among other things, to increase the share capital from €664,992 to €2,441,068.45 from its authorized capital. Also on September 21, 2021, the Company received 112,951 shares in HomeToGo GmbH as a contribution-in-kind and €75 million from the PIPE Financing.

Other than that, there have been no significant changes to the financial performance or financial position of the Group between June 30, 2021 and the date of this Prospectus.

5. BUSINESS COMBINATION

5.1 General

On July 14, 2021, the Company, HomeToGo GmbH, all current shareholders of HomeToGo GmbH (the "**HomeToGo Shareholders**") and lenders under HomeToGo GmbH's convertible loan agreements (the "**HomeToGo Lenders**" and together with the HomeToGo Shareholders, the "**HomeToGo Investors**") entered into the Business Combination Agreement, which provides for, among other things, the contribution of all HomeToGo GmbH shares into the Company by the HomeToGo Investors in exchange for new shares in the Company (the "**Acquisition**").

For more information about the transactions contemplated in the Business Combination Agreement, please see the section entitled "*6. Business Combination Agreement and Ancillary Documents*."

5.2 Effect of the Transactions on Existing Company Equity in the Business Combination

Subject to the terms and conditions of the Business Combination Agreement, the Business Combination will result in the conversion of 1/3 of the Founder Shares in an amount of 2,291,667 Public Shares in accordance with the Promote Schedule, the conversion of 52,628 Founder Shares issued under the Additional Sponsor Subscription and still held by the Founders into Public Shares, the issuance of 85,003,982 New Public Shares to the HomeToGo Investors and the issuance of 7,500,000 New Public Shares to the PIPE Investors. As part of the 85,003,982 New Public Shares issued to HomeToGo Investors, holders of virtual options, who exercised their exercisable virtual options in connection with the Business Combination pursuant to the HomeToGo VSOPs Amendment (as defined below), will receive 4,210,905 New Public Shares.

5.3 Treatment of HomeToGo's Convertible Loans and Outstanding Options under HomeToGo's VSOPs

Under the HomeToGo GmbH's convertible loan agreements, the HomeToGo Lenders have granted and disbursed loans to HomeToGo GmbH in an aggregate principal amount of €104,642,963.19 which may be converted into HomeToGo GmbH shares. In addition, pursuant to the Convertible Loan Agreement 2018 (as defined below), under certain conditions, PG HoldCo, Inc., (in this context the "**Earn-Out Subscriber**") is entitled to subscribe for further shares in HomeToGo GmbH.

Immediately prior to the execution of the Business Combination Agreement, the parties to HomeToGo GmbH's convertible loan agreements entered into amendment agreements to the convertible loan agreements pursuant to which they agreed that in connection with the Business Combination, and subject to its approval by Lakestar SPAC shareholders, (i) the aggregate principal amount of the convertible loans granted to HomeToGo GmbH under the convertible loan agreements shall be converted into 18,438 new HomeToGo GmbH shares prior to closing commencement date of the Business Combination, to enable HomeToGo's Lenders under the convertible loan agreements to participate in the Acquisition, and (ii) the Earn-Out Subscriber shall subscribe for 1,290 new HomeToGo GmbH shares.

Further, HomeToGo GmbH has virtual stock option plans ("**HomeToGo VSOPs**") in place as incentive plans for its employees, the key management and other beneficiaries. Under the HomeToGo VSOPs, HomeToGo GmbH allocated virtual options to certain individuals (the "**Option Holders**") providing them in case of an exercise of their virtual options with a contractual claim against HomeToGo GmbH for a certain cash payment or the granting of a non-cash consideration (*e.g.*, shares). By virtue of a shareholders' resolution dated July 14, 2021, the total volume of the virtual options under the HomeToGo VSOPs was increased from 23,210 virtual options (the "**Old Grants**") by 8,600 virtual options (the "**New Grants**") to 31,810 virtual options.

The parties of the Business Combination Agreement mutually agreed to the amendment of the HomeToGo VSOPs to, *inter alia*, enable the Option Holders to exercise their virtual options that are exercisable immediately prior to the closing commencement date of the Business Combination (the "**HomeToGo VSOPs Amendment**"). Pursuant to the HomeToGo VSOPs Amendment, at or immediately following the closing date of the Business Combination, the Option Holders who exercised their virtual options pursuant to the HomeToGo VSOPs Amendment receive a cash payment from HomeToGo GmbH and for contributing and/or setting the remaining claim resulting from the exercise of the virtual options into the Company off for/against the subscription price therefore, New Public Shares in fulfillment of their claims against HomeToGo GmbH with respect to the exercised virtual options. Additionally, the Option Holders agreed, by way of a separate agreement, not transfer, assign, pledge or sell any of their New Public Shares in fulfilment of their claims under the HomeToGo VSOP Amendment until the end of a period of 360 days following the consummation of the Business Combination, subject to customary exceptions.

5.4 Ownership Structure of the Company after Consummation of Business Combination

Upon completion of the Business Combination: (i) former Lakestar SPAC's public shareholders (other than the PIPE investors) will own approximately 15.5% of the Company's outstanding shares; (ii) the PIPE investors will own approximately 6.7% of the Company's outstanding shares; (iii) the Lakestar SPAC Founders (including the Lakestar SPAC Sponsor) will own approximately 2.3% of the Company's outstanding shares; (iv) the HomeToGo Investors (including the previous HomeToGo Lenders and Option Holders under the HomeToGo VSOPs Amendment) will own approximately 75.5% of the Company's outstanding shares. These levels of ownership reflects (A) that 10,062,662 Public Shares are redeemed by former Lakestar SPAC's public shareholders, (B) that 7,500,000 New Public Shares are issued to the PIPE investors in connection with the PIPE Financing (as defined below), (C) HomeToGo GmbH shareholders represent 100% of the issued and outstanding shares of HomeToGo GmbH, and (D) full conversion of HomeToGo GmbH's convertible loan agreements.

The ownership percentages with respect to the Company following the Business Combination do not take into account the warrants to purchase Public Shares that will remain outstanding immediately following the Business Combination, but do include the first tranche of Founder Shares, which will be converted for Public Shares at the Closing.

The following table illustrates the ownership structure in the Company following the consummation of the Business Combination.

	Share Ownership in Lakestar SPAC	
	Number of Shares	Percentage of Outstanding Shares
Former Lakestar SPAC Public Shareholders(1)	17,437,338	15.5
PIPE Investors	7,500,000	6.7
Lakestar SPAC Founders(2)	2,344,295	2.0
Option holders under HomeToGo VSOPs	4,210,905	3.8
HomeToGo Investors	80,793,077	71.8
Total	**112,285,615**	**100%**

(1) Reflects 10,062,662 Public Shares redeemed in connection with the Business Combination.
(2) Excluding the second and third tranche from the promote schedule (2,291,667 and 2,291,666 Founder Shares), which will convert, if the relevant conditions are met, after the Business Combination.

5.5 Background of the Business Combination

The Company has been established as "Lakestar SPAC I SE" (regarding the time prior to the consummation of the Business Combination, referred to as "**Lakestar SPAC**") for the purpose of acquiring one operating business with principal business operations in an EEA Member States or Certain Other Countries in the form of a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transactions. The agreed Business Combination was the result of an extensive search for potential transactions utilizing the global network of Lakestar SPAC's management team. The terms of the Business Combination Agreement are the result of extensive negotiations among the representatives of Lakestar SPAC and HomeToGo GmbH.

On February 23, 2021, Lakestar SPAC completed its private placement of 27,500,000 "**Units**" (defined as the Public Shares together with the Public Warrants) at a price of €10.00 per Unit generating gross proceeds of €275,000,000 (the "**Private Placement**"). Each Unit consisted of one Public Share and 1/3 Public Warrant to subscribe for a Public Share. In conjunction with the Private Placement, Lakestar SPAC completed a private placement of 5,333,333 Founder Warrants at a price of €1.50 per Founder Warrant to the Lakestar SPAC Founders as well as a separate private placement to the Lakestar SPAC Sponsor consisting of 260,000 Founder Shares and 86,666 Founder Warrants to cover the negative effect of negative interest rates on the amounts held in the Escrow Account.

Since the completion of the Private Placement, Lakestar SPAC considered a number of potential target businesses with the objective of consummating a business combination. Representatives of Lakestar SPAC contacted, and were contacted by, a number of individuals and entities with respect to potential business combination opportunities. Lakestar SPAC primarily considered businesses that it believed could benefit from the substantial expertise, experience and network of its management team, that Lakestar SPAC determined to have a competitive advantage in the markets in which they operate and attractive growth prospects.

In the process that led to identifying HomeToGo GmbH as an attractive business combination opportunity, Lakestar SPAC's management team evaluated a number of different potential business combination targets and, in connection with such evaluation, Lakestar SPAC entered into non-disclosure agreements with respect to other potential business combination targets (other than HomeToGo GmbH).

On March 25, 2021, Lakestar SPAC and HomeToGo GmbH entered into a non-disclosure agreement and started negotiations on the terms and conditions of a potential business combination.

On March 25, 2021, pursuant to the mutual non-disclosure agreement, HomeToGo GmbH provided the representatives of Lakestar SPAC with access to an online data room for purposes of Lakestar SPAC conducting business, financial, tax and legal due diligence with respect to HomeToGo GmbH.

Between March 25, 2021 and the date of the execution of the Business Combination Agreement, Lakestar SPAC conducted business, financial, tax and legal due diligence with respect to HomeToGo GmbH.

On May 11, 2021, Lakestar SPAC and HomeToGo GmbH entered into, and executed, a letter of intent (the "**LoI**") with a non-binding term sheet. After the execution of the LoI, Lakestar SPAC and HomeToGo GmbH entered into negotiations of the Business Combination Agreement.

On June 4, 2021, Lakestar SPAC published an ad hoc release with respect to the execution of the LoI. The ad hoc contained a description of the envisaged transaction in so far as Lakestar SPAC intends to acquire 100% of the shares outstanding in HomeToGo GmbH and it has been agreed upon to seek a PIPE transaction (the "**PIPE Financing**") in an to be agreed upon amount.

On July 14, 2021, certain investors executed definitive documentation with respect to the PIPE Financing, which provided for binding subscriptions to purchase an aggregate of 7,500,000 Public Shares at €10.00 per share.

On July 14, 2021, the parties entered into the Business Combination Agreement and certain ancillary agreements.

On July 14, 2021, Lakestar SPAC issued an ad hoc release announcing the execution of the Business Combination Agreement and the PIPE Financing and Lakestar SPAC and HomeToGo GmbH issued a joint press release.

On September 13, 2021, the Lakestar SPAC's extraordinary shareholders' meeting voted in favor of the proposed Business Combination.

In connection with the Business Combination 10,062,662 Public Shares (approximately 36.59% of the then outstanding Public Shares) were redeemed by the Lakestar SPAC shareholders.

5.6 Lakestar SPAC's Reasons for the Business Combination

Lakestar SPAC's management board, in evaluating the transaction with HomeToGo GmbH, consulted with its legal counsel, financial and accounting advisors and other advisors. In reaching its resolution (i) that the terms and conditions of the Business Combination Agreement and the transactions contemplated thereby, including the Business Combination are advisable, fair to and in the best interests of Lakestar SPAC and its shareholders and (ii) to recommend that the shareholders adopt the Business Combination Agreement and approve the Business Combination, the Lakestar SPAC management board considered and evaluated a number of factors, including, but not limited to, the factors discussed below. In light of the number and wide variety of factors considered in connection with its evaluation of the Business Combination, the Lakestar SPAC Management Board did not consider it practicable to, and did not attempt to, quantify or otherwise assign relative weights to the specific factors that it considered in reaching its determination and supporting its decision. Lakestar SPAC's management board viewed its decision as being based on all of the information available and the factors presented to and considered by it. In addition, individual members of Lakestar SPAC's management board may have given different weight to different factors. This explanation of Lakestar SPAC's reasons for the Business Combination and all other information presented in this section may be forward-looking in nature and, therefore, should be read in light of the factors discussed under "*2.8 Forward-Looking Statements*."

The Lakestar SPAC Management Board considered a number of factors pertaining to the Business Combination as generally supporting its decision to enter into the Business Combination Agreement and the transactions contemplated thereby, including but not limited to, the following material factors:

- ***Outstanding management team.*** HomeToGo GmbH has a stellar management team, which has demonstrated its capacity to develop their company successfully. The founders, investors and management of HomeToGo GmbH is attracted by Lakestar SPAC's investment philosophy and Lakestar SPAC Founders' historical track record of working closely with outstanding management.
- ***Benefit from structural changes under COVID-19.*** Lakestar SPAC believes that HomeToGo GmbH will be one of the major profiteers of the structural changes in the vacation industry moving from hotel based vacations to individualized travel and vacation homes.
- ***Scalable and tech-driven business models.*** HomeToGo GmbH performs in the specific tech sector of software as a service ("**SaaS**") and has a scalable and tech-driven business model.
- ***Market leader in its respective markets.*** HomeToGo GmbH is the world market leader in its respective market with stellar growth prospects and competitive dynamics.
- ***Strong unit economics and highly variable cost structure.*** HomeToGo GmbH shows very favorable unit economics, a highly variable cost structure and high efficiency in marketing.
- ***Primarily equity financed with top-tier investor base in late-stage / pre-IPO phase.*** HomeToGo GmbH is primarily equity financed with a top-tier investor base. HomeToGo GmbH is in a late-stage / pre-IPO phase.
- ***Specific background of Lakestar SPAC Sponsor and Founders adds further value.*** Lakestar SPAC believes that the specific background of its Sponsor and Founders of investments in growth-stage companies adds further value for HomeToGo GmbH.

Lakestar SPAC's management board also considered a variety of uncertainties and risks and other potentially negative factors concerning the Business Combination, including, but not limited to, the following:

- ***Benefits Not Achieved.*** The risk that the potential benefits of the Business Combination may not be fully achieved, or may not be achieved within the expected timeframe.
- ***Liquidation of Lakestar SPAC.*** The risks and costs to Lakestar SPAC if the Business Combination is not completed, including the risk of diverting management focus and resources from other businesses combination opportunities, which could result in Lakestar SPAC being unable to effect a business combination within the Business Combination Deadline and force Lakestar SPAC to liquidate.
- ***Exclusivity.*** The fact that the LoI includes an exclusivity provision that prohibits Lakestar SPAC from soliciting other business combination proposals, which restricts Lakestar SPAC's ability, so long the exclusivity is in effect, to consider other potential business combinations prior to the expiry of the Business Combination Deadline.
- ***Shareholder Vote.*** The risk that Lakestar SPAC's shareholders may fail to provide the respective votes necessary to effect the Business Combination.
- ***Closing Conditions.*** The fact that Closing is conditioned on the satisfaction of certain closing conditions that are not within Lakestar SPAC's control.
- ***Litigation.*** The possibility of litigation challenging the Business Combination could indefinitely enjoin consummation of the Business Combination.
- ***Fees and Expenses.*** The fees and expenses associated with completing the Business Combination.
- ***Other Risks.*** Various other risks associated with the Business Combination, the business of Lakestar SPAC and the business of HomeToGo GmbH described under the section entitled "Risk Factors."

In addition to considering the factors described above, Lakestar SPAC's management board also considered that Lakestar SPAC Founders may have interests in the Business Combination as individuals that are in addition to, and that may be different from, the interests of Lakestar SPAC's shareholders (see "*5.7 Interests of Certain Persons in the Business Combination*").

Lakestar SPAC's management board concluded that the potential benefits that it expected Lakestar SPAC and its shareholders to achieve as a result of the Business Combination outweighed the potentially negative factors associated with the Business Combination. Accordingly, Lakestar SPAC's management board determined that the Business Combination Agreement and the Business Combination, were advisable, fair to, and in the best interests of, Lakestar SPAC and its shareholders.

5.7 Interests of Certain Persons in the Business Combination

Lakestar SPAC Founders may have interests in the Business Combination that are different from, or in addition to, those of other Lakestar SPAC shareholders generally. Lakestar SPAC's management board was aware of and considered these interests, among other matters, in evaluating and negotiating the Business Combination, and in recommending to Lakestar SPAC shareholders that they approve the Business Combination proposal.

These interests include:

- the fact that Lakestar SPAC Founders have agreed not to redeem any shares held by them in connection with a shareholder vote to approve a proposed initial business combination;
- the fact that Lakestar SPAC Founders paid an aggregate of €132,000 for the Founder Shares (with exception of the Founder Shares issued under the Additional Sponsor Subscription) and such securities will have a significantly higher value at the time of the Business Combination which would be valued at approximately €68,875,000 (with exception of the Founder Shares issued under the Additional Sponsor Subscription);
- the fact that Lakestar SPAC Founders paid an aggregate of €8,000,000 for their 5,333,333 Founder Warrants and that such Founder Warrants will only become exercisable 30 days after the consummation of the Business Combination;
- the fact that Lakestar SPAC Sponsor paid an aggregate of €2,600,000 for 260,000 Founder Shares and 86,666 Founder Warrants to cover the effect of negative interest rates on the amounts held in the Escrow Account, of which the excess portion will be paid back to the Lakestar SPAC Sponsor;
- The fact that Lakestar SPAC Sponsor paid an additional purchase price for the Founder Warrants in the aggregate of €3,200,000 to cover the remuneration of the members of the Lakestar SPAC management Board and due diligence cost in connection with the Business Combination of which the excess portion will be paid back to the Lakestar SPAC Sponsor;
- the continued indemnification of the members of the Lakestar SPAC's Management Board and the continuation of Lakestar SPAC's directors' and officers' liability insurance after the Business Combination;
- the fact that Lakestar SPAC Sponsor and Lakestar SPAC Founders will lose their entire investment in Lakestar SPAC and will not be reimbursed for any out-of-pocket expenses if an initial business combination is not consummated by the end of the Business Combination Deadline;
- the subscription of (i) Raymond Bär, then-member of the Supervisory Board, for 100,000 Public Shares at €10.00 per Public Share (in the aggregated amount of €1,000,000) as part of the PIPE Financing of Lakestar SPAC and (ii) Klaus Hommels, then-chairman of the Supervisory Board, via his affiliate, Anxa Holding PTE Ltd., for 2,270,000 Public Shares at €10.00 per Public Share (in the aggregated amount of €22,700,000) as part of the PIPE Financing of Lakestar SPAC; and
- the fact that Lakestar II L.P., an affiliate of Klaus Hommels, the Sponsor's ultimate beneficial owner, holds approximately 3.9% of the shares outstanding in HomeToGo GmbH.

These interests may have influenced the members of the Lakestar SPAC Management Board in making their recommendation that Lakestar SPAC shareholders should vote in favor of the approval of the Business Combination.

5.8 Sources and Uses for the Business Combination

The following tables summarize the sources and uses for funding the Business Combination:

Sources & Uses

Sources	**(in € million)**	**Uses**	**(in € million)**
HomeToGo equity value	920	Equity consideration to existing HomeToGo shareholders/convertible holders(3)	920
Lakestar SPAC cash in escrow account(1)	174	Lakestar Promote Schedule(2)	26
Lakestar SPAC Promote Schedule(2)	26	Transaction costs(4)	30
PIPE Financing	75	Net cash to balance sheet	219
Total sources	**1,195**	**Total uses**	**1,195**

(1) Reflecting redemptions in the amount of 10,062,662 Public Shares by Lakestar SPAC's public shareholders.
(2) Reflects conversion of 2,344,295 Founder Shares into Public Shares at consummation of the Business Combination (reflects the repayment of unused capital to cover negative interest and corresponding redemption of Founder Shares), out of a total of 6,927,628 Founder Shares.
(3) Includes all exercisable VSOPs to be paid at closing (including €42 million paid in cash at closing primarily to allow for the payment of taxes, if any, triggered for the VSOP holders in connection with the Business Combination), and a portion of €28 million of a total of €55 million unvested and rolling over VSOPs and subject to final number of VSOPs and redemptions by Lakestar SPAC public shareholders.
(4) Reflects transaction costs to be charged by both parties to the combined entity.

5.9 Certain Tax Consequences of the Business Combination

Please see Sections "*21. Taxation in the Grand Duchy of Luxembourg*" and "*22. Taxation in the Federal Republic of Germany*".

5.10 Accounting Treatment of the Business Combination

HomeToGo GmbH will be treated as accounting acquirer under the Business Combination. For accounting and financial reporting purposes, please see Section "*9. Unaudited Pro Forma Consolidated Financial Information*".

6. BUSINESS COMBINATION AGREEMENT AND ANCILLARY DOCUMENTS

6.1 General Description of the Business Combination Agreement

On July 14, 2021, the Company, HomeToGo GmbH, the HomeToGo GmbH shareholders and the HomeToGo Lenders entered into the Business Combination Agreement, which provides for, among other things, the contribution of all HomeToGo GmbH shares into the Company by the HomeToGo Investors in exchange, the HomeToGo Investors will receive New Public Shares in the Company (the "**Acquisition**").

6.2 Consideration to HomeToGo Investors in the Business Combination

Subject to the terms and conditions of the Business Combination Agreement, the consideration to be received by the HomeToGo Investors in connection with the Business Combination will be an aggregate number of New Public Shares equal to (i) €920,000,000 minus the Aggregate VSOPs Claim (as defined below) divided by (ii) €10.00.

The Business Combination Agreement defines the "**Aggregate VSOPs Claim**" as the aggregate euro amount of payment claims that are payable to Option Holders from virtual options under the Old Grants that are exercisable at the closing commencement date of the Acquisition pursuant to the HomeToGo VSOPs as amended by the HomeToGo VSOPs Amendment, irrespective of whether these exercisable virtual options were exercised or not or if these claims were to be settled in cash or Public Shares; and the aggregate euro amount of payment claims that would be payable to Option Holders from all virtual options under the New Grants pursuant to the HomeToGo VSOPs, as amended by the HomeToGo VSOPs Amendment, and assuming all of these virtual options were exercisable and exercised at the closing date, irrespective of whether settled in cash or Public Shares.

6.3 Lock-Up Undertakings

6.3.1 Management Lock-up

Patrick Andrae, via its subsidiary wrapall UG, and Wolfgang Heigl will not, and will not agree to transfer, assign, pledge or sell any of its New Public Shares (with the exception of such New Public Shares received as option holder under the HomeToGo VSOP) during the period commencing on the date of the Business Combination Agreement, *i.e.*, July 14, 2021, and ending three hundred and sixty days after the consummation of the Business Combination, *i.e.*, September 21, 2021 (the "**Management Lock-Up**").

6.3.2 HomeToGo Investors' Lock-Up

The HomeToGo Investors, with the exception of wrapall UG and Wolfgang Heigl, will not transfer, assign, pledge or sell any of their New Public Shares (with the exception of such New Public Shares received as option holder under the HomeToGo VSOP) during the period commencing on the date of the Business Combination Agreement, *i.e.*, July 14, 2021, and ending one hundred and eighty (180) days after the consummation of the Business Combination, *i.e.*, September 21, 2021 ("**HomeToGo Investors Lock-Up**").

In addition to the exemptions to the lock-ups set out below, the HomeToGo Investors Lock-Up will not restrict HomeToGo Investors from, either directly or indirectly, selling, transferring or otherwise disposing of any New Public Shares (with the exception of such New Public Shares received as option holder under the HomeToGo VSOP) to a third party if the third party acquirer agrees to be bound by the HomeToGo Investors Lock-Up for the remaining term.

6.3.3 Exceptions

Both, the Management Lock-Up and the HomeToGo Investors Lock-Up contain customary exceptions to their lock-up provisions.

6.4 Representation and Warranties

Under the Business Combination Agreement, HomeToGo GmbH made customary representations and warranties to the Company (at the time "Lakestar SPAC I SE") relating to, among other things: organization and qualification; capitalization; authorization; financial statements; absence of undisclosed liabilities; consents and requisite governmental approvals; permits; material contracts; absence of certain changes; operation of business during COVID-19; litigation; compliance with applicable laws; equity incentive plans; intellectual property; labor matters; insurance; tax matters; broker fees; real and personal property; transactions with affiliates; data privacy and security; environmental matters; solvency; ownership of assets; subsidies; customers and accounts receivables.

Under the Business Combination Agreement, the HomeToGo GmbH shareholders made customary representations and warranties to Lakestar SPAC and HomeToGo GmbH relating to, among other things: ownership of HomeToGo GmbH shares; rights to HomeToGo GmbH shares; organization and qualification; authorization; consent and requisite government approvals; proceedings; investment representations and broker fees.

Under the Business Combination Agreement, the HomeToGo Lenders made customary representations and warranties to Lakestar SPAC and HomeToGo GmbH relating to, among other things: position as creditor of convertible loans; rights to covered convertible loans; organization and qualification; authorization; consent and requisite government approvals; proceedings; investment representations and broker fees.

Under the Business Combination Agreement, Lakestar SPAC made customary representations and warranties to HomeToGo GmbH relating to, among other things: organization and qualification; authorization; consents and requisite government approvals; brokers fees; issuance of shares; capitalization; escrow account; transaction with affiliates; litigation; compliance with applicable law; internal controls; listing; prior business operation; no undisclosed liabilities; tax matters and PIPE Financing.

6.5 Material Adverse Effect

Under the Business Combination Agreement, certain representations and warranties of HomeToGo GmbH and Lakestar SPAC, are qualified in whole or in part by materiality thresholds. In addition, certain representations and warranties of HomeToGo GmbH, the HomeToGo Shareholders, the HomeToGo Lenders and Lakestar SPAC are qualified in whole or in part by a material adverse effect standard for purposes of determining whether a breach of such representations and warranties has occurred. Pursuant to the Business Combination Agreement, a “HomeToGo Material Adverse Effect” means a failure of HomeToGo GmbH’s warranties to be true and correct in all material respects at and as of the closing commencement date, provided that such breach or breaches of HomeToGo GmbH’s warranties has had a material adverse effect; “HomeToGo GmbH Shareholders Material Adverse Effect” means a failure of the representations and warranties by the HomeToGo GmbH shareholders to be true and correct at and as of the closing commencement date, that would prevent, materially delay or impair the ability of the HomeToGo GmbH shareholders to perform their obligations under the Business Combination Agreement and/or the ancillary documents to which the HomeToGo GmbH shareholders are or will be a party or the consummation of the Business Combination; “HomeToGo Lenders Material Adverse Effect” means a failure of the representations and warranties by the HomeToGo Lenders to be true and correct at and as of the closing of the convertible loan conversion, that would prevent, materially delay or impair the ability of the HomeToGo Lender to perform its obligations under the Business Combination Agreement, the ancillary documents to which the HomeToGo Lender is or will be a party or the consummation of the Business Combination; “Lakestar SPAC Material Adverse Effect” means a failure of the Lakestar SPAC warranties to be true and correct in all material respects at and as of the closing commencement date, provided that such breach or breaches of the Lakestar SPAC warranties has had a material adverse effect.

6.6 Conditions to Closing of the Business Combination

6.6.1 Conditions to Each Party’s Obligations

The obligations of the parties to the Business Combination Agreement to consummate the transactions contemplated by the Business Combination Agreement are subject to the satisfaction or, if permitted by applicable law, waiver by all of the parties of the following conditions (except for the consummation of the convertible loan conversion which shall only be subject to the condition receipt of the Lakestar SPAC’s shareholder approval):

- receipt of the Lakestar SPAC’s shareholder approval;
- expiration or termination of any applicable waiting period and receipt of any consent pursuant to any applicable antitrust law; and
- completion of any required stock exchange and regulatory review, including by the CSSF and the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*).

6.6.2 Conditions to HomeToGo GmbH's Obligations

The obligations of HomeToGo GmbH to consummate the transactions contemplated by the Business Combination Agreement are subject to the satisfaction or, if permitted by applicable law, waiver of HomeToGo GmbH of the following further conditions:

- (i) Lakestar SPAC fundamental representations (*i.e.*, the representations and warranties with regard to organization and qualification, authorization, broker fees and capitalization) are true and correct in all material respects as of the date of the Business Combination Agreement and as of the closing commencement date, as though made on and as of the closing commencement date (except to the extent that any such representation and warranty is made of an earlier date, in which case such representation and warranty has to be true and correct in all material respects as of such earlier date), and (ii) the representations and warranties of Lakestar SPAC contained in the Business Combination Agreement are true and correct (without giving effect to any limitation as to "materiality" or "Lakestar SPAC Material Adverse Effect" or any similar limitation set forth in the Business Combination Agreement) in all respects as the closing commencement date, as though made on and as of the closing commencement date (except to the extent that any such representation and warranty is made of an earlier date, in which case such representation and warranty has to be true and correct in all material respects as of such earlier date), except where the failure of such representations and warranties to be true and correct, taken as a whole, does not cause a "Lakestar SPAC Material Adverse Effect";
- Lakestar SPAC has performed and complied in all material respects with the covenants and agreements required to be performed or complied with by it under the Business Combination Agreement at or prior to the Closing;
- no Lakestar SPAC Material Adverse Effect has occurred; and
- there being at least an amount in cash available in Lakestar SPAC (including PIPE proceeds) of € 175 million, after exercise of redemption rights by the Lakestar SPAC shareholders; it is understood between Lakestar SPAC, HomeToGo GmbH, the HomeToGo Shareholders, and the HomeToGo Lenders that HomeToGo GmbH will make use of its right to waive this condition if, following good faith considerations, consultation with the HomeToGo GmbH shareholders and exercising reasonable judgment, HomeToGo GmbH remains of the opinion that the Business Combination is fair to, and in the best interest of, HomeToGo GmbH.

6.6.3 Conditions to Lakestar SPAC's Obligations

The obligations of Lakestar SPAC to consummate the transactions contemplated by the Business Combination Agreement are subject to the satisfaction or, if permitted by applicable law, waiver by Lakestar SPAC of the following further conditions:

- (i) HomeToGo GmbH fundamental representations (*i.e.*, the representations and warranties with regard to organization and qualification, capitalization, authorization and broker fees), the HomeToGo Shareholder fundamental representations and the HomeToGo Lender fundamental representations are true and correct (without giving effect to any limitation as to "materiality" or "HomeToGo Material Adverse Effect", "HomeToGo GmbH Shareholders Material Adverse Effect", "HomeToGo Lenders Material Adverse Effect" or any similar limitation set forth herein) in all material respects as of the date of the Business Combination Agreement and as of the closing commencement date, as though made on and as of the closing commencement date (except to the extent that any such representation and warranty is made of an earlier date, in which case such representation and warranty has to be true and correct in all material respects as of such earlier date) and (ii) the representations and warranties of HomeToGo GmbH, the HomeToGo GmbH shareholders and HomeToGo Lenders (other than the fundamental representation of the respective parties) are true and correct (without giving effect to any limitation as to "materiality" or "HomeToGo Material Adverse Effect", "HomeToGo GmbH Shareholders Material Adverse Effect", "HomeToGo Lenders Material Adverse Effect" or any similar limitation set forth herein) in all respects as of the date of the Business Combination Agreement and as of the closing commencement date, as though made on and as of the closing commencement date (except to the extent that any such representation and warranty is made of an earlier date, in which case such representation and warranty has to be true and correct in all respects as of such earlier date), except where the failure of such representations and warranties to be true and correct, taken as a whole, does not cause a HomeToGo Material Adverse Effect, a HomeToGo GmbH Shareholders Material Adverse Effect or HomeToGo Lenders Material Adverse Effect;

- HomeToGo GmbH, the HomeToGo GmbH shareholders and the HomeToGo Lenders have performed and complied in all material respects with the covenants and agreements required to be performed or complied with by HomeToGo GmbH, the HomeToGo GmbH shareholders and the HomeToGo Lenders at or prior to the Closing;
- no "HomeToGo Material Adverse Effect" has occurred;
- no "HomeToGo GmbH Shareholders Material Adverse Effect" has occurred; and
- no "HomeToGo Lenders Material Adverse Effect" has occurred.

6.6.4 Frustration of Closing Conditions

Neither Lakestar SPAC nor HomeToGo GmbH may rely on the failure of any closing condition to be satisfied if such failure was caused by the respective party's failure to act in good faith or to take such actions as may be necessary to cause the conditions of the other party to be satisfied.

6.7 Covenants of the Parties

6.7.1 Covenants Relating to all Parties

The parties to the Business Combination Agreement made certain covenants under the Business Combination Agreement, including, among others, the following:

6.7.1.1 <u>*Efforts to Consummate*</u>

- To use commercially reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things reasonably necessary or advisable to consummate and make effective as promptly as practicable the transactions contemplated by the Business Combination Agreement.
- To keep each other apprised of the status of matters relating to any consent of any governmental entity contemplated by the Business Combination Agreement or any ancillary document.

6.7.1.2 <u>*Preparation of Business Combination Prospectus*</u>

- As promptly as reasonably practicable following the execution of the Business Combination Agreement, Lakestar SPAC and HomeToGo GmbH will prepare and mutually agreed upon, and Lakestar SPAC will file with the CSSF, this Prospectus.
- Each of the parties to the Business Combination Agreement will use commercially reasonable best efforts to ensure that none of the information related to such party or any of such party's representatives, supplied by or on such party's behalf for inclusion or incorporation by reference in the Prospectus will, at the time this Prospectus is filed with the CSSF, at each time at which it is amended, or at the time it is approved, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

6.7.1.3 <u>*PIPE Investment; PIPE Documents; Cooperation*</u>

- HomeToGo GmbH and Lakestar SPAC will take, or cause to be taken, all reasonable actions and do, or cause to be done, all things necessary, proper or advisable to consummate the transactions contemplated by the Subscription Agreements (as defined below).

6.7.1.4 <u>*Post-Closing Cooperation; Further Assurances*</u>

- Following the Closing, each party shall, on the request of any other party, execute such further documents, and perform such further acts, as may be reasonably necessary or appropriate to give full effect to the allocation of rights, benefits, obligations and liabilities contemplated by the Business Combination Agreement and the transactions contemplated thereby.
- The parties will mutually take all requisite steps to change Lakestar SPAC's business name to "HomeToGo SE" and to adopt, if available, a ticker symbol containing "HTG" for Lakestar SPAC.

6.7.2 Covenants Relating to HomeToGo GmbH

HomeToGo GmbH made certain additional covenants under the Business Combination Agreement, including, among others, the following:

6.7.2.1 *Conduct of Business of HomeToGo GmbH*

- Subject to certain exceptions, prior to Closing, HomeToGo GmbH will, and will cause its subsidiaries to, except as expressly contemplated by the Business Combination Agreement or any ancillary document, as required by applicable law or as consented to by Lakestar SPAC, use commercially reasonable best efforts to (i) operate the business of HomeToGo GmbH and the group companies in the ordinary course of business consistent with past practice (including recent past practice in light of COVID-19) in all material respects and (ii) maintain and preserve intact the business organization, assets and properties of HomeToGo GmbH and its subsidiaries, taken as a whole.
- Subject to certain exceptions, prior to Closing, HomeToGo GmbH will, and will cause its subsidiaries to, except as expressly contemplated by the Business Combination Agreement or any ancillary document, as required by applicable law or as consented to by Lakestar SPAC, not do any of the following:
    - declare, set aside, make or pay a dividend on, or make any other distribution or payment in respect of equity securities of HomeToGo GmbH and the group companies or repurchase or redeem or otherwise acquire, or offer to repurchase, redeem or otherwise acquire, any outstanding equity securities of HomeToGo GmbH or any group company, other than dividends or distributions, declared, set aside or paid by any of the HomeToGo GmbH's subsidiaries or any subsidiary that is wholly owned by HomeToGo GmbH;
    - merge, consolidate, combine or amalgamate HomeToGo GmbH or any of its subsidiaries with any person or purchase or otherwise acquire any corporation, partnership, association or other business entity or organization or division thereof;
    - adopt any amendments, supplements, restatements or modifications to the governing documents of HomeToGo GmbH or any of its subsidiaries or shareholders agreement of HomeToGo GmbH;
    - adjust, split, combine, subdivide, recapitalize, reclassify or otherwise amend any terms of any shares or series of equity securities of HomeToGo GmbH or any of its subsidiaries;
    - sell, assign, abandon, lease, license or otherwise dispose of any material assets or properties of HomeToGo GmbH or any of its subsidiaries or, subject or incur any lien over any material assets or properties of HomeToGo GmbH or any of its subsidiaries;
    - cancel or compromise any claim or indebtedness or settle any pending or threatened action;
    - transfer, issue, sell, grant or otherwise directly or indirectly dispose of, or subject to a lien, any (i) equity securities of HomeToGo GmbH or any of its subsidiaries or (ii) any options, warrants, rights of conversion or other rights, agreements, arrangements or commitments obligating HomeToGo GmbH or any of its subsidiaries to issue, deliver or sell any equity securities;
    - enter into any new line of business;
    - enter into, modify in any material respect or terminate any material contract other than in the ordinary course of business consistent with past practice;
    - acquire any ownership interest in any real property other than in the ordinary course of business;
    - make any loans, advances or capital contributions to, or guarantees for the benefit of, or any investments in any persons;
    - except as required for the consummation of the Business Combination Agreement (i) amend, modify, adopt, enter into or terminate any material equity incentive plan of HomeToGo GmbH or any of its subsidiaries or any material benefit or compensation plan, policy, program or contract, (ii) increase the compensation or benefits payable to any current or former director, manager, officer, employee, individual independent contractor or other service providers of HomeToGo GmbH or any of its subsidiaries subject to a certain threshold or (iii) waive or release any noncompetition, non-solicitation, no-hire, non-disclosure or other restrictive covenant obligation of any current or former director, manager, officer, employee, individual

independent contractor or other service providers of HomeToGo GmbH or any of its subsidiaries, or (iv) initiate any proceeding with respect to any current or former director, manager, officer, employee, individual independent contractor or other service provider of HomeToGo GmbH or any of its subsidiaries;

- make, change or revoke any election concerning taxes, enter into any tax closing agreement, settle any Tax claim or assessment, or consent to any extension or waiver of the limitation period applicable to or relating to any tax claim or assessment, other than any such extension or waiver that is obtained in the ordinary course of business;
- enter into any settlement, conciliation or similar contract, the performance of which would involve the payment by HomeToGo GmbH or any of its subsidiaries in excess of € 1,000,000, in the aggregate;
- authorize, recommend, propose or announce an intention to adopt, or otherwise effect, a plan of complete or partial liquidation, dissolution, restructuring, recapitalization, reorganization or similar transaction involving HomeToGo GmbH or any of its subsidiaries;
- change any methods of accounting in any material respect, other than changes that are made in accordance with changes of the applicable accounting standards;
- enter into any contract with any broker, finder, investment banker in connection with the Business Combination under which such person is or will be entitled to any brokerage fee, finders' fee or other commission in connection with the Business Combination;
- except in the ordinary course of business consistent with past practice, (i) grant to or acquire from, or agree to grant to or acquire any intellectual property rights that is material to HomeToGo GmbH or any of its subsidiaries, (ii) dispose of, abandon or permit to lapse any rights to any company registered intellectual property or (iii) disclose any material trade secret of HomeToGo GmbH to any person who has not entered into a written confidentiality agreement and is not otherwise subject to confidentiality obligations;
- voluntarily fail to maintain, cancel or materially change coverage under any insurance policy maintained with respect to HomeToGo GmbH or any of its subsidiaries and their assets and properties;
- settle, compromise, withdraw, or commence any claim, litigation or other proceedings with a value in excess of € 1,500,000.

6.7.2.2 *Exclusive Dealing*

- HomeToGo GmbH will not, and will cause its representatives not to, directly or indirectly (i) solicit, initiate, encourage (including by means of furnishing or disclosing information), facilitate, discuss or negotiate, directly or indirectly, any inquiry, proposal or offer (written or oral) to (a) acquire, in one transaction or a series of transactions, all or a substantial portion of any of the assets of HomeToGo GmbH or any of its subsidiaries, the equity securities of HomeToGo GmbH or any of its subsidiaries or the businesses of HomeToGo GmbH or any of its subsidiaries (whether by merger, consolidation, recapitalization, purchase or issuance of equity securities, purchase of assets, tender offer or otherwise), or (b) make an equity or similar investment in any HomeToGo GmbH subsidiary or their respective affiliates (item (a) or (b), a "**HomeToGo Acquisition Proposal**"); (ii) furnish or disclose any non-public information to any person in connection with, or that could reasonably be expected to lead to, a HomeToGo Acquisition Proposal; (iii) enter into any contract regarding a HomeToGo Acquisition Proposal; (iv) prepare or take any steps in connection with a public offering of any equity securities of any group company (or any successor to or parent company of any group company); or (v) otherwise cooperate in any way with, or assist or participate in, or facilitate or encourage any effort or attempt by any person to do or seek to do any of the foregoing or seek to circumvent this provision.

6.7.3 Covenants Relating to Lakestar SPAC

Lakestar SPAC made certain additional covenants under the Business Combination Agreement, including, among others, the following:

6.7.3.1 *Lakestar SPAC Shareholder Approval*

- Lakestar SPAC will, as promptly as practicable following the execution of the Business Combination Agreement and with the aim of a Closing in early September 2021, at a time at which information in relation to HomeToGo GmbH that must be disclosed in connection with convening notice has been made available by HomeToGo GmbH, duly convene, and give notice of, an extraordinary general meeting (the "**Lakestar SPAC Shareholder Approval Meeting**") for the purpose of obtaining the Lakestar SPAC shareholders' approval and, if applicable, any approvals related thereto. Lakestar SPAC will (i) recommend to its shareholders (A) the approval of the Business Combination on the terms set forth in the Business Combination Agreement and the transactions contemplated hereby; and (B) the adoption and approval of any other proposals reasonably agreed by Lakestar SPAC and HomeToGo GmbH as necessary or appropriate in connection with the consummation of the transactions contemplated by the Business Combination Agreement and the ancillary documents and (ii) use commercially reasonable best efforts to take all actions necessary (in its discretion or at the request of HomeToGo GmbH) to obtain the Lakestar SPAC shareholders' approval at the Lakestar SPAC Shareholder Approval Meeting.

6.7.3.2 *Conduct of Business of Lakestar SPAC*

- Lakestar SPAC will not except as expressly contemplated by the Business Combination Agreement or any ancillary document, as required by applicable law or as consented to by the Company, do any of the following:
  - adopt any amendments, supplements, restatements or modifications to the Escrow Agreement (as defined in Section 11.1 below), the terms and conditions of Lakestar SPAC's warrants or the governing documents of Lakestar SPAC;
  - establish or acquire any affiliates or subsidiaries;
  - declare, set aside, make or pay a dividend on, or make any other distribution or payment in respect of, any equity securities of Lakestar SPAC or any of its subsidiaries, or repurchase, redeem or otherwise acquire, or offer to repurchase, redeem or otherwise acquire, any outstanding equity securities of Lakestar SPAC or any of its affiliates;
  - split, combine or reclassify any of its capital stock or other equity securities or issue any other security in respect of, in lieu of or in substitution for shares of its capital stock;
  - incur, create or assume any indebtedness, except for indebtedness for transaction expenses and except for indebtedness for borrowed money in an amount not to exceed € 1,500,000 in the aggregate that is incurred to fund actual obligations due and payable prior to the Closing;
  - make any loans or advances to, or capital contributions in, any other person, other than to, or in, Lakestar SPAC or any of its subsidiaries;
  - issue any equity securities of Lakestar SPAC or any of its subsidiaries or grant any additional options, warrants or stock appreciation rights with respect to equity securities of the forgoing of Lakestar SPAC or any of its wholly owned subsidiaries;
  - enter into, renew, modify or revise any related party transaction;
  - engage in any activities or business, or incur any material liabilities;
  - authorize, recommend, propose or announce an intention to adopt a plan of complete or partial liquidation or dissolution;
  - enter into any contract with any broker, finder, investment banker in connection with the Business Combination under which such person is or will be entitled to any brokerage fee, finders' fee or other commission in connection with the Business Combination.

6.7.3.3 *Lakestar SPAC Equity Plans*

- A new equity participation plan will be proposed to, and adopted by, Lakestar SPAC's annual general meeting to be held in 2022.

6.7.3.4 *Public Filings; Frankfurt Stock Exchange Listing*

- Lakestar SPAC will
  - keep current and timely file all reports required to be filed or furnished with the CSSF and otherwise comply in all material respects with its reporting obligations under applicable laws;
  - use commercially reasonable best efforts to ensure that (i) Lakestar SPAC remains listed as a public company and (ii) the Lakestar SPAC Shares and the Lakestar SPAC Warrants remain listed on the Frankfurt Stock Exchange; and

- take all actions necessary or advisable to effect the admission and the introduction to trading on the Frankfurt Stock Exchange of shares issued in connection with the Business Combination to the HomeToGo Investors, the holders of virtual options and the PIPE Investors, in each case as promptly as practicable following the Business Combination.

6.7.3.5 *Escrow Account*

- Upon satisfaction or, to the extent permitted by applicable Law, waiver of the closing conditions to the Business Combination Agreement and provision of notice thereof to the escrow agent,
  - on or prior to the closing commencement date, Lakestar SPAC shall (a) cause the documents, opinions and notices required to be delivered to Deutsche Bank Aktiengesellschaft pursuant to the Escrow Agreement (as defined in Section 11.1 below) to be so delivered and (b) make all appropriate arrangements to cause Deutsche Bank Aktiengesellschaft to (x) pay the amounts due to the managers of Lakestar SPAC's initial public offering for their deferred listing commissions and (y) immediately thereafter, release all remaining amounts that shall be freely available to Lakestar SPAC in accordance with the Escrow Agreement (as defined in Section 11.1 below), and
  - thereafter, the Escrow Account shall terminate, except as otherwise provided therein.

6.7.3.6 *Indemnification; Directors' and Officers' Insurance*

- If the contribution of HomeToGo GmbH occurs, Lakestar SPAC will cause all rights to indemnification and advancement of expenses and all limitations on liability existing in favor of any employee, officer or director of Lakestar SPAC prior to the contribution of HomeToGo GmbH to survive the consummation of the transactions and the Business Combination and continue in full force and effect and be honored by Lakestar SPAC. After the contribution of HomeToGo GmbH, Lakestar SPAC will maintain in effect the exculpation, indemnification and advancement of expenses provisions.
- Lakestar SPAC will purchase a directors' and officers' liability insurance.

6.7.3.7 *No Tax Adverse Measures*

- Lakestar SPAC acknowledges that Mr. Wolfgang Heigl will be subject to a seven-year holding period (*Sperrfrist*) in respect of the HomeToGo GmbH shares contributed by him. Any action or measure causing a violation of the aforementioned holding period is subject to the prior written consent of Mr. Wolfgang Heigl.
- In the event of a violation of the aforementioned obligation to obtain the prior written consent of Mr. Wolfgang Heigl, Lakestar SPAC indemnifies und holds harmless Mr. Wolfgang Heigl from any taxes resulting from the violation of the holding period.
- Lakestar SPAC will provide Mr. Wolfgang Heigl with any reasonably required supporting documentation.

6.7.3.8 *Exclusive Dealing*

- Lakestar SPAC will not, and will cause its representatives not to, directly or indirectly (i) solicit, initiate, encourage (including by means of furnishing or disclosing information), facilitate, discuss or negotiate, directly or indirectly, any inquiry, proposal or offer (written or oral) to (a) acquire, in one transaction or a series of transactions, all or a material portion of any of the assets of Lakestar SPAC, the equity securities of Lakestar SPAC or the businesses of Lakestar SPAC (whether by merger, consolidation, recapitalization, purchase or issuance of equity securities, purchase of assets, tender offer or otherwise) or (b) make an equity or similar investment in Lakestar SPAC or their affiliates (item (a) or (b), a "**Lakestar SPAC Acquisition Proposal**"); (ii) furnish or disclose any non-public information to any person in connection with, or that could reasonably be expected to lead to, a Lakestar SPAC Acquisition Proposal; (iii) enter into any contract regarding an Lakestar SPAC Acquisition Proposal; or (iv) otherwise cooperate in any way with, or assist or participate in, or facilitate or encourage any effort or attempt by any person to do or seek to do any of the foregoing or seek to circumvent this provision.

6.7.4 Covenants relating to the HomeToGo Shareholders

Lakestar SPAC made certain additional covenants under the Business Combination Agreement, including, among others, the following:

6.7.4.1 *Corporate Actions*

- each HomeToGo Shareholder unconditionally and irrevocably agrees that it will at any meeting of the shareholders of HomeToGo GmbH, and in any action by written consent of the shareholders of HomeToGo GmbH or otherwise undertaken in connection with the Business Combination will, if a meeting is held, use its best efforts to appear at the meeting, in person, remotely, or by proxy, or otherwise cause its HomeToGo GmbH Shares to be counted as present thereat for purposes of establishing a quorum, and such HomeToGo Shareholder will vote or provide consent in person, remotely or by proxy, regardless of such HomeToGo Shareholder's attendance at such meeting, all of its HomeToGo GmbH shares:
  - to approve and adopt, and instruct the management of HomeToGo GmbH to grant written consent to, the Business Combination Agreement, the ancillary documents and the transactions contemplated hereby and thereby;
  - in any other circumstances upon which a consent, waiver or other approval may be required under HomeToGo GmbH's governing documents or under any agreements between HomeToGo GmbH and its shareholders to implement the Business Combination Agreement, the ancillary documents or the transactions contemplated hereby and thereby, to vote, consent, waive or approve all of such HomeToGo Shareholder's HomeToGo GmbH shares held at such time in favor thereof;
  - against any merger agreement, merger, consolidation, combination, sale of substantial assets, reorganization, recapitalization, dissolution, liquidation or winding up of or by HomeToGo GmbH; and
  - against any proposal, action or agreement that, to the knowledge of such HomeToGo Shareholder, would (i) impede, frustrate, prevent or nullify any provision of the Business Combination Agreement, the ancillary documents or the transactions contemplated hereby and thereby or (ii) result in a breach in any respect of any covenant, representation, warranty or any other obligation or agreement of HomeToGo GmbH under the Business Combination Agreement or the ancillary documents.

6.7.4.2 *No Inconsistent Agreements*

- Each HomeToGo Shareholder covenants and agrees that such HomeToGo Shareholder will not (i) enter into any voting agreement or voting trust with respect to any of its HomeToGo Shareholder's HomeToGo GmbH shares that is inconsistent with its obligations pursuant to the Business Combination Agreement, (ii) grant a proxy or power of attorney with respect to any of its HomeToGo GmbH shares that is inconsistent with its obligations pursuant to the Business Combination Agreement, or (iii) enter into any agreement or undertaking that is otherwise inconsistent with, or would restrict, limit or interfere with, or prohibit or prevent it from satisfying, its obligations pursuant to the Business Combination Agreement.

6.7.4.3 *No Solicitation*

- each HomeToGo Shareholder agrees not to, directly or indirectly, (i) initiate, solicit or knowingly encourage or knowingly facilitate any inquiries or requests for information with respect to, or the making of, any inquiry regarding, or any proposal or offer that constitutes, or could reasonably be expected to result in or lead to, any HomeToGo Acquisition Proposal, (ii) engage in, continue or otherwise participate in any negotiations or discussions concerning, or provide access to its properties, books and records or any confidential information or data to, any person relating to any proposal, offer, inquiry or request for information that constitutes, or could reasonably be expected to result in or lead to, any HomeToGo Acquisition Proposal, (iii) approve, endorse or recommend, or propose publicly to approve, endorse or recommend, any HomeToGo Acquisition Proposal, (iv) execute or enter into, any letter of intent, memorandum of understanding, agreement in principle, confidentiality agreement, merger agreement, acquisition agreement, exchange agreement, joint venture agreement, partnership agreement, option agreement or other similar agreement for or relating to any HomeToGo Acquisition Proposal or (v) resolve or agree to do any of the foregoing.

Each HomeToGo Shareholder also agrees that immediately following the execution of the Business Combination Agreement each HomeToGo Shareholder will, and will use commercially reasonable efforts to cause its representatives to, cease any solicitations, discussions or negotiations with any person (other than the parties and their respective representatives) conducted heretofore in connection with an HomeToGo Acquisition Proposal or any inquiry or request for information that could reasonably be expected to lead to, or result in, an HomeToGo Acquisition Proposal.

6.7.4.4 *No Transfer*

- each HomeToGo Shareholder agrees not to, directly or indirectly, (i) sell, offer to sell, or agree to sell, transfer, hypothecate, pledge, encumber, assign, hedge, swap, convert, grant any option to purchase or otherwise dispose of or agree to dispose of (including by merger (including by conversion into securities or other consideration), by tendering into any tender or exchange offer, by testamentary disposition, by operation of law or otherwise), either voluntarily or involuntarily with respect to any of the HomeToGo Shareholder's HomeToGo GmbH shares (collectively, "**HomeToGo Share Transfer**"), or enter into any contract or option with respect to the HomeToGo GmbH shares Transfer of, any of the HomeToGo Shareholder's HomeToGo GmbH shares, (ii) publicly announce any intention to effect any transaction specified in clause (i), or (iii) take any action that would make any representation or warranty of the HomeToGo Shareholder contained herein untrue or incorrect or have the effect of preventing or disabling the HomeToGo Shareholder from performing its obligations under the Business Combination Agreement; provided, however, that nothing herein will prohibit a HomeToGo Share Transfer to an affiliate of the HomeToGo Shareholder.

6.7.4.5 *No Issuance of Consideration Shares/Compensation of Lakestar SPAC in connection with court proceedings between Paris City and Casamundo GmbH*

- Should the final unappeasable ruling of the competent court or a settlement in the proceedings of Paris City against HomeToGo GmbH's subsidiary Casamundo GmbH in connection with an alleged non-compliance with information obligations under French law result in payment claims against Casamundo GmbH exceeding € 2 million that is ultimately borne by HomeToGo GmbH or any of its subsidiaries, occur (i) prior to the Acquisition, the number of Shares to be issued to HomeToGo GmbH Shareholders will be reduced by a number that is equal to Paris City's payment claim against Casamundo GmbH divided by € 10.00, or (ii) after the Acquisition, the HomeToGo GmbH shareholders will (x) pay a euro amount to Lakestar SPAC and/or (y) transfer a number of Public Shares to Lakestar SPAC divided by € 10.00 against nil consideration with (x) and (y) representing in the aggregate a value as euro amount equal to Paris City's payment claim against Casamundo GmbH. In case of lit. (ii) each of the HomeToGo Shareholders, severally and not jointly, commits to transfer such number of Shares and/or pay such Euro amount to Lakestar SPAC to equal in aggregate Paris City's payment claim against Casamundo GmbH multiplied by a fraction, the numerator of which is the aggregate number of HomeToGo GmbH shares held by such HomeToGo Shareholder at the closing date and the denominator of which is the number of fully-diluted HomeToGo GmbH shares.

The covenants mentioned above will only apply to the HomeToGo Investors after completion of the convertible loan closing.

6.7.5 Covenants Relating to the HomeToGo Lenders and the Earn-Out Subscriber

Each HomeToGo Lender and the earn-out subscriber unconditionally and irrevocably agrees to take all necessary or advisable actions in order to consummate the transactions contemplated by the Business Combination Agreement, in particular the convertible loan conversion and, with respect to the contingent HomeToGo GmbH shareholders to accede to HomeToGo GmbH shareholders agreement.

6.8 Termination

The Business Combination Agreement may be terminated, and the transactions contemplated by the Business Combination Agreement may be abandoned at any time prior to the Closing:

- by mutual written consent of Lakestar SPAC and HomeToGo GmbH;
- by Lakestar SPAC, if

- any of the representations or warranties by HomeToGo GmbH, the HomeToGo Shareholders, the HomeToGo Lenders and the earn-out subscriber are not true and correct; or
- HomeToGo GmbH or the HomeToGo Investors have failed to perform any covenant or agreement on the part of HomeToGo GmbH or the HomeToGo Investors set forth in the Business Combination Agreement (including an obligation to consummate closing of the transaction);

such that, in each case, the conditions to Closing set forth in the Business Combination Agreement could not be satisfied,

and

- the breach or breaches causing such representations or warranties not to be true and correct, or the failures to perform any covenant or agreement, as applicable, is (or are) not cured or cannot be cured within the earlier of (i) thirty (30) days after written notice thereof is delivered to HomeToGo GmbH, and (ii) the Termination Date (as defined below);

provided, however, that Lakestar SPAC is not then in breach of the Business Combination Agreement so as to prevent any of the conditions to Closing set forth in the Business Combination Agreement from being satisfied;

- by the HomeToGo GmbH, if
  - any of the representations or warranties by Lakestar SPAC are not true and correct; or
  - Lakestar SPAC has failed to perform any covenant or agreement on the part of Lakestar SPAC set forth in the Business Combination Agreement (including an obligation to consummate the Closing);

such that, in each case, the conditions to Closing set forth in the Business Combination Agreement could not be satisfied

and

- the breach or breaches causing such representations or warranties not to be true and correct, or the failures to perform any covenant or agreement, as applicable, is (or are) not cured or cannot be cured within the earlier of (i) thirty (30) days after written notice thereof is delivered to Lakestar SPAC and (ii) the Termination Date (as defined below);

provided, however, that HomeToGo GmbH is not then in breach of the Business Combination Agreement so as to prevent any of the conditions to Closing set forth in the Business Combination Agreement from being satisfied;

- by either Lakestar SPAC or HomeToGo GmbH, if any governmental entity will have issued an order or taken any other action permanently enjoining, restraining or otherwise prohibiting the transactions contemplated by the Business Combination Agreement and such order or other action has become final and non-appealable;
- by either Lakestar SPAC or HomeToGo GmbH if Lakestar SPAC's extraordinary shareholders' meeting has been held (including any adjournment thereof) and concluded, the Lakestar SPAC shareholders have duly voted, and the approval of Lakestar SPAC Shareholder was not obtained; or
- by either Lakestar SPAC or HomeToGo GmbH, if the transactions contemplated by the Business Combination Agreement has not been consummated on or prior to the date that is six (6) calendar months after the date of this Agreement (the "**Termination Date**"), provided that
  - the right to terminate the Business Combination Agreement pursuant to this provision will not be available to Lakestar SPAC if Lakestar SPAC's breach of any of its respective covenants or obligations under the Business Combination Agreement has proximately caused the failure to consummate the transactions contemplated by the Business Combination Agreement on or before the Termination Date; and
  - the right to terminate the Business Combination Agreement pursuant to this provision will not be available to HomeToGo GmbH if HomeToGo GmbH's breach of any of its covenants or

obligations under the Business Combination Agreement has proximately caused the failure to consummate the transactions contemplated by the Business Combination Agreement on or before the Termination Date.

6.9 Sole Remedy

The sole remedy for a breach of any party to the Business Combination Agreements' warranties is the right to terminate (*kündigen*) the Business Combination Agreement. Any remedies against any party of the Business Combination Agreement for any inaccuracy of the respective parties warranties or otherwise are exclusively governed by the Business Combination Agreement and the termination right as described above is the sole and exclusive remedy for breach of any warranties. To the extent permitted by mandatory law, any other rights and remedies in connection with the Business Combination Agreement or any ancillary document are excluded.

6.10 Expenses

The fees and expenses incurred in connection with the Business Combination Agreement, the ancillary documents and the transactions contemplated thereby, including the fees and disbursements of counsel, financial advisors and accountants, will paid by the party incurring such fees or expenses.

6.11 Governing Law and Dispute Resolution

The Business Combination Agreement and the rights and obligations of the parties thereunder is governed by, and construed in accordance with, the laws of the Federal Republic of Germany, excluding conflict of laws rules.

All disputes arising under or in connection with the Business Combination Agreement will be exclusively and finally settled in accordance with the rules of arbitration of the German Arbitration Institute (DIS) which are in force on the date of the commencement of the arbitration without recourse to the ordinary courts of law. The place of the arbitration will be Frankfurt am Main, Germany. The arbitral tribunal will consist of three arbitrators. The language of the arbitral proceedings will be English.

6.12 Amendments

The Business Combination Agreement may be amended or modified only by a written agreement (unless a stricter form is required) executed by the parties to the Business Combination Agreement.

6.13 Ancillary Documents

This section describes the material provisions of certain of the additional agreements that were entered into concurrently with the Business Combination Agreement, which are referred to herein as the "ancillary documents," but does not purport to describe all of the terms thereof.

6.13.1 Subscription Agreements

In connection with the execution of the Business Combination Agreement, Lakestar SPAC entered into subscription agreements with the PIPE Investors ("**Subscription Agreements**"), pursuant to which the PIPE Investors agreed to subscribe for and purchase, and Lakestar SPAC agreed to issue and sell to such investors, an aggregate of 7,500,000 Public Shares at €10.00 each for gross proceeds of €75,000,000 on the closing date. The Subscription Agreements also contain other customary representations, warranties, escrow account waiver provisions and agreements of the parties thereto.

The closings under the Subscription Agreements will occur substantially concurrently with the closing of the Business Combination and are conditioned on such closing and on other customary closing conditions. The Subscription Agreements will be terminated, and be of no further force and effect, upon the earlier to occur of (i) the termination of the Business Combination Agreement in accordance with its terms, (ii) the mutual written agreement of the parties thereto and HomeToGo GmbH, (iii) notification to the PIPE Investors that the Business Combination has been abandoned by Lakestar SPAC, with the consent of HomeToGo GmbH, and (iv) on February 13, 2022, if the closing has not occurred by such date.

6.13.2 Sponsor Letter

On July 14, 2021, Anxa Holding PTE LTD., HomeToGo GmbH and Lakestar SPAC entered into a sponsor letter agreement (the "**Sponsor Letter**"). Pursuant to the Sponsor Letter, the Sponsor has agreed to transfer or enter into an economically similar transaction regarding, 125,000 Public Shares received by it as a result of the conversion of its Founder Shares in accordance with the Promote Schedule if, after consummation of the Acquisition, the trading price of the Public Shares is at or above €15.00 for twenty trading days within any thirty trading day period. Such Public Shares will be transferred to certain employees of the Company in an amount of 500 Public Shares per employee, to be determined by HomeToGo GmbH.

6.13.3 Voting and Non-Redemption and Reimbursement Agreement

On July 14, 2021, the Founders, Lakestar SPAC, HomeToGo GmbH, the HomeToGo GmbH shareholders and the HomeToGo Lenders entered into a voting and non-redemption and reimbursement agreement. The agreement obligates the Founders to vote in favor of the Business Combination Agreement, when presented to the Lakestar SPAC shareholders' meeting and in favor of any other matter reasonably necessary to the consummation of the transactions contemplated by the Business Combination. All Founders waive their redemption rights under their respective Founder Shares. However, the Sponsor requests the repayment of (i) of the remainder of the €2,600,000 paid to cover the effect of negative interests rates on the Escrow Account and (ii) of the remainder of the €3,200,000 contributed to cover the remuneration of the members of the Lakestar SPAC Management Board and due diligence costs. Further, the Founders agreed not to transfer any Shares or any warrants of Lakestar SPAC owned or held at the date of the agreement.

Finally, each of the Founders will (i) bear any taxes incurred and (ii) reimburse to Lakestar SPAC an amount equal to taxes, if any, to be withheld by Lakestar SPAC or HomeToGo GmbH in connection with or as a result of the conversion of the Founder Shares and the Founder Warrants into Public Warrants.

7. SELECTED HISTORICAL FINANCIAL INFORMATION OF LAKESTAR SPAC I SE

*The following table sets forth Lakestar SPAC I SE's selected historical and other financial information, which is taken or derived from Lakestar SPAC I SE's audited consolidated financial statements as of December 31, 2020 and for the period from November 26, 2020 to December 31, 2020, unaudited interim condensed consolidated financial statements as of and for the six months ended June 30, 2021, beginning on page F-1 of this Prospectus, and Lakestar SPAC I SE's accounting records or internal reporting systems. The audited consolidated financial statements of Lakestar SPAC I SE as of December 31, 2020 and for the period from November 26, 2020 to December 31, 2020 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**"). The unaudited interim condensed consolidated financial statements of Lakestar SPAC I SE as of and for the six months ended June 30, 2021 have been prepared in accordance with IFRS on interim financial reporting (IAS 34),*

Where financial information in the following table is labeled "audited", this means that it has been taken from Lakestar SPAC I SE's audited consolidated financial statements mentioned above. The label "unaudited" is used in the following table to indicate financial information that has not been taken from Lakestar SPAC I SE's audited consolidated financial statements mentioned above but has been taken either from Lakestar SPAC I SE's unaudited interim condensed consolidated financial statements mentioned above or Lakestar SPAC I SE's accounting records or internal reporting systems, or has been calculated based on figures from the aforementioned sources.

The selected historical financial data should be read in conjunction with, and is qualified in its entirety by reference to, Section "12. Management's Discussion and Analysis of Financial Condition and Results of Operations of Lakestar SPAC I SE" *as well as with Lakestar SPAC I SE's consolidated financial statements including the related notes thereto contained elsewhere in this Prospectus.*

Lakestar SPAC I SE was recently incorporated and has not conducted any operations other than organizational activities, the preparation and execution of the Private Placement and the initial listing of its Public Shares and the identification of HomeToGo GmbH as target for the Business Combination and subsequent negotiations to date, so only consolidated statement of financial position data is presented. There has been no significant change in Lakestar SPAC I SE's financial or trading position since the date of the consolidated financial statements.

	As of December 31, 2020	As of June 30, 2021
	(audited)	(unaudited)
Consolidated statement of financial position data	(in € thousand)	(in € thousand)
Total equity and liabilities	1,438	281,307
Total liabilities	1,697	281,249
Total equity	(259)	58

8. SELECTED HISTORICAL FINANCIAL INFORMATION OF HOMETOGO GMBH

The financial information contained in the following tables is taken or derived from HomeToGo GmbH's audited consolidated financial statements as of and for the fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018, and HomeToGo GmbH's unaudited interim condensed consolidated financial statements as of and for the six months ended June 30, 2021, as well as HomeToGo GmbH's accounting records or internal reporting systems.

The audited consolidated financial statements of HomeToGo GmbH as of and for the fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018 have been prepared in accordance with IFRS. The unaudited interim condensed consolidated financial statements of HomeToGo GmbH as of and for the six months ended June 30, 2021 have been prepared in accordance with IFRS for interim financial reporting (IAS 34). Ernst & Young GmbH, Stuttgart, office Berlin, Germany, has audited in accordance with Section 317 of the German Commercial Code (Handelsgesetzbuch) and German generally accepted standards for financial statement audits and issued a German-language unqualified independent auditor's report (uneingeschränkter Bestätigungsvermerk des unabhängigen Abschlussprüfers) with respect to HomeToGo GmbH's audited consolidated financial statements as of and for the fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018. The aforementioned audited consolidated financial statements and the English-language translation of the independent auditor's report thereon are included in this Prospectus.

Where financial information in the following tables is labeled "audited", this means that it has been taken from HomeToGo GmbH's audited consolidated financial statements mentioned above. The label "unaudited" is used in the following tables to indicate financial information that has not been taken from HomeToGo GmbH's audited consolidated financial statements mentioned above but has been taken either from HomeToGo GmbH's unaudited interim condensed consolidated financial statements mentioned above or HomeToGo GmbH's accounting records or internal reporting systems, or has been calculated based on figures from the aforementioned sources.

Certain financial information, including percentages, has been rounded according to established commercial standards. As a result, rounded figures in the tables below may not add up to the aggregate amounts in such tables (sum totals or subtotals), which are calculated based on unrounded figures. Financial information presented in parentheses denotes the negative of such number presented. A dash ("–") signifies that the relevant figure is not available or zero, while a zero ("0.0") signifies that the relevant figure has been rounded to zero.

8.1 Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Fiscal year ended December 31,			**Six months ended June 30,**	
	2018	**2019**	**2020**	**2020**	**2021**
	(audited) (in € thousand, unless stated otherwise)			**(unaudited) (in € thousand, unless stated otherwise)**	
Revenue	51,015	69,540	65,855	23,055	30,032
Cost of revenues	(1,920)	(4,001)	(2,792)	(1,291)	(1,831)
Gross profit	49,095	65,539	63,063	21,764	28,201
Product development and operations	(7,668)	(12,854)	(15,275)	(7,705)	(8,787)
Marketing and sales	(67,718)	(69,380)	(52,235)	(27,924)	(53,357)
General and administrative	(3,780)	(8,858)	(13,092)	(5,553)	(15,221)
Other expenses	(175)	(181)	(735)	(293)	(38)
Other income	425	692	1,058	467	1,142
Profit (loss) from operations	**(29,822)**	**(25,042)**	**(17,216)**	(19,245)	(48,060)
Finance income	53	176	-	-	-
Finance expenses	(26)	(4,737)	(7,906)	(3,704)	(14,521)
Financial result, net	28	(4,561)	(7,906)	(3,704)	(14,521)
Profit (loss) before tax	**(29,794)**	**(29,603)**	**(25,122)**	(22,949)	(62,581)
Income taxes	797	230	1,316	613	121
Net income (loss)	(28,996)	(29,373)	(23,806)	(22,335)	(62,460)
Total comprehensive income (loss)	(28,996)	(29,373)	(23,806)	(22,335)	(62,460)

	Fiscal year ended December 31,			Six months ended June 30,	
	2018	2019	2020	2020	2021
	(audited) (in € thousand, unless stated otherwise)			(unaudited) (in € thousand, unless stated otherwise)	
Basic and diluted earnings (loss) per share	(0.34)	(0.32)	(0.26)	**(240)**	**(670)**
Weighted average ordinary shares outstanding (basic and diluted)	85,578	93,223	93,223	**93,223**	**93,223**

8.2 Consolidated Statements of Financial Position

	December 31, 2018	December 31, 2019	December 31, 2020	June 30, 2021
Assets		(audited) (in € thousand)		(unaudited) (in € thousand)
Non- current assets				
Intangible assets	26,517	42,179	41,570	62,087
Property, plant and equipment	1,866	2,652	16,413	15,744
Other receivables (non-current)	-	-	1,414	1,414
Income tax receivables (non-current)	34	34	34	78
Other financial assets (non-current)	3,239	1,491	1,485	1,504
Other assets (non-current)	163	74	68	202
Deferred tax assets	-	-	-	-
Total non-current assets	**31,818**	**46,430**	**60,984**	**81,030**
Current assets				
Trade and other receivables (current)	5,681	5,386	5,647	11,723
Income tax receivables (current)	364	261	139	108
Other financial assets (current)	141	408	549	1,981
Other assets (current)	3,766	1,383	1,246	1,530
Cash and cash equivalents	42,745	10,972	36,237	64,087
Total current assets	**52,697**	**18,410**	**43,819**	**79,429**
Total assets	**84,515**	**64,839**	**104,803**	**160,459**
Equity and liabilities				
Equity				
Subscribed capital	93	93	93	93
Capital reserves	113,280	113,280	113,280	113,280
Share-based payments reserve	6,027	10,959	22,148	33,221
Retained Earnings	(59,480)	(88,852)	(112,656)	(175,115)
Total shareholder´s equity	**59,920**	**35,480**	**22,865**	**(28,521)**
Borrowings (non-current)	-	-	3,557	
Convertible loans (non-current)	-	1,697	33,132	10,010
Trade payables (non-current)	-	-	-	80,432
Other financial liabilities (non-current)	890	1,735	26,139	58,387
Provisions (non-current)	282	441	558	441
Other liabilities (non-current)	285	278	1,105	1,038
Income tax liabilities (non-current)	2	5	17	22
Deferred tax liabilities	3,313	3,592	2,236	3,657
Non-current liabilities	**4,772**	**7,748**	**66,745**	**153,986**
Borrowings (current)	-	-	2,114	3,726
Trade payables (current)	4,527	5,294	4,233	15,408
Other financial liabilities (current)	7,709	2,835	1,574	6,500
Provisions (current)	203	35	1,100	1,040
Other liabilities (current)	7,339	13,220	6,156	8,246

	December 31, 2018	December 31, 2019	December 31, 2020	June 30, 2021
Income tax liabilities (current)	46	228	16	73
Current liabilities	**19,823**	**21,611**	**15,193**	**34,994**
Total liabilities	**24,595**	**29,359**	**81,938**	**188,980**
Total shareholder´s equity and liabilities	**84,515**	**64,839**	**104,803**	**160,459**

8.3 Consolidated Statements of Cash Flows

	Fiscal year ended December 31,			Six months ended June 30,	
	2018	2019	2020	2020	2021
		(audited) (in € thousand)		(unaudited) (in € thousand)	
Profit (loss) before income tax	**(29,794)**	**(29,603)**	**(25,122)**	**(22,949)**	**(62,581)**
Adjustments for:					
Depreciation and amortization	1,230	4,128	3,607	1,558	2,062
Non-cash employee benefits expense - share-based payments	554	4,932	11,189	5,300	11,073
Non-cash share-based payments for services and goods other than employee benefits (Tripping)	4,714	-	-	-	-
Net (gain) / loss on sale of non-current assets	-	19	-	-	-
Finance costs - net	(28)	4,561	7,906	3,704	14,521
Net exchange differences	(296)	274	(33)	(115)	(68)
Change in operating assets and liabilities					
(Increase) / Decrease in trade and other receivables	(1,386)	419	(1,676)	(1,753)	(5,834)
(Increase) / Decrease in other financial assets	(454)	(1,388)	(135)	(970)	(1,394)
(Increase) / Decrease in other assets	(339)	2,483	143	383	(301)
Increase / (Decrease) in trade and other payables	1,440	(150)	(1,061)	905	10,852
Increase / (Decrease) in other financial liabilities	70	19	(229)	(290)	(287)
Increase / (Decrease) in other liabilities	4,860	4,090	(6,236)	757	(299)
Increase / (Decrease) in provisions	(256)	(10)	1,182	(273)	(185)
Cash generated from operations	**(19,687)**	**(10,226)**	**(10,465)**	**(13,744)**	**(32,441)**
Interest and other finance cost paid (-)	(11)	(85)	(680)	(167)	(427)
Income taxes (paid) / received	(225)	212	(163)	33	(61)
Net cash used in operating activities	**(19,923)**	**(10,099)**	**(11,309)**	**(13,878)**	**(32,930)**
Payment for acquisition of subsidiary, net of cash acquired	(14,538)	(19,746)	(1,647)	0	(13,235)
Payments for property, plant and equipment	(180)	(402)	(1,551)	(71)	(94)
Payments for intangible assets	(887)	(42)	(100)	-	-
Payments for internally generated intangible assets	(68)	(854)	(1,369)	(530)	(720)
Payments for financial assets at amortized costs	(1,696)	(1,601)	-	-	(5)
Proceeds from sale of property, plant and equipment	-	45	18	-	1
Net cash used in investing activities	**(17,368)**	**(22,599)**	**(4,649)**	**(601)**	**(14,054)**

	Fiscal year ended December 31,			Six months ended June 30,	
	2018	2019	2020	2020	2021
	(audited) (in € thousand)			(unaudited) (in € thousand)	
Proceeds from borrowings and convertible loans	-	1,985	43,512	18,770	75,795
Proceeds from issuance of shares	64,874	-	-	-	-
Repayments of borrowings	-	-	(1,500)	(750)	(803)
Principal elements of lease payments	(116)	(721)	(563)	(432)	(470)
Net cash provided by financing activities	**64,758**	**1,264**	**41,449**	**17,588**	**74,522**
Net increase (decrease) in cash and cash equivalents	**27,467**	**(31,435)**	**25,490**	**3,110**	**27,538**
Cash and cash equivalents at the beginning of the period	**15,202**	**42,745**	**10,972**	**10,972**	**36,237**
Effects of exchange rate changes on cash and cash equivalents	76	(338)	(226)	416	312
Cash and cash equivalents at the end of the period	**42,745**	**10,972**	**36,237**	**14,498**	**64,087**

8.4 Other Financial Information and Operating Data

The following table provides an overview of certain key financial information and operating data relating to HTG's performance for the periods indicated. We believe that these indicators will be helpful for investors when assessing HTG's performance. Such financial information and operating data, however, do not necessarily indicate whether cash flows will be sufficient for HTG's cash requirements and may not be indicative of HTG's future results.

	For the fiscal year ended December 31,			For six months ended June 30,	
	2018	2019	2020	2020	2021
	(audited, unless stated otherwise)			(unaudited)	
Gross Booking Value (GBV) (in € million)[(1); (2)]	992	1,226	1,253	710	904
Booking Revenue (in € million)[(1); (3)]	60	80	82	45	72
Revenue (in € million)	51	70	66	23	30
Gross Profit (in € million)	49	66	63	22	28
Adjusted EBITDA (in € million)[(1); (4)]	(23)	(16)	(2)	(12)	(35)
Take Rate (in %)[(1)]	5.9%	6.2%	6.4%	6.3%	7.9%

(1) Unaudited.

(2) Non-IFRS operating metric which we define as the gross Euro value of bookings on our platform in a period (including all components of the booking amount, i.e., the total price to be paid by a User for the booked accommodation, including commission by other market participants involved in the booking, except for VAT). GBV is measured at the time of booking and is not adjusted for cancellations or any other alterations after booking. For more information on GBV, refer to Section "*13.3.1 Gross Booking Value*".

(3) Non-IFRS operating metric to measure performance, which we define as the net Euro value generated by transactions on our platform in a period (CPA, CPC, CPL, etc.) before cancellations. Booking Revenue does not correspond to, and should not be considered as alternative or substitute for, revenue recognized in accordance with IFRS. For more information on Booking Revenue, refer to Section "*13.3.2 Booking Revenue*".

(4) Defined as net income (loss) before (i) income taxes; (ii) finance income, finance expenses; (iii) depreciation and amortization; and adjusted for (iv) expenses for share-based compensation (for the fiscal year ended December 31, 2018 including expenses for share-based compensation for services and goods other than employee benefits in connection with the acquisition of Tripping International, Inc. ("**Tripping**")). For more information on Adjusted EBITDA, refer to Section "*13.3.3 Adjusted EBITDA*".

8.4.1 Reconciliation of Booking Revenue

The following is a reconciliation of revenue to Booking Revenue for the periods indicated:

	For the fiscal year ended December 31,			For the six months ended June 30,	
	2018	2019	2020	2020	2021
	(unaudited, unless stated otherwise) (in € million)			(unaudited,) (in € million)	
Revenue	51(1)	70(1)	66(1)	23	30
Cancellations	4	7	19	10	16
Bookings with check-in in different reporting period	5	3	(3)	12	26
Booking Revenue	**60**	**80**	**82**	**45**	**73**

(1) Audited.

8.4.2 Reconciliation of Adjusted EBITDA

The following is a reconciliation of net income (loss) to Adjusted EBITDA for the periods indicated:

	For the fiscal year ended December 31,			For the six months ended June 30,	
	2018	2019	2020	2020	2021
	(audited, unless stated otherwise) (in € million)			(unaudited) (in € million)	
Net income (loss)	(29.0)	(29.4)	(23.8)	(22.3)	(62.5)
Income taxes	(0.8)	(0.2)	(1.3)	(0.6)	(0.1)
Finance income	(0.1)	(0.2)	-	-	-
Finance expenses	0.0	4.7	7.9	3.7	14.5
Depreciation and amortization	1.2	4.1	3.6	1.6	2.1
Expenses for share-based compensation(2)	5.3(1)	4.9	11.2	5.3	11.1
Adjusted EBITDA(1)	**(23.3)**	**(16.0)**	**(2.5)**	**(12.4)**	**(34.9)**

(1) Unaudited.
(2) For the fiscal year ended December 31, 2018 including expenses for share-based compensation for services and goods other than employee benefits in connection with the acquisition of Tripping.

9. UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

9.1 Introduction

On July 14, 2021, Lakestar SPAC I SE (to be renamed to HomeToGo SE, "**Lakestar**" or "**Lakestar SPAC**") HomeToGo GmbH, all current shareholders of HomeToGo GmbH (the "**HomeToGo Shareholders**") and lenders under HomeToGo GmbH's convertible loan agreements, including the earn-out subscriber pursuant to the convertible loan agreements entitled to subscribe for further shares in HomeToGo GmbH ("**Earn-Out Shares**"), (the "**HomeToGo Lenders**" and together with the HomeToGo Shareholders, the "**HomeToGo Investors**") entered into a Business Combination Agreement ("**Business Combination Agreement**", or "**BCA**"). Pursuant to the BCA, several transactions will occur, and in connection therewith, Lakestar will become the legal parent company of HomeToGo GmbH, and its direct and indirect subsidiaries ("**HomeToGo**"), through the acquisition of 100% of HomeToGo GmbH shares by Lakestar via the contribution of all HomeToGo GmbH shares into Lakestar by the HomeToGo Investors in exchange for new Class A shares in Lakestar (the "**Business Combination**").

Also, in connection with the Business Combination, prior to the closing the HomeToGo GmbH virtual stock option programs ("**VSOPs**") shall be amended, providing each option holder the right to exercise their option rights that are exercisable at the time of the closing ("**HomeToGo VSOPs Amendment**"). Pursuant to the HomeToGo VSOPs Amendment, at or immediately following the closing of the Business Combination when exercised, the option holders who exercise their exercisable virtual options shall receive a cash payment from HomeToGo GmbH and/or new shares in Lakestar in fulfillment of their claims against HomeToGo GmbH with respect to the exercised virtual options. If and to the extent required by law, HomeToGo GmbH will pay taxes and other withholdings (such as social security contributions) arising in relation to both, the issuance of the new shares in Lakestar and the cash component and will make any deductions for such payments from the cash component.

Additionally, concurrent with the execution of the Business Combination Agreement, Lakestar entered into subscription agreements with investors, including existing HomeToGo GmbH and Lakestar shareholders, (collectively, the "**PIPE Investors**") in a private investment in public equity transaction (the "**PIPE Financing**") in the aggregate amount of € 75.0 million. In return for their investment, the PIPE Investors receive a total of 7,500,000 new Class A shares in Lakestar. The closings under the subscription agreements will occur substantially concurrently with the closing of the Business Combination and are conditioned on such closing and on other customary closing conditions.

The Business Combination, which is not within the scope of IFRS 3 since Lakestar does not meet the definition of a business in accordance with IFRS 3, will be accounted for within the scope of IFRS 2. Based on the post-combination company ordinary shares outstanding, after reflection of the redemption notices received by Lakestar on September 9, 2021, as explained below, the Business Combination will be accounted for as a capital reorganization ("**Capital Reorganization**") in accordance with IFRS. Under this method of accounting, Lakestar will be treated as the acquired company for financial reporting purposes. Accordingly, the Business Combination will be treated as the equivalent of HomeToGo GmbH issuing shares at the closing of the Business Combination for the net assets of Lakestar as of the closing date, accompanied by a recapitalization. Any excess of fair value of HomeToGo GmbH shares deemed to be issued over the fair value of Lakestar's identifiable net assets acquired represents compensation for the service of a stock exchange listing for its shares and is expensed as incurred.

The accounting acquirer analysis herein has been prepared based on the estimated capitalization at closing. Excluding the PIPE Financing, Lakestar shareholders will only hold 19% and 22% of equity and voting interest (20% and 23% including PIPE Financing), respectively, in the post-combination company, whereas HomeToGo Investors will hold 81% and 78% of equity and voting interest (76% and 73% including PIPE Financing), respectively, in the post-combination company.

The Business Combination had a significant impact on the net assets, financial position and results of operations of Lakestar and HomeToGo and will substantially affect the results of operations going forward. Therefore, the unaudited pro forma consolidated financial information prepared by Lakestar consists of:

- an unaudited pro forma consolidated statement of profit or loss for the six-month ended June 30, 2021;
- an unaudited a pro forma consolidated statement of profit or loss for the fiscal year ended December 31, 2020; and

- an unaudited pro forma consolidated statement of financial position as of June 30, 2021

each as accompanied by the related pro forma notes thereto (together, the "**Unaudited Pro Forma Consolidated Financial Information**").

The purpose of the Unaudited Pro Forma Consolidated Financial Information is to illustrate the material effects that the Capital Reorganization would have had on Lakestar and HomeToGo:

- for the six-month period ended June 30, 2021 and for the fiscal year ended December 31, 2020 as if the Capital Reorganization had occurred on January 1, 2020 for the purpose of the unaudited pro forma consolidated statements of profit or loss;
- as of June 30, 2021, as if the Capital Reorganization had occurred on June 30, 2021 for the purpose of the unaudited pro forma consolidated statement of financial position

The Unaudited Pro Forma Consolidated Financial Information has been presented for illustrative purposes only and is not necessarily indicative of the financial position and results of operations that would have been achieved had the Business Combination and related transactions occurred on the dates indicated. Further, the Unaudited Pro Forma Consolidated Financial Information may not be useful in predicting the future financial condition and results of operations of the post-combination company. The actual financial position and results of operations may differ significantly from the pro forma amounts reflected herein due to a variety of factors. The pro forma adjustments represent management's estimates based on information available as of the date of the Unaudited Pro Forma Consolidated Financial Information and is subject to change as additional information becomes available and analyses are performed. The Unaudited Pro Forma Consolidated Financial Information is based upon the respective historical consolidated financial statements of HomeToGo GmbH and Lakestar SPAC I SE and should be read in conjunction with the following financial statements:

- Unaudited interim condensed consolidated financial statements of HomeToGo GmbH as of and for the six months ended June 30, 2021
- HomeToGo GmbH's audited consolidated financial statements as of and for the fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018
- Unaudited interim condensed consolidated financial statements of Lakestar SPAC I SE as of and for the six months ended June 30, 2021
- Lakestar SPAC I SE's audited consolidated financial statements as of December 31, 2020 and for the period from November 26, 2020 to December 31, 2020

The Unaudited Pro Forma Consolidated Financial Information was prepared by Lakestar on September 21, 2021.

9.2 Historical Financial Information Included in the Unaudited Pro Forma Consolidated Financial Information

The unaudited pro forma consolidated statement of financial position as of June 30, 2021 combines the historical consolidated statement of financial position of HomeToGo GmbH and the historical consolidated statement of financial position of Lakestar for such reporting date on a pro forma basis as if the Business Combination and related transactions had been consummated on June 30, 2021. The unaudited pro forma consolidated statements of profit or loss for the six-months ended June 30, 2021 and for the fiscal year ended December 31, 2020 combine the historical consolidated statement of profit or loss of HomeToGo GmbH and the historical consolidated statement of comprehensive income of Lakestar for such periods on a pro forma basis as if the Business Combination and related transactions had been consummated on January 1, 2020, the beginning of the earliest period presented.

The unaudited pro forma consolidated statement of financial position as of June 30, 2021 has been prepared using the following:

- HomeToGo GmbH's unaudited interim condensed consolidated statement of financial position as of June 30, 2021, derived from the unaudited interim condensed consolidated financial statements of HomeToGo GmbH as of and for the six months ended June 30, 2021, which are published together with the Unaudited Pro Forma Consolidated Financial Information; and

- Lakestar's unaudited interim condensed consolidated statement of financial position as of June 30, 2021, derived from the published unaudited interim condensed consolidated financial statements of Lakestar SPAC I SE as of and for the six months ended June 30, 2021.

The unaudited pro forma consolidated statements of profit or loss for the fiscal year ended December 31, 2020 and the six-month period ended June 30, 2021 have been prepared using the following:

- HomeToGo GmbH's unaudited interim condensed consolidated statement of profit or loss for the six months ended June 30, 2021, derived from the unaudited interim condensed consolidated financial statements of HomeToGo GmbH as of and for the six months ended June 30, 2021, which are published together with the Unaudited Pro Forma Consolidated Financial Information;
- Lakestar SPAC I SE's unaudited interim condensed consolidated statement of comprehensive income for the six-months ended June 30, 2021, derived from the published unaudited interim condensed consolidated financial statements of Lakestar SPAC I SE as of and for the six months ended June 30, 2021;
- HomeToGo GmbH's audited consolidated statement of profit or loss for the fiscal year ended December 31, 2020, derived from the audited consolidated financial statements of HomeToGo GmbH as of and for the fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018, which are published together with the Unaudited Pro Forma Consolidated Financial Information; and
- Lakestar SPAC I SE's audited consolidated statement of comprehensive income for the period from November 26, 2020 (date of incorporation) to December 31, 2020, derived from the published audited consolidated financial statements of Lakestar SPAC I SE as of December 31, 2020 and for the period from November 26, 2020 to December 31, 2020.

The historical audited consolidated financial statements of HomeToGo GmbH and Lakestar have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**") and in its presentation and reporting currency of the Euro (€). The historical unaudited interim condensed consolidated financial statements of HomeToGo GmbH and Lakestar have been prepared in accordance IFRS on interim financial reporting (IAS 34) and in its presentation and reporting currency of the Euro (€).

9.2.1 Adjustments to Lakestar's historical financial information to align presentation:

As part of the preparation of the Unaudited Pro Forma Consolidated Financial Information, certain line items were renamed to align Lakestar's historical financial information in accordance with the presentation and financial statement line items of HomeToGo's historical financial information. Refer to the following tables:

Unaudited pro forma consolidated statement of financial position

HomeToGo	**Lakestar**
Subscribed capital	Issued capital
Retained Earnings	Accumulated deficit
Capital reserves	Other capital reserves
Other assets (current)	Deferred costs
Other financial assets (current)	Cash balance held in escrow account

Unaudited pro forma consolidated statement of profit or loss

HomeToGo	**Lakestar**
General and administrative	Other operating expenses
Finance expenses	Finance costs

9.3 Basis of Pro Forma Presentation

The Unaudited Pro Forma Consolidated Financial Information has been prepared in accordance with the principles described in the COMMISSION DELEGATED REGULATION (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, Annex 20 Pro Forma Information.

The Unaudited Pro Forma Consolidated Financial Information has been prepared consistently in all material aspects on the basis of IFRS and the accounting policies of HomeToGo, as described in the notes to the audited consolidated financial statements as of and for the fiscal years ended December 31, 2018, December 31, 2019 and December 31, 2020 as well as the unaudited interim condensed consolidated financial statements as of and for the six months ended June 30, 2021 of HomeToGo GmbH.

The pro forma adjustments presented in the Unaudited Pro Forma Consolidated Financial Information have been identified and presented to provide relevant information necessary for an accurate understanding of HomeToGo after giving effect to the Business Combination. Management has made significant estimates and assumptions in its determination of the pro forma adjustments. As the Unaudited Pro Forma Consolidated Financial Information has been prepared based on these preliminary estimates, the final amounts recorded may differ materially from the information presented.

The pro forma adjustments reflecting the consummation of the Business Combination are based on certain currently available information and certain assumptions and methodologies that are considered reasonable under the circumstances. The pro forma adjustments, which are described in the accompanying pro forma notes, may be revised as additional information becomes available and is evaluated. Therefore, it is likely that the actual adjustments will differ from the pro forma adjustments and it is possible the difference may be material. The assumptions and methodologies are considered to provide a reasonable basis for presenting all of the significant effects of the Business Combination based on information available at this time and that the pro forma adjustments give appropriate effect to those assumptions and are properly applied in the Unaudited Pro Forma Consolidated Financial Information.

The Unaudited Pro Forma Consolidated Financial Information does not reflect the income tax effects of the pro forma adjustments as based on the statutory rate in effect for the historical periods presented given HomeToGo and Lakestar incurred significant losses during the historical periods presented and income tax effects would result in offsetting and unrecognized temporary differences.

9.4 Pro Forma Assumptions

9.4.1 Business Combination date and accounting acquirer

For purposes of the Unaudited Pro Forma Consolidated Financial Information, the unaudited pro forma consolidated statement of financial position as of June 30, 2021 assumes that the Business Combination occurred on June 30, 2021. Additionally, unaudited pro forma consolidated statements of profit or loss for the six-month ended June 30, 2021 and for the fiscal year ended December 31, 2020 present pro forma effect to the Business Combination as if it had been completed on January 1, 2020. The Unaudited Pro Forma Consolidated Financial Information is presented on the basis that HomeToGo GmbH is the accounting acquirer.

9.4.2 Shares and warrants deemed issued:

For purposes of the Unaudited Pro Forma Consolidated Financial Information, the fair value of Class A shares and Class A warrants deemed issued was estimated based on a market price of € 9.98 per share and € 0.90 per warrant (as of July 14, 2021, the signing date of the Business Combination Agreement). Lakestar Class B shares and Class B warrants are not separately listed and traded on the regulated market. Therefore, the fair value of the Class B shares deemed issued was based on a value of € 9.25 and € 8.90 per Class B2 share and Class B3 share, respectively, determined by the estimated future stock price by applying a Monte Carlo Simulation with Geometric Brownian Motion (as of July 14, 2021). For purposes of the Unaudited Pro Forma Consolidated Financial Information, it is assumed the Class B1 shares are converted into Class A shares at the closing of the Business Combination and are therefore valued at the fair value of Class A shares. The fair value of the Class B warrants deemed issued was based on a value of € 2.95 per warrant determined by the estimated future stock price by applying a Black Scholes pricing model (as of July 14, 2021). The values are preliminary and will change based on fluctuations in the price of the Lakestar Class A shares and warrants through the closing date.

9.4.3 Class A share Redemption:

The Business Combination Agreement provides that each party's obligation to consummate the Business Combination is conditioned on the amount of cash available in Lakestar, including PIPE proceeds, of at least € 175.0 million, after exercise of the redemption rights by Lakestar public shareholders, but prior to payment of deferred listing commissions and transaction costs associated with the Business Combination and PIPE Financing. Therefore, this presentation assumes cash available equal to € 350.0 million, including € 75.0 million in proceeds from the PIPE Financing. Concurrent with the Business Combination Lakestar public shareholders have the opportunity to redeem all or a portion of their Class A Shares upon the completion of the Business Combination at a per share value of € 10.00, payable in cash. Notice of redemption by Lakestar public shareholders was due by September 9, 2021, under which redemption notices for 10,062,662 Class A shares were received. Under these circumstances, for purposes of the Unaudited Pro Forma Consolidated Financial Information Lakestar public shareholders exercise their redemption rights with respect to 10,062,662 redeemable Class A shares upon consummation of the transaction at a redemption price of € 10.00 per share, resulting in cash payment from the Lakestar escrow account of € 100,627 thousand.

For purposes of the Unaudited Pro Forma Consolidated Financial Information, the accounting acquirer analysis has been prepared using the assumptions summarized above with respect to number of Class A shares for which public shareholders in Lakestar elected their redemption right for redemption price of €10.00 per share.

The following table summarizes the pro forma number of the post-combination company ordinary shares outstanding after redemptions and the assumptions described herein:

Shareholders	Ownership in shares	Equity %	Voting % **
HomeToGo Investors	80,793,077	72	69
Lakestar public shareholders	17,437,338	16	15
Lakestar founders*	2,344,295	2	6
HomeToGo VSOP shares	4,210,905	4	4
PIPE Investors	7,500,000	7	6
	112,285,615	**100**	**100**

* Excludes Class B2 and Class B3 Lakestar founder shares, of 2,291,667 and 2,291,666, respectively, which do not have any rights to dividends and distributions and will not participate in any liquidation proceeds. Class B2 and Class B3 shares will convert into Class A shares, if the relevant conditions are met, after the Business Combination. Amount includes 52,628 Class B1 shares, converted into Class A shares upon the Business Combination, remaining after redemption by the Lakestar sponsor of the excess additional sponsor subscription after covering effects of negative interest rates on the amounts held in the escrow account.

** Each Class A and Class B share hold voting rights of one vote per share. Therefore, voting right percentages have been calculated inclusive of the Class B2 and Class B3 Lakestar founder shares, of 2,291,667 and 2,291,666, respectively.

9.4.4 Share issuance:

The pro forma adjustments in respect of the share issuance are based on the following assumptions:

- For purposes of the unaudited pro forma consolidated statements of profit or loss, it is assumed that the share issuance took place on January 1, 2020. For purposes of the unaudited pro forma consolidated statement of financial position, it is assumed that the share issuance took place on June 30, 2021.
- It is assumed that the adjustments of 112,951 shares of HomeToGo GmbH (including HomeToGo GmbH Shares pursuant to the conversion of the convertible loans of HomeToGo into HomeToGo GmbH shares prior to closing of the Business Combination and Earn-Out Shares issuable pursuant to the convertible loan agreement), contributed and exchanged into 80,793,077 Class A shares of Lakestar, based on the contribution-in-kind value after the VSOP claim, occurred as of January 1, 2020 and June 30, 2021 for the purpose of the pro forma consolidated statements profit or loss and the unaudited pro forma consolidated statement of financial position, respectively.

- It is assumed that the adjustment for the issuance of 7,500,000 new Class A shares in exchange for proceeds in the amount of €75.0 million for the PIPE Financing occurred as of January 1, 2020 and June 30, 2021 for the purpose of the pro forma consolidated statements profit or loss and the unaudited pro forma consolidated statement of financial position, respectively.

For purposes of the Unaudited Pro Forma Consolidated Financial Information, the non-recurring preliminary estimated transaction costs expected to be incurred related to the Business Combination and PIPE Financing subsequent to June 30, 2021 until the Closing by Lakestar and HomeToGo of approximately € 22.6 million are assumed to be incurred.

9.4.5 VSOP Amendment:

All option holders under the HomeToGo virtual stock option programs have provided notice of acceptance of the HomeToGo VSOPs Amendment. Pursuant to the HomeToGo VSOPs Amendment, the Business Combination qualifies as an exercise event within the meaning of the HomeToGo VSOPs for all HomeToGo VSOPs, and additionally pursuant to which all vested and exercisable virtual options as of the Business Combination closing will be exercised by the option holders. For purposes of the Unaudited Pro Forma Consolidated Financial Information and pursuant to the Business Combination Agreement and the HomeToGo VSOPs Amendment, option holders of the exercisable virtual options exercised at or immediately following the closing of the Business Combination shall receive in fulfillment of the value of their VSOP claims against HomeToGo GmbH with respect to the exercised virtual options, a cash payment from HomeToGo GmbH equal to 50% of the VSOP claim, to cover estimated relevant tax obligations, and a number of new Class A shares in Lakestar equal to the remaining 50% of the VSOP claim divided by an price of € 10.00 per share, irrespective of the actual share price of such Class A shares at the time of the delivery. Further, for purposes of the Unaudited Pro Forma Consolidated Financial Information, the VSOP claims for such exercisable virtual options is assumed consistent with the agreed terms of the Business Combination Agreement for the contribution-in-kind exchange of all HomeToGo GmbH shares into Class A shares of Lakestar. Under the HomeToGo VSOPs Amendment all other outstanding virtual options under the HomeToGo VSOPs not vested and exercisable as of the Business Combination closing shall vest and become exercisable pursuant to the terms of HomeToGo VSOPs, as amended by the HomeToGo VSOPs Amendment, and shall be settled only in Class A shares of Lakestar upon future exercise by the option holder.

9.5 Unaudited Pro Forma Consolidated Statement of Financial Position as of June 30, 2021 and Unaudited Pro Forma Consolidated Statements of Profit or Loss for the Fiscal Year Ended December 31, 2021 and for the Six Months Ended June 30, 2021

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 2021

	As of June 30, 2021	As of June 30, 2021		Pro Forma Adjustments		As of June 30, 2021
	HomeToGo (Historical)	Lakestar (Historical, as adjusted for presentation)	Sum before Pro Forma Adjustments	Pro Forma Adjustments	Explanations of Pro Forma Adjustments	Pro Forma Consolidated
(in € thousands)						
Assets						
Non- current assets						
Intangible assets	62,087	-	62,087			62,087
Property, plant and equipment	15,744	-	15,744			15,744
Trade and other receivables (non-current)	1,414	-	1,414			1,414
Income tax receivables (non-current)	78	-	78			78
Other financial assets (non-current)	1,504	-	1,504			1,504
Other assets (non-current)	202	-	202			202
Total non-current assets	**81,030**	**-**	**81,030**	**-**		**81,029**
Current assets						
Trade and other receivables (current)	11,723	-	11,723			11,723
Income tax receivables (current)	108	-	108			108
Other financial assets (current)	1,981	277,465	279,446	(277,465)	**A**	1,981
Other assets (current)	1,530	44	1,574	(116)	**E**	1,458
Cash and cash equivalents	64,087	3,798	67,885	277,465	**A**	244,667
				75,000	**B**	
				18	**C**	
				1	**D**	
				(30,192)	**E**	
				(2,773)	**F**	
				(100,627)	**H**	
				(42,111)	**I**	
Total current assets	**79,429**	**281,307**	**360,736**	**(100,799)**		**259,937**
Total assets	**160,459**	**281,307**	**441,766**	**(100,799)**		**340,966**
Equity and liabilities						
Equity						
Subscribed capital	93	132	225	144	**B**	2,156
				18	**C**	
				1	**D**	
				1,438	**G**	

				248	**H**	
				81	**I**	
Capital reserves	113,280	10,186	123,466	74,856	**B**	494,284
				125,395	**C**	
				515	**D**	
				(9,907)	**E**	
				(1,438)	**G**	
				195,955	**H**	
				(14,558)	**I**	
Share-based payments reserve	33,221	-	33,221	(515)	**D**	70,705
				65,633	**H**	
				(27,633)	**I**	
Retained Earnings	(175,115)	(10,260)	(185,375)	(20,401)	**E**	(291,736)
				(320)	**F**	
				(85,640)	**H**	
Total shareholder´s equity	**(28,521)**	**58**	**(28,463)**	**303,866**		**275,409**
Borrowings (non-current)	10,010	-	10,010			10,010
Convertible loans (non-current)	80,432	-	80,432	(80,432)	**C**	0
Other financial liabilities (non-current)	58,387	-	58,387	(44,963)	**C**	13,424
Provisions (non-current)	441	-	441			441
Other liabilities (non-current)	1,038	-	1,038			1,038
Income tax liabilities (non-current)	22	-	22			22
Deferred tax liabilities	3,657	-	3,657			3,657
Non-current liabilities	**153,986**	**-**	**153,986**	**(125,395)**		**28,591**
Borrowings (current)	3,726	-	3,726			3,726
Trade and other payables (current)	15,408	1,974	17,382			17,382
Other financial liabilities (current)	6,500	279,275	285,775	(2,453)	**F**	6,500
				(276,822)	**H**	
Provisions (current)	1,040	-	1,040			1,040
Other liabilities (current)	8,246	-	8,246			8,246
Income tax liabilities (current)	73	-	73			73
Current liabilities	**34,994**	**281,249**	**316,243**	**(279,275)**		**36,967**
Total liabilities	**188,980**	**281,249**	**470,229**	**(404,670)**		**65,558**
Total shareholder's equity and liabilities	**160,459**	**281,307**	**441,766**	**(100,804)**		**340,966**

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

	Fiscal Year ended December 31, 2020	Fiscal Year ended December 31, 2020		Pro Forma Adjustments		Fiscal Year ended December 31, 2020
	HomeToGo (Historical)	**Lakestar (Historical, as adjusted for presentation)**	**Sum before Pro Forma Adjustments**	**Pro Forma Adjustments**	**Explanations of Pro Forma Adjustments**	**Pro Forma Consolidated**
(in € thousands, except share and per share data)						
Revenue	65,855	-	65,855			65,855
Cost of revenues	(2,792)	-	(2,792)			(2,792)
Gross profit	63,063	-	63,063			63,063
Product development and operations	(15,275)	-	(15,275)			(15,275)
Marketing and sales	(52,235)	-	(52,235)			(52,235)
General and administrative	(13,092)	(377)	(13,469)	(11,176)	**AA**	(130,090)
				(105,445)	**BB**	
Other expenses	(735)	-	(735)			(735)
Other income	1,058	-	1,058			1,058
Profit (loss) from operations	**(17,216)**	**(377)**	**(17,593)**	**(116,621)**		**(134,214)**
Finance income	-	-	-			-
Finance expenses	(7,906)	(1)	(7,907)	5,471	**CC**	(665)
				1,772	**DD**	
Financial result, net	(7,906)	(1)	(7,907)	7,243		(665)
Profit (loss) before tax	**(25,122)**	**(379)**	**(25,501)**	**(109,378)**		**(134,879)**
Income taxes	1,316	-	1,316	-		1,316
Net income (loss)	**(23,806)**	**(379)**	**(24,185)**	**(109,378)**		**(133,563)**
Pro forma basic and diluted earnings (loss) per share						€ (1.19)
Pro forma weighted average ordinary shares outstanding (basic and diluted)						112,285,615

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE SIX-MONTHS ENDED JUNE 30, 2021

	For the six months ended June 30, 2021	For the six months ended June 30, 2021		Pro Forma Adjustments		For the six months ended June 30, 2021
(in € thousands, except share and per share data)	**HomeToGo (Historical)**	**Lakestar (Historical, as adjusted for presentation)**	**Sum before Pro Forma Adjustments**	**Pro Forma Adjustments**	**Explanations of Pro Forma Adjustments**	**Pro Forma Consolidated**
Revenue	30,032	-	30,032			30,032
Cost of revenues	(1,831)	-	(1,831)			(1,831)
Gross profit	28,201	-	28,201			28,201
Product development and operations	(8,787)	-	(8,787)			(8,787)
Marketing and sales	(53,357)	-	(53,357)			(53,357)
General and administrative	(15,221)	(3,009)	(18,230)	206	**EE**	(18,023)
Other expenses	(38)	-	(38)			(38)
Other income	1,142	-	1,142			1,142
Profit (loss) from operations	**(48,060)**	**(3,009)**	**(51,069)**	**206**		**(50,862)**
Finance income	-	3,444	3,444			3,444
Finance expenses	(14,521)	(10,316)	(24,837)	7,538	**CC**	(10,865)
				6,435	**DD**	
Financial result, net	(14,521)	(6,872)	(21,393)	13,972		(7,421)
Profit (loss) before tax	**(62,581)**	**(9,881)**	**(72,462)**	**14,179**		**(58,283)**
Income taxes	121	-	121	-		121
Net income (loss)	**(62,460)**	**(9,881)**	**(72,341)**	**14,179**		**(58,162)**
Pro forma basic and diluted earnings (loss) per share						€ (0.52)
Pro forma weighted average ordinary shares outstanding (basic and diluted)						112,285,615

9.6 Pro Forma Notes to the Unaudited Pro Forma Consolidated Financial Information

9.6.1 Pro Forma Adjustments to Unaudited Pro Forma Consolidated Financial Information

Pro forma adjustments to the unaudited pro forma consolidated statement of financial position

The pro forma adjustments included in the unaudited pro forma consolidated statement of financial position as of June 30, 2021 are as follows:

(A) Reflects the reclassification of € 277,465 thousand of investments held in the escrow account from other financial assets (current) to cash and cash equivalents that becomes available at the Business Combination.

(B) Concurrent with the execution of the Business Combination Agreement, Lakestar entered into subscription agreements with the PIPE Investors pursuant to which, among other things, such investors agreed to subscribe for and purchase, and Lakestar agreed to issue and sell to such investors, 7,500,000 Lakestar Class A shares for an aggregate of € 75,000 thousand in proceeds.

The pro forma adjustment reflects the proceeds of € 75,000 thousand from the issuance and sale of 7,500,000 Lakestar Class A shares at € 10.00 (with a nominal value of € 0.0192 per share) per share in the PIPE Financing pursuant to the terms of the subscription agreements, increasing cash and cash equivalents with corresponding increases to subscribed capital and capital reserve of € 144 thousand and € 74,856 thousand, respectively.

(C) Reflects the conversion of the convertible loans of HomeToGo into 18,438 HomeToGo GmbH shares against a cash payment of € 1.00 per share for the nominal value of each HomeToGo GmbH share issued prior to closing of the Business Combination, resulting in an increase in cash and cash equivalents of € 18 thousand, the reclassification of € 80,432 thousand from convertible loans (non-current) and € 44,963 thousand from other financial liabilities (non-current) to shareholder's equity in the amount of an increase of € 18 thousand in subscribed capital and an increase of € 125,395 in capital reserves.

(D) Reflects the conversion of the Earn-Out-Shares of HomeToGo into 1,290 HomeToGo GmbH shares against a cash payment of € 1.00 per share for the nominal value of each HomeToGo GmbH share issued prior to closing of the Business Combination, resulting in an increase in cash and cash equivalents of € 1 thousand and corresponding increase to subscribed capital and the reclassification of € 515 thousand from share-based payment reserves to capital reserves.

(E) Reflects the payment of € 22,567 thousand of estimated and incremental transaction costs incurred related to the Business Combination and PIPE Financing by HomeToGo and Lakestar subsequent to June 30, 2021 and € 7,625 thousand of deferred underwriting and additional discretionary fees related to Lakestar's IPO payable by Lakestar on completion of the Business Combination, resulting in a decrease to cash and cash equivalents of € 30,192 thousand. The remaining transaction costs are already included in the historical consolidated statement of profit or loss of HomeToGo for the six-month period ended June 30, 2021 of € 2,951 thousand and in the historical consolidated statement of comprehensive income of Lakestar for the six-month period ended June 20, 2021 of € 1,576 thousand. Equity issuance costs (namely, professional fees directly attributable to the shares deemed issued to Lakestar and PIPE Financing) of € 9,907 thousand are offset to capital reserves, including € 116 thousand of costs directly attributable to raising new capital which had been capitalized within other assets (current) of HomeToGo as of June 30, 2021, and the remaining balance of € 20,401 thousand is accounted for as a decrease to retained earnings.

(F) Reflects the pro forma adjustment for the election by the Lakestar sponsor for repayment of the remaining cash portion of the additional sponsor subscription not used to cover negative interest of € 1,868 thousand, after adjustment for € 320 thousand of estimated negative interest to be incurred subsequent to June 30, 2021 until the Business Combination recognized as a decrease to retained earnings and cash and cash equivalents, against redemption of 207,372 Class B1 shares and 69,124 Class B warrants from the additional sponsor subscription upon consummation of the Business Combination. Additionally, reflects the pro forma adjustment for the election by the Lakestar founders for repayment of the expected remaining cash portion of the additional purchase price of € 379 thousand, after adjustment for estimated costs to be incurred subsequent to June 30, 2021 in connection with the Business Combination, together recognized as a total reduction to other financial liabilities (current) in the amount of € 2,453 thousand and resulting in an aggregate reduction to cash and cash equivalents of € 2,773 thousand.

(G) Reflects the pro forma adjustment to subscribed capital and capital reserves after the contribution of HomeToGo GmbH's shares (including the HomeToGo GmbH's shares issued as described in pro forma adjustments C and D) outstanding to Lakestar in exchange for 80,791,518 Lakestar Class A shares resulting in net increase in subscribed capital of € 1,438 thousand and a decrease in capital reserve of € 1,438 thousand. The net increase in subscribed capital reflects a total subscribed capital of € 1,551 thousand, including HomeToGo GmbH's historical subscribed capital of € 113 thousand.

(H) Reflects the elimination of Lakestar's historical equity balances, after recording the transaction costs to be incurred by Lakestar as described in pro forma adjustment E, as well as elimination of the financial instrument liabilities related to Class A shares and warrants and the additional sponsor subscription Class B shares and warrants, after redemption of the additional sponsor subscription Class B shares and warrants as described in pro forma adjustment F, which are treated as equity instruments deemed issued to Lakestar shareholders and founders in the Business Combination.

Represents the pro forma adjustment for the 10,062,662 redeemable Class A shares redeemed resulting in a decrease to Lakestar cash balance of € 100,627 thousand with a corresponding reduction to the subscribed capital and capital reserves, and the remaining 17,437,338 Lakestar Class A shares deemed issued to Lakestar shareholders, including 2,344,295 of Class B1 shares converted into Class A shares immediately following the Business Combination, resulting in an increase subscribed capital and capital reserves. Additionally, Class B2 and Class B3 Lakestar founder shares, of 2,291,667 and 2,291,666, respectively, and 9,166,666 Lakestar Class A warrants and 5,350,875 Lakestar Class B founder warrants are treated as equity-settled share-based payment awards deemed issued to Lakestar shareholders and founders with a corresponding increase to share-based payments reserve.

Furthermore, represents the preliminary estimated expense recognized, in accordance with IFRS 2, for the excess of the fair value of Lakestar shares and warrants deemed issued over the fair value of Lakestar identifiable net assets, adjusted for estimated transaction costs and deferred underwriting and additional discretionary fees to be paid by Lakestar, acquired at the date of the Business Combination, resulting in a € 105,445 thousand decrease to retained earnings. The fair value of Class A shares and Class A warrants deemed issued was estimated based on a market price of € 9.98 per Class A share and € 0.90 per Class A warrant, as of July 14, 2021 (signing of the Business Combination Agreement). The fair value of the Class B2 shares and Class B3 shares or € 9.25 per share and € 8.90 per share, respectively, is determined by the estimated future stock price by applying a Monte Carlo Simulation with Geometric Brownian Motion as of a valuation date of July 14, 2021 (signing of the Business Combination Agreement). The fair value of the Class B warrants of € 2.95 per warrant, is determined by the estimated future stock price by Black Scholes pricing model as of a valuation date of July 14, 2021 (signing of the Business Combination Agreement). The values are preliminary and will change based on fluctuations in the price of the Lakestar Class A shares and Class A warrants through the closing date. Based on the approximate volatility of Lakestar share price from the Business Combination Agreement signing date and the preparation date of these Unaudited Pro Forma Consolidated Financial Information, a two percent change in the fair value per share and warrant would result in a change of € 5,261 thousand in the estimated expense.

The total pro forma adjustments result in a decrease of € 100,627 thousand in cash and cash equivalents, an increase of € 248 thousand in subscribed capital, an increase of € 195,955 thousand in capital reserves, an increase of € 65,633 thousand in share-based payments reserve, a decrease of € 85,640 thousand in retained earnings, and a decrease of € 276,822 thousand in other financial liabilities (current).

(I) Reflects the issuance of 4,210,905 Lakestar Class A shares and € 42,111 thousand payment in cash in fulfillment VSOP claim of the exercise by option holders of vested and exercisable virtual options pursuant to the HomeToGo VSOPs Amendment as of the Business Combination closing which shall be exercised at or immediately following the closing of the Business Combination resulting in an increase to subscribed capital of € 81 thousand for the nominal value of the Class A shares issued and corresponding decreases of € 27,633 thousand to share-based payments reserve and € 14,558 thousand to capital reserves.

9.6.2 Pro forma adjustments to the unaudited pro forma consolidated statements of profit or loss

The pro forma adjustments included in the unaudited forma consolidated statements of profit or loss all have one-off effect and are as follows:

(AA) Reflects the estimated and incremental transaction costs incurred and recognized as expense in connection with the Business Combination by HomeToGo subsequent to June 30, 2021 in the amount of € 11,176 thousand recognized in general and administrative expenses. The remaining transaction costs are already included in the historical consolidated statement of profit or loss of HomeToGo for the six-month period ended June 30, 2021 of € 2,951 thousand.

(BB) Represents the preliminary estimated expense recognized, in accordance with IFRS 2, for the excess of the fair value of Lakestar shares and warrants deemed issued over the fair value of Lakestar identifiable net assets, adjusted for estimated transaction costs and deferred underwriting and additional discretionary fees to be paid by Lakestar, acquired at the date of the Business Combination, recognized in general and administrative expenses in the amount of € 105,445 thousand.

(CC) Reflects the elimination of € 5,471 thousand and € 7,538 thousand in finance expenses resulting from changes in fair value of the derivative liability relating to convertible loans in the historical consolidated statements of profit or loss of HomeToGo for the fiscal year ended December 31, 2020 and for the six-month period ended June 30, 2021, respectively.

(DD) Reflects the elimination of € 1,772 thousand and € 6,435 thousand in finance expenses resulting from interest expenses relating to the convertible loans in the historical consolidated statements of profit or loss of HomeToGo for the fiscal year ended December 31, 2020 and for the six-month period ended June 30, 2021, respectively.

(EE) Reflects the elimination of € 206 thousand in general and administrative expenses resulting from negative interest incurred on Lakestar's investments held in escrow account for the six-month period ended June 30, 2021.

9.6.3 Pro Forma Basic and Diluted Earnings (Loss) per Share

Represents the pro forma earnings (loss) per share calculated using the historical weighted average ordinary shares outstanding, and the issuance of additional shares in connection with the Business Combination and related transactions, assuming the shares were outstanding since January 1, 2020. As the Business Combination and related transactions are being reflected as if they had occurred at the beginning of the periods presented, the calculation of weighted average ordinary shares outstanding for basic and diluted earnings(loss) per share assumes that the shares issued in connection with the Business Combination have been outstanding for the entire period presented.

As the unaudited pro forma consolidated statement of profit or loss is in a loss position, anti-dilutive instruments are excluded in the calculation of diluted weighted average number of ordinary shares outstanding, including 2,291,667 and 2,291,666 of non-participating Class B2 and Class B3 founder shares, respectively, held by the Lakestar founders which will convert into Class A shares, if the relevant conditions are met, after the Business Combination, and 9,166,666 Class A warrants and 5,350,875 Class B warrants to acquire Class A shares held by Lakestar public shareholders and Lakestar founders.

(in € thousands, except share and per share data)	
Pro forma weighted average ordinary shares outstanding (basic and diluted)	112,285,615
Pro forma net loss for the six-month period ended June 30, 2021	(58,162)
Pro forma basic and diluted earnings (loss) per share for the six-month period ended June 30, 2021	(0.52)
Pro forma net loss for the fiscal year ended December 31, 2020	(133,563)
Pro forma basic and diluted earnings (loss) per share for the fiscal year ended December 31, 2020	(1.19)

Pro forma weighted average ordinary shares outstanding (basic and diluted)

HomeToGo Investors	80,793,077
Lakestar public shareholders	17,437,338
Lakestar founders	2,344,295
HomeToGo VSOP shares	4,210,905
PIPE Investors	7,500,000
Total	**112,285,615**

9.7 Independent Auditor's Assurance Report on the Compilation of Pro Forma Consolidated Financial Information included in a Prospectus

To the Management Board of
Lakestar SPAC I SE (to be renamed HomeToGo SE)
9, rue de Bitbourg
L - 1273 Luxembourg

We have completed our assurance engagement to report on the compilation of pro forma consolidated financial information of Lakestar SPAC I SE (to be renamed HomeToGo SE, the "Company") by its Management Board. The pro forma consolidated financial information consists of the pro forma consolidated statement of financial position as of 30 June 2021, the pro forma consolidated statement of profit or loss for the year ended 31 December 2020, the pro forma consolidated statement of profit or loss for the six-months ended 30 June 2021, and related pro forma notes. The applicable criteria on the basis of which the Company's Management Board has compiled the pro forma consolidated financial information are specified in Annex 20 of Commission Regulation (EC) No 2019/980 and described in the pro forma notes.

The pro forma consolidated financial information has been compiled by the Management Board to illustrate the impact of the business combination of Lakestar SPAC I SE (to be renamed HomeToGo SE) and HomeToGo GmbH set out in the pro forma notes, Section 9.1 Introduction on the Company's financial position as at 30 June 2021 and its financial performance for the six months ended 30 June 2021 and the year ended 31 December 2020, as if the transaction had taken place at 30 June 2021 as well as 1 January 2020, respectively. As part of this process, information about the Company's financial position and financial performance has been extracted by the Company's Management Board from the Company's consolidated financial statements as of 31 December 2020 and for the period from 26 November 2020 to 31 December 2020, on which an independent auditor's report has been published, and the Company's consolidated interim financial statements as of and for the six months ended 30 June 2021, on which a review report has been published.

Management Board's Responsibility for the Pro Forma Consolidated Financial Information

The Management Board is responsible for compiling the pro forma consolidated financial information on the basis stated in the pro forma notes and that this basis is consistent with the accounting policies of the accounting acquirer HomeToGo GmbH.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. The firm applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibilities

Our responsibility is to express an opinion as required by Annex 20, Section 3 of Commission Regulation (EC) No 2019/980 about whether the pro forma consolidated financial information has been compiled, in all material respects, by the Management Board on the basis stated in the pro forma notes and whether this basis is consistent with the accounting policies of the accounting acquirer HomeToGo GmbH.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus, issued by the International Auditing and Assurance Standards Board. This standard requires that the auditor plans and performs procedures to obtain reasonable assurance about whether the Management Board has compiled, in all material respects, the pro forma consolidated financial information on the basis stated in the pro forma notes and whether this basis is consistent with the accounting policies of the accounting acquirer HomeToGo GmbH.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma consolidated financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma consolidated financial information.

The purpose of pro forma consolidated financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Company as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 1 January 2020 as well as at 30 June 2021 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma consolidated financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Management Board in the compilation of the pro forma consolidated financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma consolidated financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the auditor's judgment, having regard to the auditor's understanding of the nature of the Company, the event or transaction in respect of which the pro forma consolidated financial information has been compiled, and other relevant engagement circumstances. The engagement also involves evaluating the overall presentation of the pro forma consolidated financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the pro forma consolidated financial information has been properly compiled on the basis stated in the pro forma notes and that basis is consistent with the accounting policies of the accounting acquirer HomeToGo GmbH.

Ernst & Young

Société anonyme

Cabinet de révision agréé

Yves Even

Luxembourg, 21 September 2021

10. BUSINESS

For purposes of this Section 10, unless indicated otherwise, references to "we", "us" or "our", to the extent they concern any period prior to the consummation of the Business Combination, refer to HTG.

10.1 Our Vision

When we started the HTG business in 2014, we had a shared vision: to make the world's most incredible vacation homes easily accessible to everyone. We have since been pursuing this vision through the development and continual growth of a worldwide marketplace built on trust and usability to help travelers plan the perfect trip by bringing them together with inventory from property suppliers from all across the world. Our vision is enabled through our proprietary technology geared towards connecting the whole alternative accommodation ecosystem supported by a growing set of technology solutions for suppliers.

In the past, the founders of HTG had experienced similar difficulties when booking alternative accommodation: finding and securing the perfect property tended to be a tedious process instead of an exciting first step in their customer journey. While the markets for hotels and flights could seem overwhelming with hundreds of commercial airlines and hundreds of thousands of hotels, to a large extent those were, at least, channeled via professional global distribution systems, providing a certain degree of standardization and thus higher likelihood of transparency and convenience. The market for alternative accommodation and vacation rentals, by contrast, was highly fragmented, with thousands of websites and millions of properties listed, especially in rural areas. Travelers were required to manually compare a large number of websites in order to find the best option. Moreover, the most attractive properties could, in many cases, only be sourced via small local websites with low brand recognition and usability that did not inspire confidence in secure payments and did not offer reliable customer service and other trust-building features.

Inspired by our co-founder Wolfgang Heigl's success with Swoodoo, a price comparison website for flights, acquired by Kayak in 2010, we set out to solve the challenges of the vacation rental market. A key pillar of this undertaking was providing travelers with peace of mind by gathering various vacation rental inventories in one place and thereby providing as much choice and transparency as possible. We aimed to put an especially strong focus on inventory in rural areas where we felt the market was most underserved. Making these hidden gems available to a global audience of travelers while at the same time increasing conversion and bookings for our suppliers became a core aspect of our vision.

Still, we felt that simply aggregating the available supply of vacation rentals and information in one place would not suffice as the true potential of alternative accommodation and vacation rentals can only be leveraged through a high level of trust. Only if travelers trusted the platform enough would they book the unique properties and hidden gems offered by small and independent suppliers. Our marketplace seeks to develop this level of trust. Not only have we built considerable recognition for our brand, but, to the extent technically possible, we observe an extensive selection and onboarding process with respect to our suppliers, including checking the general attractiveness of their portfolio via their online presence and distribution channels as well as know-your-customer legitimacy checks. Additionally, a variety of available payment options ensures a secure booking environment.

Finally, we came to realize that a high degree of professionalization and optimization via technology solutions would be required to streamline the countless suppliers in the alternative accommodation landscape and their differing levels of professionalism. This is the reason we built our underlying innovative and proprietary technology platform which we have since scaled continuously while simultaneously adding and launching new services and technology solutions.

10.2 Overview of Our Business

We operate a global marketplace powered by technology solutions for alternative accommodation and vacation rentals that connects millions of travelers searching for a perfect place to stay with thousands of inventory suppliers across the globe, resulting in what we believe to be the world's most comprehensive inventory coverage in the alternative accommodation space. As of May 2021, HTG's portfolio comprised more than 14 million Offers provided by over 30,000 Partners worldwide. Our marketplace is beneficial to both our Partners and Users and is, we believe, unique in the travel industry. The Users gain access to superior inventory, while the Partners who utilize our platform reach a wider range of customers and benefit from technology solutions. Headquartered in Berlin, Germany, with additional offices in Milan (Italy), Barcelona (Spain) as well as Kaunas and Vilnius (Lithuania), we operate localized desktop and mobile websites as well as iOS and Android apps in 23 countries.

We believe that we have a substantial market opportunity in the growing global market for short-term accommodation. We estimate our total addressable market to be approximately €1 trillion in GBV today and expect it to grow to more than €1.7 trillion in GBV by 2030 (*Source: Deutsche Bank Research Report; BNP Research Report*). The market for alternative accommodation in particular is, however, highly fragmented and lacks transparency, with a multitude of international, regional, and local participants that try to successfully market their properties and services. We believe that we are well positioned to seize this market opportunity through our technology solutions with our easy-to-use marketplace that provides our Users with access to a superior global inventory supply and that provides our Partners with access to a worldwide demand by placing their listings on our state-of-the-art technology platform, that is able to attract high quality traffic, consisting of Users that are highly likely to convert into customers.

We operate our business mainly through our HomeToGo brand supported by a variety of smaller local or specialized brands and corresponding websites. With our wide reach and international audience, our brands ensure high online visibility so that our Partners can generate bookings from Users all over the globe. Our marketplace seamlessly integrates our vast inventory in one simple search and enables Users to book accommodation from our Partners either on their external accommodation websites or directly on our platform. If Partners opt to make their listing bookable directly on our platform, Users experience the complete online journey (from search and discovery to booking and payment) on our website instead of being redirected to the Partner's website. To increase bookings, many of our Partners already use this onsite booking service today and demand for this feature is constantly growing.

Our operations are built on our proprietary technology platform designed to help Users quickly sort through our rapidly -expanding inventory. Our intuitive filtering tools allow Users to identify Offers best suited to their needs, which they can comfortably share with their friends, family, or partners to plan trips together. In addition to the intuitive, fast, and easy-to-use interface, our innovative deduplication technology also enhances the user experience on our websites. Due to a lack of standardization in the industry, properties that are offered in the portfolios of more than one Partner would appear more than once in the search results that we show Users on our websites. Our proprietary deduplication technology, however, is programmed to recognize duplicative Offers and, where possible, automatically combines them into a single presentation of the property on our website, leveraging the different data points we receive from our multiple Partners, assuring the most comprehensive information for our Users. In addition to our localized websites, we provide the full services of HomeToGo via an app available for mobile and tablet devices on the platforms iOS and Android.

To further support the business of our Partners, we provide them with various technical solutions, which we intend to expand in the future, such as front-end products, data products or software as a service ("**SaaS**"). Our modular solutions are intended to increase conversion and to support the distribution, commercialization and management of our Partners' properties.

For the fiscal year ended December 31, 2020, HTG generated revenue of €66 million (2019: €70 million), and for the six months ended June 30, 2021, HTG's revenue amounted to €30 million. Despite the COVID-19 disruptions, HTG's gross booking value ("**GBV**") (before cancellations) (as further defined in Section "*13.3.1 Gross Booking Value*") for the fiscal year ended December 31, 2020 of €1.253 billion increased slightly (2019: €1.226 billion) while HTG's Adjusted EBITDA increased by €14 million, or 87.5%, to negative €2 million from negative €16 million in 2019, demonstrating the resilience and flexibility of the business to dynamically react even to unforeseeable events. In 2021, HTG even had a record first quarter with a GBV amounting to €430 million despite Europe still being under severe travel restrictions due to the COVID-19 pandemic. For the six months ended June 30, 2021, HTG's GBV was €904 million (six months ended June 30, 2020: €710 million).

10.3 Our Market Opportunity

We believe that we have a significant opportunity to capture a meaningful portion of the growing global market for short-term accommodation. We believe our total addressable market to be approximately €1 trillion in GBV today and expect it to reach more than €1.7 trillion in GBV by 2030 (*Source: Deutsche Bank Research Report; BNP Research Report*). Notwithstanding the impact the COVID-19 pandemic has had on the travel industry, the market for alternative accommodation is proving to be resilient. After the large OTAs experienced a decline in bookings in the second quarter of 2020 of approximately 60%-90% as compared to the second quarter of 2019 (*Source: Company information*), the market began to recover in the third quarter of 2020.

We believe that the alternative accommodation market in particular, which was already prior to the COVID-19 pandemic the fastest growing part of the online travel industry (*Source: Bloomberg*), will experience significant growth due to a general shift in travelers' preferences from traditional hotel and resort bookings to vacation rentals, which is being further accelerated by the COVID-19 pandemic. We believe that travelers are increasingly looking for more flexible, "safe", easily accessible (*e.g.*, by car and domestic) and individualized offerings. According to the World Travel and Tourism Council, COVID-19 is transforming traveler inclinations and behaviors toward the familiar, predictable and trusted. In addition, governments are encouraging citizens to spend holidays in their home countries which we believe will cause a long-term trend towards domestic travel and an increase in demand for alternative accommodations. For example, the Netherlands had a domestic share of 20-30% prior to the pandemic, which has since increased to 70-80% (*Source: Company information*). Additionally, increasing awareness of the ecological effects of air travel is also adding to the general trend of favoring domestic and close-by vacation destinations – the "home turf" of vacation rentals and alternative accommodation. Furthermore, remote work policies are making it possible to work from anywhere and to combine work and leisure activities, or simply enjoy better weather or nature while working, by allowing people to work remotely from a vacation destination they previously would have had to leave in order to return to an office, which can be attractive in particular in the off-season when availabilities are higher. We believe that this trend of "workation" will not only add a new customer group to the vertical but will also increase the length of stays significantly, resulting in attractive basket sizes. In general, we believe that the COVID-19 pandemic will not reduce the long-term demand for travel, but rather change the preferences of travelers away from crowded hotels and resorts to individual alternative accommodations that feel more like "home" and that provide full flexibility and multiple use cases – COVID-19 accelerated the education of travelers of alternative accommodation and vacation rentals and finally made it a demanded mainstream travel product. At the same time, we think that the COVID-19 pandemic will cause vacation home owners to continue to look for stable and predictable revenue from their properties, and therefore turn to becoming hosts in order to earn extra income.

While the global market for online alternative accommodation is growing, it is also highly fragmented, with tens of thousands of suppliers with thousands of different websites (*Source: Company information*), from global OTAs to regional property managers, offering often only their own limited inventory of accommodation properties to address a broad base of domestic and international demand. We estimate that three of the largest OTAs (measured by GBV) combine for a market share of only approximately 8% in the accommodation space. We believe that the high fragmentation in the market leads to inefficiency and significant price opacity, which can negatively impact the user experience. To compare offerings and prices, Users must search multiple rental platforms, fearful of missing the right offer for the right price. For OTAs and property managers, a highly fragmented market means that they depend on search engines, in particular Google, to attract traffic to their platforms, where they compete in advertising auctions for placement at the top of search rankings. In order to diversify their exposure on search engines, OTAs, property managers and other market participants are looking for alternative traffic sources to generate bookings. Furthermore, due to the high, and still growing, online penetration rate in the alternative accommodation market, having an efficient technology platform with an immersive, user-friendly experience and inspiring content has become critical to competing in the market. However, building such a technology platform is highly complex and costly, requires high levels of investments, takes time to launch to the market and is usually difficult to scale, maintain, further evolve and roll out internationally. Many property managers and other Partners do not have the in-house capabilities to create an online presence that meets these high standards and thus depend on collaboration with external platforms to increase their customer reach. Homeowners and semi-professional agencies face similar challenges. They typically do not have the financial and technical means to develop their own IT systems, nor do they use complex and expensive software the professionals use to manage their accommodation portfolio. Against this background, listing on multiple OTAs or other platforms create challenges to manage and synchronize property availability and prices across multiple distribution channels.

We believe that the global accommodation market is ripe for a multinational marketplace that seamlessly merges the inventories of hundreds of OTAs with the inventories of tens of thousands of property managers and other market participants. We offer our Users a convenient solution with a maximum number of choices they can easily search and filter according to their personal preferences. As a result, we believe we can deliver a higher quality of Users to our Partners than general search engines as our Users have already decided on a particular Offer and are therefore "transaction-ready". By listing their properties on our dedicated alternative accommodation marketplace, our Partners can increase their customer reach and – where desired – a state-of-the-art technology platform including onsite booking features on commercially attractive terms to optimize conversion and, thus, booking performance. Through our SaaS product, we provide homeowners and semi-professional agencies with a solution that allows them to centrally control all their property listings across various distribution channels, and through this we are able to provide our Partners, in particular OTAs, with access to additional inventory as well as better and more up-to-date data that otherwise would not be available to them.

For the above reasons, we believe our marketplace and proprietary technology platform is well suited to address the needs of all alternative accommodation market participants and to facilitate business growth across the entire alternative accommodation ecosystem by optimizing and sustainably growing bookings.

10.4 Our Value Proposition

We offer four key value propositions to our Users:

- **Choice**: Users have access to over 14 million Offers, including the inventory of major OTAs and more than 30,000 international, national and regional Partners all in one marketplace.
- **Convenience**: Users can navigate through a single interface instead of having to search multiple websites, thereby saving time as everything is in one place. Users do not have to fear missing the right offer for the right price. Where an offer is bookable directly on our platform, Users can benefit from a lean and convenient checkout process, a safe payment environment offering multiple payment methods and a customer centric post booking experience – features without which the supply of very small specialized local Partners sometimes would not even be conveniently accessible to a broader audience.
- **Transparency**: Users have the possibility to compare the listings of most of the existing accommodation suppliers in one place and where such listings are offered by several Partners can compare such offering's terms and often prices. Users can create collections of listings across our entire inventory and share them with friends and family or other interested Users. Due to the breadth of relevant data we collect about our inventory, we believe we are best positioned to combine all available information on the offered accommodation properties. We provide our Users with highly comprehensive content and relevant information to help them to compare Offers, features and prices and find the best-fitting property for their needs. The information that we synthesize and display on our platform includes images, descriptions, amenities, and room types as well as information on cancellation policies, other terms and conditions and much more that we also add automatically to enrich the supplied data – such as point-of-interest (POI) based information on scale.
- **Trusted Platform**: Users can rely on our trusted marketplace. While travelers may not trust smaller less known (local) businesses or foreign market participants, our increasing brand recognition helps create a safe booking environment and payment process for our Users. We observe an extensive selection and onboarding process with respect to our onsite Partners, including checking the general attractiveness of their portfolio via their online presence and distribution channels as well as know-your-customer legitimacy checks in case payment processing is performed by HTG. As part of our onsite business, on HomeToGo GmbH's websites, we also offer our German and U.S. Users a 'HomeToGo Money-back Guarantee', which is an insurance that we developed together with AWP P&C S.A. (Allianz Global Assistance) with whom we have a group insurance contract.

We offer five key value propositions to our Partners:

- **Delivery of Active and Transaction-Ready Users**: Due to our highly effective marketing campaigns, including consumer relationship management, we are able to maintain a very broad and active user base. With the comprehensive search and filtering functions on our platform, we are able to match the travel preferences of our Users to the offerings of our Partners, providing them with transaction-ready customers. In addition, our powerful online marketing tools are able to create personalized recommendations and alternative booking options, making sure to only provide Users with highly relevant content, creating high user engagement and increased booking intent.
- **State-of-the-Art Technology**: Our Partners have varying levels of experience, size and resources to dedicate to their website and app operations. By listing their accommodation properties on our platform, our Partners benefit from our sophisticated technology infrastructure. Partners can utilize features on our websites and apps where their own setup does not have the same level of functionality (*e.g.*, intuitive search and filtering functions, payment methods, customer service, mobile responsiveness etc.). HTG has created software algorithms that automatically merge duplicate Offers and enhance and enrich the inventory data we receive from our Partners, *e.g.*, image processing, including automatic enhancement of image quality, tagging of keywords and point-of-interest (POI) based information such as nearest subway station, distance to water, etc. After making their Offers available for conversion-optimized onsite booking feature on our websites and apps, Partners have experienced significant increase in bookings.

- **Increased Reach and Brand Awareness**: Through our platform's presence across multiple countries and languages, our Partners are able to increase their customer reach and brand awareness while at the same time diversifying their revenues without the need to operate their own localized website or app.
- **Attracting Homeowners**: OTAs, property managers and other Partners who have listed their properties on our platform and are therefore benefiting from our state-of-the-art technology and a high customer reach, increase their attractiveness to homeowners seeking to find a manager or distribution channel who can provide them with a reliable level of demand for their properties. We actively support and help OTAs and property managers to get access to homeowner leads, including through our SaaS product.
- **Manage all bookings from a centralized place:** Through our SaaS product, we provide homeowners and semi-professional agencies with a central cockpit where, among other features, availabilities, prices and bookings are synchronized across all connected distribution channels. Guest communication and key performance indicator ("**KPI**") monitoring is also centralized.

10.5 Our Strengths

We believe that the following competitive strengths have been the primary drivers of HTG's success in the past and will continue to contribute to the uniqueness and success of our business in the future:

10.5.1 Largest and most comprehensive supply of alternative accommodations

Our platform offers the largest and most comprehensive supply of alternative accommodations in the travel industry. As of May 2021, HTG's aggregated supply amounted to 14 million Offers, which we believe significantly exceeded the portfolios of other platforms. In particular in regions that we designate as rural (based on a population below 500,000), the Offers aggregated on HomeToGo GmbH's websites are often twice as large as the inventory of the second largest supplier for such regions (*e.g.*, in designated rural regions across Austria, Spain, Italy, Australia and Thailand).

While, in recent fiscal years, several Partners accounted for more than 10% of HTG's revenue (see Section "*13.6.1 Revenue*"), our supply is, at the same time, highly diversified, allowing our Users to find their ideal accommodation across the full spectrum of Offers from large OTAs, to large property managers and small agencies and other Partners who manage only a handful of local properties. Of the total impressions on HTG's websites in 2020 (excluding Agriturismo and EscapadaRural), approximately 29% could be allocated to Offers that are provided to us only by our three largest Partners while the remaining 71% related to the rest of our diversified portfolio. Depending on the region and the mix of OTAs and smaller Partners who offer properties in such region, the diversification can even be significantly higher. For example, in Croatia, where we cooperate with a high number of local Partners who offer their properties directly on our platform, around 5% of all impressions on HTG's websites in 2020 related to Offers that are provided to us only by our three largest Partners.

10.5.2 Superior user experience underpinned by data driven technology platform

We believe that our platform ensures a superior user experience as it provides choice, transparency and highly relevant content.

To drive user engagement, the Offers searchable on our websites are presented in a content-rich and inspiring fashion. Aside from information on the property itself, such as number of bedrooms and maximum number of guests, etc., our websites present additional useful information such as nearby places of interest that we layer onto the information we receive from our Partners. Our intuitive and effective search tools combined with recommendations and alternative booking options help Users find their perfect accommodation.

HTG has developed proprietary algorithms that detect Offers for the same property from multiple Partners. To avoid the presentation of duplications, which would negatively impact user experience, where possible, our platform automatically combines multiple Offers for the same accommodation property into one search result and merges and conforms certain information about the property, such as images, amenities and other descriptions of the property. This deduplication technology ensures that Users have access to the best (available) information on a specific property and, where the listing is offered by several Partners and the relevant information is available, allow them to compare terms and price.

When merging information on a specific property, our platform applies automatic enhancement technologies using machine learning to optimize the presented inventory, *e.g.*, visually enhancing pictures and understanding their contents with image recognition to optimize the User experience. Our proprietary software continuously improves its understanding of the importance of specific Offers to a particular User. As a result, our platform automatically improves the personalization of search results to Users with machine learning, in particular by adjusting the ranking algorithm, which increases their relevance for the User, leading to increased user satisfaction and a higher likelihood of conversion.

10.5.3 Highly efficient technology solutions for our Partners at every stage

Our Partner base is the foundation of the HomeToGo experience. We offer our Partners powerful technology solutions at every stage of the transaction:

- Our Partners benefit from our technological infrastructure including our website and app features, the visual enhancement of their inventory data and, in particular, our advanced machine learning enhanced algorithms that provide the User with the most relevant Offers, resulting in high quality demand, traffic and bookings.
- We offer our Partners the ability to make their properties directly bookable on our websites and apps (onsite), allowing them to benefit from high user engagement in a trusted booking environment with high conversion likelihood. Where properties are bookable directly on our platform (onsite), we have designed each step of the booking process on our websites and apps in a way that ensures an enhancement of the user experience and thus conversion which results in increased bookings.
- Partners who utilize our payment solutions benefit from us orchestrating and servicing the entire process of User payments. Similarly Users benefit from us offering major global as well as popular local payment methods natively in the booking journey. While we increase conversion rates and bookings, we also build long-term trust amongst travelers.
- With our SaaS product for semi-professional agencies and homeowners, which enables them to centrally control their listings and coordinate their actions across multiple platforms, we also effectively improve the quality and synchronization of the existing inventory for our Partners and grant them access to additional new inventory that otherwise would not be (easily) available to them.

10.5.4 Powerful and growing brand complemented by a proven marketing playbook

We believe that a superior user experience drives the quality of user reviews and brand reputation. For example, as of June 1, 2021, HTG's website www.hometogo.de had a score of 4.7 out of 5.0 on reviews.io and, as of May 2021, HTG had an excellent Net Promoter Score of 68 for onsite customers of www.hometogo.com (*Source: Zenloop*), evidencing an exceptionally high average rating in user reviews. Furthermore, as of June 1, 2021, HTG's apps had strong app store ratings of 4.8 in the Apple App Store and 4.1 on Google Play.

Our marketing playbook is based upon two main pillars, brand & organic marketing as well as performance marketing. Our marketing efforts in these two areas allow us to constantly attract new Users, provide them with individual offerings that match their interests, acquire them as customers who book accommodation on our marketplace and keep them engaged with our product offering.

Brand & organic marketing efforts include: (i) media relation and public relations work , on- and offsite search engine optimization activities, content marketing and other forms of inbound marketing, (ii) ad placements in channels with big reach such as TV, online video and out-of-home billboards, (iii) organic activities on social media, (iv) all our efforts related to customer relationship management ("**CRM**"), (v) our efforts to grow an active user base using our apps, and (v) all activities related to leveraging the traffic across our different websites for the growth of our major brands. The sum of all these activities is aimed at increasing awareness and organic traffic from potential Partners and Users, demonstrating to them the benefits of offering and finding accommodation through our platform.

One important dedicated aspect of our brand & organic marketing pillar is our customer relationship management (CRM). CRM is an important lever to engage subscribed high intent Users via personalized inspiration and offerings. We regularly distribute emails with tailored high quality content via email or app push notifications to our subscribed Users keeping them engaged for the long term and driving repeated bookings. As of May 2021, approximately 22.5 million Users had an account registered with one of HTG's websites or apps, and 12.4 million of them were active subscribers (*i.e.*, Users who consented to receiving marketing content).

Our marketing efforts are underpinned by high-quality public relations content, that is produced almost entirely in-house. In only six years, HTG's responsible team accounted for more than 15,000 publications in leading media like The New York Times, Le Monde, ZEIT, El País, BILD, Wall Street Journal, Reuters, Business Insider and Forbes on various topics concerning vacation rentals, which has helped to acquire more than 7,000 links pointing to our domains (*Source: Company calculations as of May 2021*).

All of these efforts focused on brand & organic marketing have proven to be highly effective, which is demonstrated by the development of visits on our websites (*i.e.*, sessions to a HTG website where at least one page has been loaded). While in 2015, 19% of the traffic on HomeToGo GmbH's websites was attributable to HTG's brand & organic marketing (this includes direct traffic, searches containing our brand names, SEO, CRM, App, Social Organic, other free traffic sources and internal traffic in-between our various websites), this number increased significantly to 54% in 2020 (*Source: Company calculations*).

Performance marketing is the second pillar of our overall marketing strategy. These efforts comprise paid search ads on global internet search platforms which serve to acquire potential high-intent Users (Intent Acquisition). Additionally, we run a "Top of Funnel Acquisition" program to acquire leads from Users without immediate booking intent but a high potential consumer lifetime value through paid display ads on social networks (paid social) or via display banners or native display ads over the web. We subsequently turn these Users into active and loyal customers. Furthermore, we are driving incremental return visits from high intent users via our display retargeting program.

The success of these marketing efforts is evidenced by a significant number of returning Users (*i.e.*, identifiable sessions from Users who have previously visited one of our websites). For example, in 2020 the traffic to HTG's websites (for this purpose excluding our websites Agriturismo and EscapadaRural) was 80 times higher than in 2015, with more than half of the traffic in the third quarter of 2020 originating from returning Users. A share of 52% of HTG's total Booking Revenue (as defined in Section "*13.3.2 Booking Revenue*") in 2020 was accounted for by returning Users of such websites. Booking Revenue from returning Users grew at a compound annual growth rate ("**CAGR**") of 174% from 2015 to 2019.

10.5.5 Scalable and resilient business model with attractive financial profile

Historically, HTG's business has grown at a high rate with improving profitability. From 2016 to 2020, GBV grew at a CAGR of 50% (from 2016 to 2019, *i.e.*, prior to the COVID-19 pandemic, CAGR was even higher at 82%) and Booking Revenue grew at a CAGR of 57%. During the same period, HTG's position in the market vis-à-vis its Partners, *i.e.*, HTG's ability to negotiate preferable contract terms, improved constantly, which is evidenced by a growth of HTG's Take Rate (defined as Booking Revenue (as defined in Section "*13.3.2* Booking Revenue") (excluding Booking Revenue generated through hotel bookings and through HTG's subsidiaries Feries S.r.l. ("**Feries**") and EscapadaRural S.L. ("**EscapadaRural**")) divided by GBV (excluding GBV generated through hotel bookings and through HTG's subsidiaries Feries and EscapadaRural)) from 5.5% (2016) to 6.4% (2020) and to 7.9% for the six months ended June 30, 2021 (six months ended June 30, 2020: 6.3%).

Notwithstanding the disruptive effects the COVID-19 pandemic has had on the travel sector, HTG's business has demonstrated a high degree of resilience. During the period from June through August 2020, HTG's websites had over 40 million monthly visits, and for the entire year 2020, website traffic was more than 80 times higher than in 2015 while at the same time HTG was able to reduce costs per visit (based on advertising spend, excluding TV marketing spend) in 2020 compared to 2015 by 73%. HTG's GBV for the third quarter of 2020 (€383 million) grew by 34% as compared to the same period in 2019 (€285 million), HTG's revenue during the same periods grew by 10% from €31.2 million to €34.1 million, HTG's Adjusted EBITDA grew by 46% from €11.2 million to €16.3 million, and HTG's Adjusted EBITDA margin grew from 36% to 48%. In 2021, HTG even had a record first quarter with a GBV amounting to €430 million, despite Europe still being under severe travel restrictions due to the COVID-19 pandemic. For the six months ended June 30, 2021, HTG's GBV amounted to €904 million (six months ended June 30, 2020: €710 million).

HTG's growth has been supported by successful acquisitions. In the past, HTG acquired and successfully integrated other technology platforms, adding strategic value to its business. For example, in 2018, HTG acquired Casamundo GmbH, a German limited company, which runs a marketplace for vacation rentals with a focus on Europe (for further details on brands and websites, see Section "*10.7.2.3 Our Brands and Websites*" below). We will continue to explore M&A opportunities in the future.

10.5.6 Founder-Led Management Team with proven track record

Our management team, led by two of HTG's founders, Dr. Patrick Andrae and Wolfgang Heigl, combines entrepreneurial spirit with deep travel sector expertise (supported by longstanding industry experience with companies like Swoodoo and Kayak) and a lasting commitment to our vision. These members of the management board developed the initial concept behind HTG and have managed its business since the beginning.

The management is supported by HTG's entrepreneurial team of young professionals, who were, as of the end of March 2021, on average 35 years of age with an average employment relationship of 2.5 years and who represent HTG's creative, inspiring and tech-driven culture. We believe that the opportunity to work in this young and highly qualified team in a progressive and visionary environment is what attracts our employees to our business and what will sustain our growth and leverage HTG's proven business model. Our high employee satisfaction is in particular evidenced by outstanding scores for HTG as of May 2021 on Glassdoor (4.4 out of 5) and Kununu (4.4 out of 5).

10.6 Our Strategy

We believe that our strong position in the online market for alternative accommodation and particularly in the rural vacation rentals area will allow us to further expand our business and continue to invest in our key strengths. To achieve these aims, we will seek to:

10.6.1 Benefit from the large market opportunity in the online market for alternative accommodation

We intend to cease the large market opportunity in the online market for alternative accommodation and vacation rentals and become the starting point for travelers seeking to discover their ideal accommodation. In particular, we intend to capture the opportunity arising from the persisting change in travelers' preferences towards alternative accommodation and the new use cases emerging from the growing ability to live and work from anywhere. Our goal is to expand our portfolio, by continuing to grow our engagement with the global inventory supply. In addition, we aim to attract new Users through continuous investment in our already very effective marketing efforts to build up our visibility and reach and drive strong user acquisition and retention. We focus on continuing to optimize our websites and apps, ensuring that they can be navigated intuitively and perform on a high level.

10.6.2 Improve our brand offering and awareness

We intend to improve our brand offering and awareness. For example, as part of our brand marketing strategy, we intend to continue producing branded TV spots as this, we believe, proved to be successful for HTG in the past. During the early months of the COVID-19 pandemic, HTG's in-house team produced a variety of TV spots with different content in the style of infomercials. The spots covered a wide range of potential questions the pandemic could raise with respect to the future of the vacation rentals market (*e.g.*, expected increase in demand for vacation rentals, travel restrictions imposed by governments, etc.). In the following months, HTG was able to air the right spot at the right time, for example informing consumers where travel is currently possible and where not.

We also intend to increase our social media activities. We strongly believe that we can benefit from the trust consumers put in the people they like and follow. In addition, copy, recommendations, imagery and other content from creators integrated directly into our product ensures an inspiring, engaging and authentic platform. Being confident that it represents a perfect match in vision and content, HTG recently acquired the travel platform Mapify. On Mapify, as of May 2021 more than 300,000 registered Users find inspirational travel content shared by other Users and professional influencers. Based on suggestions of its smart algorithm, Mapify helps mainly young and independent travelers plan and book unique trips based on their individual preferences and benefiting from the exceptional travel experiences of the Mapify community.

In addition, we are constantly striving to optimize the design and user experience of our platform. By maintaining a welcoming, supportive and intuitive design and functionality, we believe that we will be able to continue to unlock access to new user groups and improve user experience as well as performance metrics.

10.6.3 Attract new Users and make more Users return

We intend to attract new Users to our websites and to increase incentives for Users to register an account with us and/or download our apps. We will also continue to focus on encouraging Users who have already registered an account with us and who have made a booking in the past to continue to use our platform and carry out further transactions. We believe that, with new behaviors evolving during the COVID-19 pandemic, the way that people approach work, living, and travel will change in a lasting manner. We believe that this will create opportunities to attract more potential Users to our platform and increase the retention cycle of returning Users. Furthermore, we plan to optimize ways for our Users to connect with each other and share search results and listings from our websites. We also plan to continue to expand our direct online marketing efforts through paid campaigns including display advertising, search engine marketing, comparison shopping engines, affiliate networks and social advertising (as further explained under Section "*10.7.4 Marketing*").

10.6.4 Expand our offering to additional target markets

With a platform built for scale and expansion, we continuously assess attractive opportunities to expand into new geographic markets. Guided by our vision to make incredible homes easily accessible to everyone, we intend to develop a global footprint over time. We are currently present in 23 countries. North America and Europe are our key regions and we expect them to remain so in short-to-medium term given the large size of the markets and our strong growth in each. Over the long-term, we believe we can scale across other regions of the globe as well. In 2018, 2019 and 2020, Europe accounted for ca. 65%, 75% and 66% of our revenue, North America accounted for ca. 30%, 22% and 31%, and the rest of the world made up the remainder, respectively. For the six months ended June 30, 2021, Europe accounted for ca. 51% and North America accounted for ca. 47% of our revenue, with the rest of the world accounting for the remainder.

10.6.5 Scale our technology solutions as well as SaaS and other subscription revenue

With years of experience operating an international vacation rental marketplace, HTG has developed tools, systems and products that have helped drive its success. Further, HTG has collected, and is connected to, the data fueling its systems. HTG developed and improved, and we will continue to constantly develop and improve, products like image beautification, payment-powered checkout and AI-fueled content creation in order to provide further value to our Partners. Products that provide access to parts of our global inventory to interested parties have also already been developed.

We intend to make these technology solutions, including our SaaS solution for homeowners, available to a broader customer base, making the HomeToGo technology solutions a centerpiece that connects supply and demand in the vacation rental sector. We expect revenue from SaaS and other subscriptions to continue to increase their share of our total revenue and believe a share in excess of 20% is achievable longer term.

10.7 Our Operations

Our unique marketplace with its underlying technology platform enables Users to easily access the world's largest alternative accommodation supply and supports the whole alternative accommodation ecosystem with a range of technology solutions.

10.7.1 Our Supply

HTG has already established – direct or indirect – relationships with tens of thousands of Partners that supply us with alternative accommodation inventory. We are being approached by and continue to approach various types of businesses seeking to increase our global coverage and build the broadest inventory possible displayed on our websites. Through research and a growing network, our business development teams approach new potential supply partners and enter into commercial and product discussions. In addition, we are also actively approached by many supply partners who seek to place their properties on our platform. As of the date of this Prospectus, the breakdown of properties under management per Partner is as follows: ca.92% of our Partners manage less than 10 properties, ca.6% manage between 10 and 99 properties, ca.1% manage between 100 and 999 properties and less than 1% manage more than 1,000 properties (*Source: Company information*).

We are able to aggregate the inventory of our Partners on our platform via a data feed, an application programming interface ("**API**") or other technical integration methods. We currently operate several hundred different APIs that facilitate the displaying and booking of inventory in the same way on each of our websites. Due to a large number of customized integration methods, which demonstrate our technological advancement and flexibility, our business is very difficult to replicate and, thus, creates a significant competitive advantage and a high market entrance barrier. In order to receive content, the Partner can provide us with data in any of these API structures. In order to be able to properly display the search results according to the search criteria entered by our Users, we ensure that, in addition to the static data provided by our Partners (such as images and descriptions of the property), crucial information, in particular on availability and prices, is updated (where technically possible) more frequently, even in real time. Where Offers are onsite bookable, we also exchange booking data, booking confirmation as well as payment and accounting related data with our Partners. For this purpose, we can provide various API standards.

Where an Offer is bookable directly on our platform (onsite), the entire booking process (from search and filtering to checkout and booking confirmation) takes place on our websites. This enables us to better screen for inventory data quality overall and, since we are directly connected to these Partners, we can react quickly to improve and enhance the presentation of the inventory should there be a need, ensuring a high quality of property information that we display to our Users. We also provide an easy and secure checkout process and offer convenient handling of the bookings post-order (especially in our app), including localized and trusted payment methods – a benefit for both our Users as well as our connected Partners. Additionally, Users who book onsite start with a higher customer lifetime value than Users booking offsite for the first time. Over the lifetime of the respective cohort this difference grows even further.

The percentage of Booking Revenue accounted for by our onsite business grows rapidly across all our geographies with Germany, Austria and Switzerland (together, "**DACH**") the most advanced (2019: 52%, 2020: 60%, six months ended June 30, 2021: 73%), and also the overall European (2019: 35%, 2020: 43%, six months ended June 30, 2021: 57%) and total global (2019: 25%, 2020: 29%, six months ended June 30, 2021: 40%) share following suit.

Where the booking process is handled by the Partner platform, once an offer matches a User's search and the User clicks on the "view deal" button, we redirect the search to the Partner's website where the User can continue with the booking process, and we earn a fee for the redirect to the Partner platform or a commission if the User actually completes a booking on the Partner's platform, depending on the arrangement we have with the Partner.

HTG only acts as an intermediary. The rental contract regarding the respective accommodation is, in any event, concluded between the User and the Partner and is subject to their general terms and conditions (that apply in addition to our general terms and conditions for the use of our websites).

10.7.2 Our Product

10.7.2.1 The Customer Journey

On the starting page of our websites, we provide an easy-to-use search interface where the user enters the desired destination, dates and number of guests.

Part of this interface is our flexible search function ("**Flexible Search**") which was established in 2015. Flexible Search is a convenient way to search for accommodations if the User knows the period during which they want to travel, but not the exact dates. Our websites not only give this flexibility in search but also find the most attractive accommodation options within the specified time frame based on the User's preferences. The Flexible Search technology also enables us to advertise for Offers within broadly defined periods like "summer" or "Easter" without forcing Users to enter dates and yet meeting their search requests. In 2020, searches on HomeToGo GmbH's websites utilizing Flexible Search were seven times higher than in 2019, proving this feature to be highly engaging for our Users.

In addition to the search interface, we display on the starting page of our websites a pre-selection of popular destinations both in a more general category called "Popular Vacation Destinations" and grouped together in certain categories of special interest such as "Cities for Arts & Culture", "Outdoor Getaways", "Mountain Cabins" or "Top 20 Beach Getaways". The starting page of HomeToGo GmbH's websites also features selected content created by influencers with whom we cooperate and who share, among others, their favorite destinations as well as general travel tips.

To Users who have already decided on the desired destination, the dates of travel and the number of travelers and provide us with the respective information through the search function, we display the best-matching search results. The User can filter the search results by amenities, price, rating, location, accommodation type, free cancellation policies and various other options. In addition to the list of search results, which consist of the images and a brief description of the listing (including square meters/feet, number of bedrooms and maximum number of guests) as well as attributes which highlight any specialties about the property (includes rating scores, indication on popularity and other characteristics such as "beach access" or "pool") the search results page contains an interactive map showing the location of each property.

By clicking on the property, the User (i) proceeds to the details page of the property on our websites, finding a full gallery, all listed amenities, descriptions, reviews, additionally bookable services, a map, etc., or (ii) is redirected to our Partner's page of the property to start the booking process there.

Where an Offer is onsite bookable on our platform, a click on the "Start booking" button starts the booking process. In the first step, we request the User's essential personal data such as name, email, phone number and address. In the second step, the User can select from a variety of localized payment methods the option that is most convenient. After the User agrees to our and our Partner's legal terms and conditions, including payment terms, privacy statement and cancellation terms, the User can complete the booking and payment process. All the information presented is provided by our Partners via API, through which the Partner also receives all relevant information on the booking. Once successful, the booking is confirmed by the Partner and Users can access their booking details (accommodation details, check-in / check-out times, directions as well as cost breakdown and self-service options such as cancellation) in their user account and also in the app when logged in.

10.7.2.2 *Registration of User Accounts and Creation of "Wishlists"*

As part of the booking process on our websites, Users have the option to register an account or to complete the booking in "guest" mode, *i.e.*, without registering an account. Registering an account, however, has a number of benefits for the User and for us. With due regard to legal requirements, a registered user account enables us to contact Users via email, push messages and other communication channels. Browsing through websites while being logged in a user account also ensures that user data such as wishlists and bookings are synchronized across all devices, i.e., desktop, mobile web and app.

In addition, the Users have, among other things, the opportunity to create and share special wishlists. Such wishlists are User generated and curated collections of the favorite accommodations of the creators which may be shared with other decision makers for the upcoming trip of the travelers, being a helpful tool to shortlist the best Offers and coming closer to a decision and booking.

Both User accounts and wishlists are available on desktop, mobile and HomeToGo's iOS and Android apps. If logged in while searching, the User's research can be continued seamlessly on different devices as user history, last searches and preferences are shared across the different platforms.

10.7.2.3 *Our Brands and Websites*

We operate our business through different brands and corresponding websites/domains. The brands are organized in the following four groups each with a dedicated strategy and approach contributing to the overall growth and success of our business.

The first group comprises our most important and original brand HomeToGo under which we operate localized versions of our main website www.hometogo.de in 23 countries. On these websites, we provide the full spectrum of our platform products.

In the second group, we operate a set of brands that target dedicated customer segments mostly based on a specific selection and curation of inventory as well as a targeted marketing communication. The following brands fall under this group:

- Under our brand Casamundo, we operate the website www.casamundo.de and other localized versions of this website in overall nine countries. We also offer the services of Casamundo via iOS and Android as apps.
- Under the brand Wimdu, we operate the website www.wimdu.de and seven other localized versions of this website, and under the brand Tripping, we operate the website www.tripping.com. On both brand's websites Users are redirected not only to our Partner's websites but also to Offers on the HomeToGo branded websites.
- Under the brands CaseVacanza and Agriturismo, we operate the websites www.casevacanza.it and www.agriturismo.it, providing Offers with a geographical focus on Italy, which on the supply side mainly run on a subscription commercial model. We also offer the services of CaseVacanza to our Users via iOS and Android as apps.

- Under the brand EscapadaRural, we operate the website www.escapadarural.com and seven other localized versions of this website in overall six countries. On these websites, the Offers are geographically limited to Spain and Portugal, which on the supply side are also currently operated as a subscription model. We also offer the services of EscapadaRural (both on demand and supply side) via iOS and Android as apps.

The majority of the above-mentioned websites accesses the same database, *i.e.*, makes available the same inventory (or parts thereof), as HomeToGo GmbH's websites. Our flexible design system, however, allows us to adjust the front end of the individual websites to their respective needs (*e.g.*, logo, different color set, fonts etc., and additional features). The platforms Agriturismo and EscapadaRural still run on their own technical environment but are planned to be integrated into the HomeToGo infrastructure.

In the third group, under the brand Mapify we operate the website www.mapify.travel as well as the corresponding iOS and Android apps. The text content of this social travel platform is offered mostly in English. Content and brand will most likely be fully integrated into the HomeToGo platform and brand presence.

In the fourth group, we operate the brand Smoobu under which we offer our SaaS product to the supply side: namely homeowners and semi-professional agencies to help them connect to and synchronize with OTAs and other travel platforms that are looking for supply from the connected inventory suppliers. The Smoobu product, which can be accessed under the domain www.smoobu.com, allows synchronization of availabilities, prices as well as bookings and communication among various platforms as well as the creation of an own website, all through one single software. Smoobu is globally available in various languages, either as a free version with limited features or as a paid version (users can select either a monthly or an annual subscription plan) offering the full spectrum of functionality. In addition to the monthly and annual subscription revenue, we earn commissions for the sign-up of listings at connected OTAs as well as for the use of externally provided features on Smoobu's open API marketplace. We expect the demand for software subscriptions (especially for homeowners and semi-professional agencies) to grow significantly above the general market growth, based on the ongoing digitization of the demand for vacation rentals and the suppliers' need for improved easy-to-use software solutions as well as increased financial dependency on the rental income of many hosts, leading to the need to diversify distribution by listing their properties on multiple platforms which also allows them to optimize margins.

10.7.2.4 *Our Apps*

In addition to our localized websites, we provide the full services of HomeToGo via an app available for mobile and tablet devices on the platforms iOS and Android. Users benefit from an easy to navigate user interface and highly performant experience that utilizes all the benefits of a native platform. Inspirational content and trip suggestions make our apps an ideal travel planning tool. In addition, with our apps, Users are able to take their booking details (for onsite bookings) with them, ensuring a seamless post-booking and on-trip experience. While app Users benefit from the same functionalities offered on our web platform, we are able to enhance the experience by leveraging platform specific services such as Siri integration or iPadOS multi-instance split-screen support, which enables Users to use the HomeToGo iPad app alongside other installed applications, such as maps or notes.

10.7.2.5 *Our Payment Services*

In order to provide our Users with a convenient booking experience as part of our onsite booking feature, we currently offer a range of six different payment options on HomeToGo GmbH's websites, including credit card payments (*e.g.*, VISA and MasterCard), Klarna, iDEAL and Bancontact Mobile. We expect to be able to offer additional options soon (including Apple Pay, Google Pay and PayPal). Most payment options are free of charge for consumers, in line with our efforts to provide our Users with the maximum choice and convenience. To serve our diverse user base and local market specifics, we adapt our various payment options to preferences of our local target markets. Localized payment methods in eight European markets are already live on HomeToGo GmbH's websites and apps, with launches in five additional countries coming soon.

10.7.2.6 *Our Customer Service*

For Users having questions before or after a booking, we established a help center as a first point of contact where they can find answers to frequently asked questions (FAQ) in a dedicated area of our websites. Users can browse among various categories of relevance before, during or after their booking. There is also an integrated chat solution during the booking experience and on our help center for immediate support by a chatbot and, for more advanced requests, by our customer service specialists.

Should the provided information in the help center not be sufficient to support a customer's specific question or inquiry, Users can contact our customer service. We provide multiple ways to contact our customer service where Users receive individual support by our specially trained agents either through a chat on our websites, a contact form, via email or via phone. We provide support in seven languages (English, German, Spanish, French, Italian, Dutch, Polish) and are prepared to add additional capacities and/or languages should the volume of customer inquiries demand it.

The customer requests from various channels are processed via the omnichannel tool Salesforce that prioritizes User requests by urgency (*e.g.*, type of request or time to arrival at property). To guide each service agent to fast solutions, customer details and travel interests are easily accessible via the tool. Our customer service management is entirely in-house, so is a team of specialists taking care of more complex requests (2nd level service). Furthermore, we engaged an outsourcing provider as support staff (1st level service) that is fully trained and monitored by us, and who is working in our technical system landscape. Whenever necessary, User requests are forwarded to the support teams of the Partner involved, in case we are not able to provide a sufficient answer.

10.7.3 Information Technology and Software

In order to further ensure a scalable and flexible tech infrastructure, we invest significantly in our central technology, data and machine learning components. In addition, our operations utilize a broad range of proprietary software in our consumer-facing, supply integration, machine learning, back office/testing services and SaaS products.

10.7.3.1 Data Quality and Inventory Enhancement

Our platform automatically analyses and enhances the most relevant data points we receive from Partners. The software intelligently:

- processes images to enhance their quality by applying graphical filters that affect, for example, colors, light, and contrast of the image;
- detects the content of an image of a property; and
- utilizes geographical data in order to understand accommodation surroundings, *e.g.*, nearby beaches, airports, train stations and other points of interest.

10.7.3.2 Deduplication

Having access to the inventories of thousands of Partners poses the challenge of avoiding displaying duplicate search results to our Users. Our image recognition machine learning algorithms recognize images with similar content, combine this visual information with other data received on the property and compare it to information received from other Partners to ensure de-duplication of inventory. Where possible, the software then automatically combines duplicate Offers into a single presentation of the property that appears as a search result only once.

10.7.3.3 Ranking and Recommendation

Our machine learning algorithms rank search results and make customized recommendations of Offers. It learns from historical data of User behavior and combines it with data points on the properties in our inventory (including compensation owed to us by our Partners) to generate the right order of Offers and recommendations.

10.7.3.4 Consumer-facing Software

Our consumer-facing booking experience is built on our home-grown design system that we use as an identical framework across different brands and domains. Besides cost benefits for engineering incl. maintenance (we do not have to re-write most of our software components), our design system ensures visual (where intended) and functional consistency across all our websites that run on that design system, further streamlining customer experience and time to market for innovations as well as multi-brand comparability in data.

10.7.3.5 A/B Testing and Evaluation Framework

We operate a proprietary feature toggle framework that allows us to enable and disable specific product features helping us test in an isolated environment and prevents us from the risk of big rollbacks for implementing and testing certain features. Once the features are implemented, our sophisticated A/B testing framework enables us to test these features on Users in a statistically accurate manner, allowing us to turn the tested features on and off without disrupting our ongoing operations. This A/B testing opportunity helps us make data-informed decisions on which features work and which ones should be discarded.

10.7.4 Marketing

10.7.4.1 Our Marketing Operations

The long-term goal of our marketing initiatives is to help scale our business by bringing demand to our platform and converting website visitors to active and returning Users, while at the same time improving marketing efficiency. We are working to achieve this goal by increasing our brand awareness as well as expanding our direct online marketing activities.

Increasing the brand awareness for our core brand HomeToGo is in the center of all our brand building and organic marketing activities. We run campaigns to increase general awareness for our brand via mass media channels such as TV, social media and online video.

Our online marketing efforts include paid search ads and organic visibility, organic and paid ads on social media, display ads, as well as email marketing and app install and push notification campaigns.

Further, HTG has been making significant investments to improve the consumer experience on its websites and apps, such as creating a highly engaging presentation of our inventory via visual imagery, as well as easy-to-use navigation tools and personalization features that enable better discovery of suitable Offers. Goal of all these contributing product activities is to improve engagement and conversion metrics to be able to run and scale our marketing activities in a more efficient way.

With further growth, we expect marketing expenses to continue to increase but decrease relative to net revenue over time as we are growing the amount of traffic driven by brand & organic channels supported by the growth of our existing customer base and our brand & organic marketing activities.

10.7.4.2 Customer Acquisition and relevant KPIs to track Marketing Efficiency

We run marketing campaigns that focus on capturing high intent demand primarily via paid search ads on major internet search engines for relevant keywords (paid intent program). We measure the return of investment of these campaigns within a window of 30 days. The attribution window of 30 days corresponds to the upper end of the range of the average consideration cycles of our Users (*i.e.*, the time between the first visit of a User and the time the User places a booking).

We also undertake very successful efforts on search engine optimization (SEO) in order to reach a better organic visibility for relevant search terms. In addition to the visibility and corresponding visits, we also track the onsite engagement and conversion of these Users to get an indication for the value of this traffic (in terms of revenue per visit) and be able to optimize the more than 50,000 landing pages for organic search traffic (*i.e.*, those released to be indexed by Google). HTG is widely recognized within the industry for its innovative and effective approach to organic search visibility and is the subject of a large number of articles as well as winner of multiple international awards in this sector.

10.7.4.3 Our Customer Relationship Management Campaigns

We believe that personalized customer relationship management (CRM) campaigns (this includes both email marketing and app push notifications) as part of which we send personalized marketing ads to our acquired leads (emails and apps with marketing opt-in) are a key success factor for activating acquired leads from our Top of Funnel Acquisition program) well as to sustain long-term user retention. These channels offer a high degree of personalization possible and allow us to drive free returning visits during the consideration process that leads to a booking as well as engaging Users also after the booking which is an important lever to tighten the affiliation with our brand and to drive repeat bookings.

We measure the success of our CRM campaigns primarily via the corresponding user engagement and monetization.

10.8 Intellectual Property

10.8.1 Trademarks

As of the date of this Prospectus, we have registered, or acquired a total of 152 trademarks, including our most important brands HomeToGo, Casamundo, Wimdu, Tripping, CaseVacanza.it/Feries, EscapadaRural and Mapify and have registered international trademarks with protection in various countries. Among our trademarks are various word-/figurative marks / logos. We constantly monitor our most relevant trademarks in order to maintain and protect these key assets, including by pursuing any infringements by third parties. As part of this process, we file oppositions against infringing trademark applications on an international basis and sue third parties if infringements are not ceased. Currently, one opposition against a trademark registration in the Philippines is pending.

10.8.2 Domains

Refer to Section "*10.7.2.3 Our Brands and Websites*".

10.9 Compliance Management

HTG has established a compliance management system aimed at ensuring lawful conduct by its employees. HTG's compliance system is designed to identify potential violations in advance and to systematically prevent their occurrence and is supervised by HTG's compliance officer. This compliance system comprises, among other things, compliance guidelines offering an overview of the compliance regime and mandatory compliance policies, regular training courses on relevant compliance risks and measures as well as adequate measures to allow employees to report potential compliance violations. HTG's compliance system is, among other things, aimed at preventing bribery and corruption and violations of data protection laws and regulations.

10.10 Employees

As of June 30, 2021, HTG employed 362 employees. The following table shows a breakdown of HTG's employees per main category of activity.

	As of June 30, 2021
Executives	9
Engineering	106
Product	39
Sales	43
Customer Service	51
Human Resources	11
General & Administrative (non-executive)	103
Total	**362**

The following table shows a breakdown of HTG's employees per geographic location.

	As of June 30, 2021
Germany	177
Italy	44
Spain	47
Lithuania	94
Total	**362**

The above number of employees in Lithuania includes the members of the high-competence software engineering teams, exclusively working for us, set up and provided by an international digital innovation company located in Lithuania, which we use to source development personnel. Due to this setup, we are able to flexibly scale our development activities.

The Company had no employees prior to the consummation of the Business Combination.

10.11 Insurance Coverage

HomeToGo GmbH has taken out a number of insurance policies (*e.g.*, business liability insurance, contents insurance, business legal protection insurance) for each entity depending on local regulations and needs and regularly review the adequacy of our insurance coverage. The Company has worldwide coverage policies for D&O (directors & officers) liability.

The Management Board believes that the HomeToGo GmbH and its subsidiaries have adequate insurance coverage against all material risks that are typically insured by similar companies with comparable risk exposure. Insurance cover is regularly verified and adjusted when necessary. However, it cannot be ruled out that the Company may incur losses that are not covered by existing policies or that exceed the coverage level stipulated in the relevant insurance contracts. Furthermore, it cannot be guaranteed that the Company will be able to maintain adequate insurance coverage at acceptable cost in the future.

Under the terms of both the Company's and HomeToGo GmbH's current D&O insurance contracts, the Business Combination could be considered an event that would entitle the insurer to modify the agreed terms of insurance to reflect a general increase in risk, including reducing the coverage amount and increasing premiums. Furthermore, given that insurers in Europe have relatively limited experience with transactions involving special acquisition companies, such as the Business Combination, we might not be able to renew our existing, or enter into new, D&O insurance contracts for the benefit of the members of our management board and supervisory board. Even if we renew, or conclude new, insurance contracts, such renewal or conclusion may be possible only at terms less favorite than terms for other companies in our industry whose corporate history does not involve a transaction such as the Business Combination. Additionally, as insurers have expressed to us in recent discussions certain concerns with respect to the insurability of risks in the travel industry, we may not be able to renew, or conclude new, D&O insurance contracts at the same terms as companies in other industries or at all.

Any lack, or limited protection, of D&O insurance coverage would increase the personal liability risk of the members of our management board and supervisory board, which could have an adverse effect on their decision making process, *i.e.*, could reduce management's willingness to take decisions that involve risks, and could thus limit our ability to cease certain business opportunities. In addition, members of the supervisory board could resign from their office to avoid such increased personal liability risk. Any of these events may have a material adverse effect on our business, results of operations, financial condition and prospects.

10.12 Litigation

In the course of its business activities, HTG has been, and we will continue to be, regularly exposed to numerous legal risks, particularly in the areas of competition, intellectual property disputes and tax matters (see Section "*1.3 Regulatory, Legal and Tax Risks*"), and HTG is regularly party to legal disputes.

As of the date of this Prospectus, HTG is not involved in any material litigation, other than the following:

In November 2020, HomeToGo GmbH submitted a competition complaint before the German Federal Cartel Office (*Bundeskartellamt*). The complaint aims at the opening of a formal investigation into certain practices by Google relating to the display and ranking of search results. This is not a private proceeding before a civil court (with any significant cost risk for a defeat) but a proceeding before a public authority. HomeToGo GmbH alleges that Google has abused its dominance in the market for general search services by favoring its own vacation rental search service within general search results pages. HomeToGo GmbH argues that such behavior is likely to foreclose competition and that therefore the Federal Cartel Office should intervene. Currently, the Federal Cartel Office is assessing the merits of the complaint.

In January 2021, the City of Paris filed suit before the ordinary courts in Paris against Casamundo GmbH. The plaintiff claims that the defendant violated the French Code of Tourism, under which certain information on the owners of vacation rentals located in Paris have to be disclosed to the public authorities. The City of Paris demanded that the court impose the highest possible penalty of € 50,000.00 per vacation accommodation which adds up to a total amount of the claim of € 101,800,000.00. The defendant submitted a detailed statement of defense before the court hearing in March and June 2021. A judgment is expected in the second half of 2021. We continue to believe the case is without merit and should be dismissed. In the event the City of Paris were to prevail in the case, we have been advised that any monetary penalty would be unlikely to significantly exceed a high six digit euro amount. It cannot be completely ruled out, however, that the court decides to impose a higher penalty.

11. MATERIAL CONTRACTS

The Company has not entered into any material contracts other than those described below and the Business Combination Agreement (see Section “*6. Business Combination Agreement and Ancillary Documents*”).

11.1 Escrow Agreement

LS I Advisors GmbH & Co. KG (“**LS I Advisors KG**”), a wholly owned subsidiary of the Company, has entered into an escrow agreement with Deutsche Bank (“**Escrow Agreement**”), pursuant to which LS I Advisors KG established a segregated Escrow Account at Deutsche Bank for (i) the gross proceeds from the Company’s initial private placement, (ii) the gross proceeds from the Additional Sponsor Subscription, (iii) the interest earned on the gross proceeds, if any, and (iv) the Deferred Listing Commissions (as defined below). The Escrow Agreement is a German law governed contract with protective effect in favor of the Company and the holders of Public Shares as well as, with respect to the Deferred Listing Commissions (as defined below), Deutsche Bank Aktiengesellschaft, J.P. Morgan AG and Morgan Stanley & Co. International plc. (together the “**Placement Underwriters**”) (*Vertrag mit Schutzwirkung zugunsten Dritter*).

Pursuant to the Escrow Agreement, Deutsche Bank will act in the function as escrow bank and Deutsche Bank AG, London branch will act as escrow agent. In its function as escrow bank, Deutsche Bank holds the Escrow Account and only release the amounts on the Escrow Account if instructed accordingly. Following the consummation of the Business Combination, the amounts held on deposit in the Escrow Account will first be used to redeem the Public Shares for which a redemption right was validly exercised. In particular, no fees or expenses may be paid from the Escrow Account that could limit the funds available for the redemption of Public Shares. As such, the amounts held in the Escrow Account will be paid out in the following order of priority:

- first, to redeem the Public Shares for which a redemption right was validly exercised;
- second, in relation to any Public Share for which a holder of Public Shares has validly exercised a redemption right, the payment of any pro rata (positive) interest on, or other income generated from investment of, any amounts deposited on the Escrow Account, after deduction of taxes paid or, in the judgement of the account holder to be paid, on such interest or income;
- third, to pay the Deferred Listing Commission (as defined below); and
- fourth, payment of any remainder of any amount in the Escrow Account to the Company.

Upon full distribution of the amounts in the Escrow Account, Deutsche Bank shall close the Escrow Account and the Escrow Agreement shall terminate automatically and cease to have any effect (other than in relation to accrued liabilities thereunder, which shall survive such termination).

Deutsche Bank in its function as escrow bank and Deutsche Bank AG, London branch in its function as escrow agent, have waived any right to withhold, set-off or otherwise net claims or charges against the Escrow Account.

11.2 Underwriting Agreement

11.2.1 Underwriting Agreement and Volume Agreement

On February 17, 2021, the Company entered into an underwriting agreement with the Placement Underwriters (the “**Underwriting Agreement**”) relating to its initial private placement.

11.2.1.1 Commissions

The Company paid the Placement Underwriters an aggregate fee of 2.0% of the gross proceeds from its initial private placement. On the date of the consummation of the Business Combination, *i.e.*, September 21, 2021, the Company will pay the Placement Underwriters a fixed deferred listing commission, equal to an aggregate fee of 2.0% of the gross proceeds from the Private Placement, allocated according to the Placement Underwriters respective underwriting quota as set forth in the Underwriting Agreement (the “**Fixed Deferred Listing Commission**”). The Fixed Deferred Listing Commission will only be released from the Escrow Account if and when a Business Combination has been completed. The Company may, in its absolute and full discretion, further award an additional discretionary deferred listing commission of up to 1.5% of the gross proceeds of the Private Placement, payable from the amounts in the Escrow Account, on the date of completion of the Business Combination, and distribute it among the Placement Underwriters in its absolute and full discretion (the

"**Discretionary Deferred Listing Commission**", together with the Fixed Deferred Listing Commission, the "**Deferred Listing Commissions**").

11.2.1.2 *Indemnification*

In the Underwriting Agreement, the Company has agreed to indemnify the Placement Underwriters against certain liabilities that may arise in connection with the Private Placement, including liabilities under applicable securities laws.

11.2.1.3 *Lock-Up*

The Founders have committed to the Company not to transfer, assign, pledge or sell any of the Founder Shares and Founder Warrants other than to Permitted Transferees (see Section "*11.3 Founders Agreement*"). From the consummation of the Business Combination, the Public Shares received by the Founders as a result of conversion of their Founder Shares in accordance with the Promote Schedule, except for the Excluded Shares, will become transferrable on the first anniversary of the Business Combination or earlier if, at any time, the closing price of the Public Shares equals or exceeds €12.00 for any 20 trading days within any 30-trading day period.

11.3 Founders Agreement

The Founders and the Company have entered into a founders agreement (the "**Founders Agreement**").

Pursuant to the Founders Agreement, the Founders have committed not to transfer, assign, pledge or sell any of the Founder Shares and Founder Warrants other than to Permitted Transferees in accordance with the Founder Lock-Up. From the consummation of the Business Combination, the Public Shares received by the Founders as a result of conversion of their Founder Shares in accordance with the Promote Schedule, except for the Excluded Shares, will become transferrable on the first anniversary of the Business Combination or earlier if, at any time, the closing price of the Public Shares equals or exceeds €12.00 for any 20 trading days within any 30-trading day period. The Excluded Shares are a number of Public Shares representing half of the first tranche of Public Shares converted in accordance with the Promote Schedule that are transferable without restrictions by the Founders from the consummation of the Business Combination.

The foregoing restrictions are not applicable to transfers (a) to the members of the Management Board or the supervisory board or, in case an advisory board is established at the level of the Company, the members of such advisory board, any affiliates or family members of any members of the Management Board or Supervisory Board, any members or partners of the Sponsor or their affiliates, any affiliates of the Sponsor, or any employees of such affiliates; (b) in the case of an individual, by gift to a member of one of the individual's immediate family or to a trust, the beneficiary of which is a member of the individual's immediate family, an affiliate of such person or to a charitable organization; (c) in the case of an individual, by virtue of laws of descent and distribution upon death of the individual; (d) in the case of an individual, pursuant to a qualified domestic relations order; (e) by private sales or transfers made in connection with the consummation of a Business Combination at prices no greater than the price at which the Founder Shares and Founder Warrants were originally purchased; (f) in the form of pledges, charges or any other security interest granted to any lenders or other creditors, (g) of Founder Shares and Founder Warrants pursuant to enforcement of any security interest entered into in accordance with (f); (h) by virtue of the Sponsor's organizational documents upon liquidation or dissolution of the Sponsor; (i) to the Company for no value for cancellation in connection with the consummation of the Business Combination; (j) in the event of the liquidation of the Company prior to the completion of the Business Combination; or (k) in the event of the completion of a liquidation, merger, share exchange or other similar transaction concerning the Company which results in all of the holders of Public Shares having the right to exchange their Public Shares for cash, securities or other property subsequent to the completion the Business Combination; provided, however, that in the case of clauses (a) through (g) these Permitted Transferees must enter into a written agreement agreeing to be bound by these transfer restrictions and the other restrictions included in a certain agreement between the Company and the Founders.

Pursuant to the Founders Agreements, neither the Founders nor any affiliate of the Founders will be entitled to receive and will not accept any compensation or other cash payment from the Company prior to, or for services rendered in order to effectuate, the consummation of the Business Combination.

11.4 Warrant Purchase Agreement with Founders

Pursuant to an agreement between the Founders and the Company, the Founders have agreed*, inter alia*, under the Founders At-Risk Capital to subscribe to an aggregate of 5,333,333 Founder Warrants at a price of €1.50 per Founder Warrant (€8,000,000 in the aggregate) in a private placement.

In addition, under the Additional Sponsor Subscription, the Sponsor subscribed to 260,000 Founder Shares and 86,666 Founder Warrants, representing €2,600,000. The Sponsor elected to request repayment of the remaining cash portion of the Additional Sponsor Subscription not used to cover the effects of negative interest in the amount of €2,073,718.77 by redeeming the 207,372 of Founder Shares and 69,124 Founder Warrants.

12. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF LAKESTAR SPAC I SE

The financial information contained in the following tables is taken from Lakestar SPAC I SE's audited consolidated financial statements as of December 31, 2020 and for the period from November 26, 2020 to December 31, 2020 and unaudited interim condensed consolidated financial statements as of and for the six months ended June 30, 2021.

The audited consolidated financial statements of Lakestar SPAC I SE as of December 31, 2020 and for the period from November 26, 2020 to December 31, 2020 have been prepared in accordance with IFRS. The unaudited interim condensed consolidated financial statements of Lakestar SPAC I SE as of and for the six months ended June 30, 2021 have been prepared in accordance with IFRS on interim financial reporting (IAS 34),

Where financial information in the following tables is labeled "audited", this means that it has been taken from Lakestar SPAC I SE's audited consolidated financial statements mentioned above. The label "unaudited" is used in the following table to indicate financial information that has not been taken from Lakestar SPAC I SE's audited consolidated financial statements mentioned above but has been taken from Lakestar SPAC I SE's unaudited interim condensed consolidated financial statements mentioned above.

12.1 Overview

Lakestar SPAC I SE is a *Société Européenne*, formed on December 4, 2020 under the laws of Luxembourg. Lakestar SPAC I SE was formed as a special purpose acquisition company to engage in a merger or acquisition with an unidentified company or companies or other entity or person. Lakestar SPAC I SE was formed for the purpose of acquiring one operating business with principal business operations in an EEA Member State or in Certain Other Countries in the technology sector with a focus on the sub-sectors SaaS (software as a service), fintech, transportation and logistics, healthtech and deep tech (the "**Specific Tech Sectors**") through a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transaction. The Business Combination is effected using new equity of Lakestar SPAC I SE issued (i) to the HomeToGo Investors against contribution in-kind of all of shares outstanding in HomeToGo GmbH as well as (ii) to the PIPE Investors in return for the PIPE Financing in the aggregate amount of €75 million.

Until Lakestar SPAC I SE consummated the Business Combination, substantially all of Lakestar SPAC I SE's assets consisted of cash received from the gross proceeds of its initial private placement, proceeds from Lakestar SPAC I SE's sale of Founder Warrants and Founder Shares and Deferred Listing Commissions. All of the proceeds from its initial private placement and the Additional Sponsor Subscription were transferred to LS I Advisors KG and deposited in the Escrow Account by LS I Advisors KG. The Founders subscribed to an aggregate of 5,333,333 Founder Warrants at a price of €1.50 per Founder Warrant (€8,000,000 in the aggregate) (the "**Founders Capital At-Risk**"), which was used to finance Lakestar SPAC I SE's working capital requirements and certain other expenses, except for the Deferred Listing Commissions, that will be paid from the Escrow Account. The proceeds of the Additional Sponsor Subscription in an amount of €526,281.23 were used to cover the negative interest paid on the proceeds held in the Escrow Account to allow for a redemption at €10.00 per Public Share up to an amount of negative interest that is equal to the proceeds from the Additional Sponsor Subscription.

12.2 Results of Operations

Before Lakestar SPAC I SE consummated the Business Combination, Lakestar SPAC I SE and its subsidiaries (for the period prior to the consummation of the Business Combination hereinafter referred to as the "**Lakestar SPAC Group**") have neither engaged in any operations other than organizational activities and preparation for its initial private placement and listing as well as the Business Combination nor generated any revenue to date. Lakestar SPAC Group's principal activities since its incorporation have been organizational activities, including the identification of potential target companies for the Business Combination, and those necessary to prepare for its initial private placement and listing. After its initial private placement listing, the Lakestar SPAC Group has not generated any operating revenue. The Lakestar SPAC Group has not generated any non-operating income in the form of interest income through its subsidiary LS I Advisors KG earned through the Escrow Account. The Lakestar SPAC Group incurred expenses as a result of being a public company (for legal, financial reporting, accounting and auditing compliance), as well as for due diligence expenses in connection with the Business Combination.

The following table provides financial information from Lakestar SPAC I SE's consolidated statements of comprehensive income for the periods indicated.

	For the period ended December 31, 2020	For the period ended June 30, 2021
	(audited)	(unaudited)
	(in € thousand)	(in € thousand)
Revenue	-	-
Profit/(Loss) for the period	**(379)**	**(9,881)**

12.3 Selected Items from the Consolidated Statements of Financial Position

The following table presents financial information from Lakestar SPAC I SE's consolidated statements of financial position as of the reporting dates indicated.

	As of December 31, 2020	As of June 30, 2021
	(audited)	(unaudited)
	(in € thousand)	(in € thousand)
Assets		
Current assets		
Deferred costs	675	44
Cash and cash equivalents	763	3,798
Cash balance held in escrow account	277,465	-
Total assets	**1,438**	**281,307**
Equity and liabilities		
Equity		
Issued capital	120	132
Other capital reserves	10,186	-
Accumulated deficit	(379)	(10,260)
Equity attributable to the equity holders of the parent	(259)	58
Non-controlling interests	-	-
Total equity	**(259)**	**58**

12.4 Liquidity and Capital Resources

The following table sets forth cash flows data from Lakestar SPAC I SE's consolidated statement of cash flows for the periods indicated.

	For the period ended December 31, 2020	For the period ended June 30, 2021
	(audited)	(unaudited)
	(in € thousand)	(in € thousand)
Net cash flows from operating activities	(857)	(599)
Net cash flows from investing activities	0.00	(277,465)
Net cash flows from financing activities	1,620	281,099
Cash and cash equivalents at December 31/at June 30	**763**	**3,798**

Until the completion of the Business Combination, Lakestar SPAC Group's liquidity needs were satisfied from the Founders Capital At-Risk.

The €11.2 million available to the Lakestar SPAC Group outside of the Escrow Account were sufficient to allow Lakestar SPAC I SE to operate until the Business Combination and cover the initial private placement and listing expenses, except for the Deferred Listing Commissions, that will be paid from the Escrow Account. Lakestar SPAC Group's primary liquidity requirements during that period until the consummation of the Business Combination included approximately €3 million for expenses for the due diligence and investigation of HomeToGo GmbH and for legal, accounting and other expenses associated with structuring, negotiating and documenting the Business Combination as well as for legal and accounting fees relating to Lakestar SPAC I SE's regulatory reporting obligations and approximately €0.2 million for miscellaneous expenses, including compensation payable to the members of the Lakestar SPAC Management Board. The Lakestar SPAC Group has not incurred any expenses beyond the amounts mentioned above. Lakestar SPAC I SE had no need to raise additional funds following the Private Placement in order to meet the expenditures required for operating its business.

13. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF HOMETOGO GMBH

The financial information contained in the following tables is taken or derived from HomeToGo GmbH's audited consolidated financial statements as of and for the fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018, unaudited interim condensed consolidated financial statements as of and for the six months ended June 30, 2021 as well as HomeToGo GmbH's internal accounting records or internal reporting systems.

The audited consolidated financial statements of HomeToGo GmbH as of and for the fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018 have been prepared in accordance with IFRS . The unaudited interim condensed consolidated financial statements of HomeToGo GmbH as of and for the six months ended June 30, 2021 have been prepared in accordance with IFRS on interim financial reporting (IAS 34).

Ernst & Young GmbH, Stuttgart, office Berlin, Germany, has audited in accordance with Section 317 of the German Commercial Code (Handelsgesetzbuch) and German generally accepted standards for financial statement audits and issued a German-language unqualified independent auditor's report (uneingeschränkter Bestätigungsvermerk des unabhängigen Abschlussprüfers) with respect to HomeToGo GmbH's English-language consolidated financial statements as of and for the fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018. The aforementioned audited consolidated financial statements of HomeToGo GmbH and the English language translation of the respective independent auditor's report thereon are included in this Prospectus.

Where financial information in the following tables is labeled "audited", this means that it has been taken from HomeToGo GmbH's audited consolidated financial statements mentioned above. The label "unaudited" is used in the following tables to indicate financial information that has not been taken from HomeToGo GmbH's audited consolidated financial statements mentioned above, but has been taken from HomeToGo GmbH's unaudited interim condensed consolidated financial statements mentioned above, HomeToGo GmbH's internal accounting records or reporting systems, or has been calculated based on figures from the aforementioned sources.

Unless indicated otherwise, all financial information presented in the text and tables included in this Prospectus is shown in millions of Euro (in € million). Certain financial information, including percentages, has been rounded according to established commercial standards. As a result, rounded figures in the tables included in this Prospectus may not add up to the aggregate amounts in such tables (sum totals or subtotals), which are calculated based on unrounded figures. Furthermore, differences and ratios are calculated based on rounded figures and may therefore deviate from differences or ratios calculated based on unrounded figures appearing elsewhere in this Prospectus.

Financial information presented in parentheses denotes the negative of such number presented. A dash ("–") signifies that the relevant figure is not available or zero, while a zero ("0.0") signifies that the relevant figure has been rounded to zero.

The following discussion and analysis should be read together with HomeToGo GmbH's consolidated financial statements, including the related notes, contained in this Prospectus, and additional financial information contained elsewhere in this Prospectus, in particular in the Sections "1. Risk Factors" and "10. Business". HTG's historical results are not necessarily indicative of our future results.

For the purposes of this Section 13, unless indicated otherwise, references to "we", "us" or "our" refer to HTG.

13.1 Overview

We operate a global marketplace powered by technology solutions for alternative accommodation and vacation rentals that connects millions of travelers searching for a perfect place to stay with thousands of inventory suppliers across the globe, resulting in what we believe to be the world's most comprehensive inventory coverage in the alternative accommodation space. As of May 2021, HTG's portfolio comprised more than 14 million Offers provided by over 30,000 Partners worldwide. Our marketplace is beneficial to both our Partners and Users and is, we believe, unique in the travel industry. The Users gain access to superior inventory, while the Partners who utilize our platform reach a wider range of customers and benefit from technology solutions. Headquartered in

Berlin, Germany, with additional offices in Milan (Italy), Barcelona (Spain) as well as Kaunas and Vilnius (Lithuania), we operate localized desktop and mobile websites as well as iOS and Android apps in 23 countries.

We believe that we have a substantial market opportunity in the growing global market for short-term accommodation. We estimate our total addressable market to be approximately €1 trillion in GBV today and expect it to grow to more than €1.7 trillion in GBV by 2030 (*Source: Deutsche Bank Research Report; BNP Research Report*). The market for alternative accommodation in particular is, however, highly fragmented and lacks transparency, with a multitude of international, regional, and local participants that try to successfully market their properties and services. We believe that we are well positioned to seize this market opportunity through our technology solutions with our easy-to-use marketplace that provides our Users with access to a superior global inventory supply and that provides our Partners with access to a worldwide demand by placing their listings on our state-of-the-art technology platform, that is able to attract high quality traffic, consisting of Users that are highly likely to convert into customers.

We operate our business mainly through our HomeToGo brand supported by a variety of smaller local or specialized brands and corresponding websites. With our wide reach and international audience, our brands ensure high online visibility so that our Partners can generate bookings from Users all over the globe. Our marketplace seamlessly integrates our vast inventory in one simple search and enables Users to book accommodation from our Partners either on their external accommodation websites or directly on our platform. If Partners opt to make their listing bookable directly on our platform, Users experience the complete online journey (from search and discovery to booking and payment) on our website instead of being redirected to the Partner's website. To increase bookings, many of our Partners already use this onsite booking service today and demand for this feature is constantly growing.

Our operations are built on our proprietary technology platform designed to help Users quickly sort through our rapidly -expanding inventory. Our intuitive filtering tools allow Users to identify Offers best suited to their needs, which they can comfortably share with their friends, family, or partners to plan trips together. In addition to the intuitive, fast, and easy-to-use interface, our innovative deduplication technology also enhances the user experience on our websites. Due to a lack of standardization in the industry, properties that are offered in the portfolios of more than one Partner would appear more than once in the search results that we show Users on our websites. Our proprietary deduplication technology, however, is programmed to recognize duplicative Offers and, where possible, automatically combines them into a single presentation of the property on our website, leveraging the different data points we receive from our multiple Partners, assuring the most comprehensive information for our Users. In addition to our localized websites, we provide the full services of HomeToGo via an app available for mobile and tablet devices on the platforms iOS and Android.

To further support the business of our Partners, we provide them with various technical solutions, which we intend to expand in the future, such as front-end products, data products or SaaS. Our modular solutions are intended to increase conversion and to support the distribution, commercialization and management of our Partners' properties.

13.2 Our Business Model

Our business model relies on the success of our Partners providing Offers to our platform and on our Users booking the same through our marketplace. Offers can be booked from our Partners directly on our platform (onsite), in which case we accompany the entire process from search and filtering to payment and booking confirmation. In addition, our platform seamlessly integrates Offers from other Partners' external accommodation platforms to which we redirect Users if they select such Partner's Offers from the search results.

Our business generates the following main types of revenue:

- Cost per Action ("**CPA**"): CPA is the largest revenue type, whereby we receive a percentage-based commission for successful booking referrals on our websites or by redirecting Users to our Partners' websites where they complete a booking which results in a stay at the property (check-in). Depending on the contractual terms with the Partner, the revenue is either calculated as a percentage of the Partner's commission which the Partner earns from its property supplier or as a percentage of the booking value (sometimes called revenue share). Revenue for CPA transactions is recognized upon the check-in date of the User. In case a User cancels a booking, we – depending on our contract with the Partner – either receive a percentage-based commission on the cancellation fee paid by the

User (if such fee is owed under the contract between the User and our Partner), or we receive a certain minimum commission even if the User receives a full refund from our Partner.

- Cost per Click ("**CPC**") and Cost per Lead ("**CPL**"): We receive a fixed commission based on every successful inquiry or referral click, which is not subject to cancellation or similar risks. We recognize the revenue for CPC at the corresponding click date. Our CPC and CPL revenue is not affected by cancellations.
- Subscription-based revenue from Partners who can use our platform for listing their properties. In our subscription contracts, property managers or owners pay in advance for online advertising services related to the listing of their properties for rent over a fixed period, which is usually one year. We charge an account fee and a fee per listed property/month. Partners can choose either an annual or a monthly subscription model. As the performance obligation is the listing service and is provided to the property manager over the life of the listing period, the subscription revenue is recognized on a straight-line basis over the listing period. Amounts received as prepayment are recognized as contract liabilities. Subscription revenue is mainly generated by our subsidiaries Feries S.r.l. ("**Feries**") and EscapadaRural S.L. ("**EscapadaRural**") and Smoobu GmbH ("**Smoobu**").

13.3 Key Financial Information and Operating Data

The following table provides an overview of certain key financial information and operating data relating to our performance for the periods indicated. We believe that these indicators will be helpful for investors when assessing our performance. Such financial information and operating data, however, do not necessarily indicate whether cash flows will be sufficient for our cash requirements and may not be indicative of our future results.

	For the fiscal year ended December 31,			For six months ended June 30,	
	2018	2019	2020	2020	2021
	(audited, unless stated otherwise)			(unaudited)	
Gross booking value (in € million)(1)	992	1,226	1,253	710	904
Booking Revenue (in € million)(1)	60	80	82	45	72
Revenue (in € million)	51	70	66	23	30
Gross profit (in € million)	49	66	63	22	28
Adjusted EBITDA (in € million)(1)	(23)	(16)	(2)	(12)	(35)
Take Rate (in %)(1)	5.9%	6.2%	6.4%	6.3%	7.9%

(1) Unaudited.

13.3.1 Gross Booking Value

Gross booking value ("**GBV**") is a non-IFRS operating metric which we define as the gross Euro value of bookings on our platform in a period (including all components of the booking amount, *i.e.*, the total price to be paid by a User for the booked accommodation, including commission by other market participants involved in the booking, except for VAT). GBV is measured at the time of booking and is not adjusted for cancellations or any other alterations after booking. We follow GBV as a measure for User engagement with our platform. With respect to CPA transactions, GBV represents the booking value as measured by our Partners. Based on GBV measured by our Partners, we earn a certain commission, which we however only recognize as revenue to the extent actual check-ins occur (see Section "*13.2 Our Business Model*"). Regarding CPC transactions, we earn a fixed commission for each click (see Section "*13.2 Our Business Model*"), however we can only estimate GBV since we have no visibility on whether a User completes the booking (*i.e.*, converts) after being redirected to our Partner's website. We estimate CPC-related GBV by multiplying the total click value with the expected conversion rate. We define the total click value as the number of nights the User searched for on our websites multiplied with the price per night of the clicked Offer. We define the expected conversion rate as the average conversion rate of that micro conversion source (*i.e.*, Users clicking on a concrete Offer) for CPA Partners we have in the respective month.

Growth in GBV reflects our ability to attract and retain Partners and Users and reflects the bookings in a period as they are reported to us by our Partners (CPA) or as we estimate them (CPC). Accordingly, we experience seasonality in our GBV that is consistent with the seasonality of bookings. The average number of days between a booking and check-in tends to be shortest in the third quarter as this represents the peak travel period in North America as well as Europe, Middle East and Africa ("**EMEA**") and longest in the first quarter.

In 2019, GBV amounted to approximately €1.2 billion, representing growth of 20% from approximately €1.0 billion in 2018. During 2020, our business was adversely impacted by the Covid-19 pandemic. While total revenue decreased by 5.3% from €70 million in 2019 to €66 million in 2020, GBV increased by 8% from €1.2 to €1.3 billion due to the strong rebound of alternative accommodation after the end of the first lock-down in the second quarter of 2020, particularly the increase in demand for domestic travel. The increase in GBV positions us well for future revenue growth, subject to possible cancellations. This trend continued in the first quarter of 2021, when GBV amounted to €430 million, representing an increase of €40 million, or 10%, from €390 million in the first quarter of 2020. In the period from January through May 2021, GBV was €732 million, the most in our history for the first five months of the year. For the six months ended June 30, 2021, GBV increased by €194 million, or 27.3%, from €710 million in the six months ended June 30, 2020.

13.3.2 Booking Revenue

"**Booking Revenue**" is a non-IFRS operating metric to measure performance defined as the net Euro value generated by transactions on our platform in a period (CPA, CPC, CPL, etc.) before cancellations. Booking Revenue does not correspond to, and should not be considered as alternative or substitute for, revenue recognized in accordance with IFRS. We measure Booking Revenue at the time of the transaction as an indicator of demand by Users on our platform on a daily basis. However, Booking Revenue does not necessarily result in revenue since it does not take into account cancellations as well as the fact that we recognize CPA revenue only upon check-in (see Section "*1.2 Our Business Model*").

The following is a reconciliation revenue to of Booking Revenue for the periods indicated:

	For the fiscal year ended December 31,			For the six months ended June 30,	
	2018	2019	2020	2020	2021
	(unaudited, unless stated otherwise) (in € million)			(unaudited) (in € million)	
Revenue[(1)]	51	70	66	23	30
Cancellations	4	7	19	10	16
Bookings with check-in in different reporting period	5	3	(3)	12	26
Booking Revenue	**60**	**80**	**82**	**45**	**72**

(1) Audited.

In the period from January through May 2021, Booking Revenue was a record of €56 million. In May 2021, Booking Revenue was 2.3 times higher than in 2019.

13.3.3 Adjusted EBITDA

We define Adjusted EBITDA as net income (loss) before (i) income taxes; (ii) finance income, finance expenses; (iii) depreciation and amortization; and adjusted for (iv) expenses for share-based compensation (for the fiscal year ended December 31, 2018 including expenses for share-based compensation for services and goods other than employee benefits in connection with the acquisition of Tripping). We believe Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our results of operations, as well as provides a useful measure for period-to-period comparisons of our business performance. Moreover, we have included Adjusted EBITDA in this Prospectus because it is a key measure used by our management internally to make operating decisions, including those related to analyzing operating expenses, evaluating performance, and performing strategic planning and annual budgeting.

The following is a reconciliation of net income (loss) to Adjusted EBITDA for the periods indicated:

	For the fiscal year ended December 31,			For the six months ended June 30,	
	2018	2019	2020	2020	2021
	(audited, unless stated otherwise)			(unaudited)	
	(in € million)			(in € million)	
Net income (loss)	(29.0)	(29.4)	(23.8)	(22.3)	(62.5)
Income taxes	(0.8)	(0.2)	(1.3)	0.6	0.1
Finance income	(0.1)	(0.2)	-	0.0	0.0
Finance expenses	0.0	4.7	7.9	(3.7)	(14.5)
Depreciation and amortization	1.2	4.1	3.6	(1.6)	(2.1)
Expenses for share-based compensation(2)	5.3(1)	4.9	11.2	(5.3)	(11.1)
Adjusted EBITDA(1)	**(23.3)**	**(16.0)**	**(2.4)**	**(12.4)**	**(34.9)**

(1) Unaudited.
(2) For the fiscal year ended December 31, 2018 including expenses for share-based compensation for services and goods other than employee benefits in connection with the acquisition of Tripping.

In 2019, Adjusted EBITDA improved by €7.3 million, or 31.3%, to negative €(16.0) million from negative €(23.3) million in 2018 mainly due to the growth of our annual revenue. In 2020, despite a decrease in total revenue due to the COVID-19 pandemic, Adjusted EBITDA increased by €13.6 million, or 85.0%, to negative €(2.4) million from negative €(16.0) million in 2019, which was mainly due to the significant reduction of marketing and sales expenses in 2020 (€52.2 million) compared to 2019 (€69.4 million).

13.3.4 Take Rate

"**Take Rate**" is defined as Booking Revenue (excluding Booking Revenue generated through hotel bookings and through our subsidiaries Feries and EscapadaRural) divided by GBV (excluding GBV generated through hotel bookings and through our subsidiaries Feries and EscapadaRural).

From 2016 through 2020, our Take Rate grew constantly from 5.5% to 6.4%, representing an increase of 16.4%. This increase was based particularly on the growth of our onsite business, where we generally benefit from higher commissions than under contracts with Partners to whom we redirect Users. During the same period, our average costs per booking decreased by approximately 50%, due to improved marketing efficiency.

Translated into Euro amounts, a Take Rate of 6.4% means that, from an illustrative basket size per booking of €1,000.00, we earn a commission of €64.00 once we recognize revenue for such transaction. We estimate that up to 40% of a booking basket is generally available to the industry as the total commission pool, *i.e.*, an increase of our Take Rate conversely results in a decrease of the Take Rate of other market participants involved in the same booking such as property managers (Take Rate of up to 40%) and OTAs (Take Rate of up to 18%) (*Source: Company estimates and filings of publicly listed online travel companies*).

13.4 Segment Reporting

We manage our business as one operating segment and therefore have only one reportable segment in accordance with IFRS 8.

13.5 Key Factors Affecting Our Financial Performance

We believe that the factors discussed below have significantly affected our results of operations, financial position and cash flow in the historical periods for which financial information is presented in this Prospectus, and that these factors will continue to have a material effect on our results of operations, financial position and cash flow in the future:

13.5.1 Demand for alternative accommodation

Demand for alternative accommodation is the key driver affecting our revenue and profitability. The international accommodation market is an established market that proved to be resilient despite recent adverse effects due to the COVID-19 pandemic. After the large OTAs experienced a decline in GBV in the second quarter of 2020 of approximately 60% - 90% as compared to the second quarter of 2019 (*Source: Company information*), the market began to recover in the third quarter of 2020. We believe that we have a substantial market opportunity in the growing global market for accommodation. As explained in Section "*13.1 Overview*", we view our opportunity in terms of a total addressable market, which we believe we address today and which we believe we can address over the long term. We estimate our total addressable market today to be €1 trillion in GBV and to be approximately €1.7 trillion in GBV in 2030 (*Source: Deutsche Bank Research Report*).

We believe that the alternative accommodation market in particular will grow significantly due to a general shift in travelers' preferences from traditional hotel and resort bookings to vacation rentals, which is being further accelerated by the COVID-19 pandemic. We believe that travelers are increasingly looking for "safe", more flexible, easily accessible (*e.g.*, by car) and individualized offerings. According to the World Travel and Tourism Council, COVID-19 is transforming traveler inclinations and behaviors toward the familiar, predictable and trusted.

In addition to external factors, our own strategy and the degree to which we are able to successfully implement this strategy influence demand for our Offers on our platform. In particular, our ability to constantly source a large number of attractive properties, the convenience and transparency of our user interface and our ability to successfully market our platform, drive demand from Users. OTAs, property managers and other platforms who have their portfolios listed on our platform and are therefore benefiting from our state-of-the-art technology and a high customer reach increase their attractiveness to homeowners seeking to find a manager or distribution channel who can provide them with a reliable level of demand for their properties. We actively support and help them to get access to homeowner leads, in particular through our SaaS solution.

By providing a compelling offering with respect to all of these aspects, we were able to increase GBV from approximately €0.2 billion in the fiscal year ended December 31, 2016 to approximately €1.3 billion in the fiscal year ended December 31, 2020, representing growth at a CAGR of 50%. Growth continued in 2021 as more people booked alternative accommodations via our marketplace leading to a new record GBV result of €0.9 billion in the first half of 2021.

13.5.2 Ability to attract and retain our Partners

The cooperation with our Partners is the foundation on which we operate our marketplace. We grow GBV by attracting new Partners who offer alternative accommodation on our platform, either as Offers which are bookable directly on our websites (onsite) or as Offers bookable on the Partners' websites to which we redirect our Users. The share of our onsite business has grown steadily since 2018. While in 2018, the onsite share of our Booking Revenue in DACH was 29%, it increased to 73% in the six months ended June 30, 2021. The Global onsite share increased from 11% in 2018 to 52% in May 2021.

We already cooperate with over 30,000 Partners who supply us with Offers. Since the inception of our business in 2014, the total Offers on our websites increased to over 14 million total Offers as of May 2021. We therefore believe that we have the world's most comprehensive inventory coverage in the alternative accommodation space.

Still, we are focused on continuing to grow and retain the number of our Partners, which is critical to our long-term success. While, in recent fiscal years, several Partners accounted for more than 10% of our revenue (see Section "*13.6.1 Revenue*"), we continue to approach various types of businesses seeking to increase our global coverage and build the broadest inventory possible displayed on our websites.

Our platform unlocks the potential for our Partners to increase their customer reach and brand awareness while at the same time diversifying their revenue without the need to operate their own localized website. We have designed our platform to specifically provide our Partners with a state-of-the-art technology infrastructure with features that our Partners can make use of where their own setup does not have the same level of functionality (*e.g.*, intuitive search and filtering functions, payment methods, customer service, mobile responsiveness etc.)

13.5.3 Ability to attract and retain Users

The Users of our platform come from everywhere around the world. As of May 2021, approximately 18.7 million Users had an account registered with one of our websites (Hometogo, Casamundo, Wimdu, or EuroRelais), and 9.8 million of them were subscribers (*i.e.*, Users who gave their consent to receiving marketing content). We have demonstrated an ability to continue to grow the number of Users on our platform: the number of over 18.7 million Users as of May 2021 represented 11% growth compared to 16.8 million Users as of December 2020, which in turn represented 40% growth compared to 12.0 million Users as of December 2019.

Including the Users of our subsidiaries Feries and EscapadaRural, HTG had 22.7 million Users as of May, 2021 and 12.8 million subscribers.

We grow GBV by attracting new Users to book alternative accommodation on our platform and through past Users who return to our platform to make new bookings. We attract most of the traffic on our websites through our brand and & organic marketing efforts (for details on our marketing expense, see below).

In addition to attracting new Users, we were also able to significantly grow the number of returning Users (*i.e.*, identifiable sessions from Users who have previously visited one of our websites). For example, in the third quarter of 2020, the traffic to our websites was 18 times higher than in the first quarter of 2016, with more than half of the traffic in the third quarter of 2020 consisting of returning Users. A share of 52% of our Booking Revenue in 2020 were accounted for by returning Users. In the first half of 2021 the share was 54%.

13.5.4 Marketing expenses

Through our marketing initiatives, we scale our business by bringing demand to our platform and converting website visitors to Users who make bookings and return for new bookings in the future. Since the inception of our business in 2014, we have continuously intensified our marketing activities, in particular brand & organic marketing efforts, which include media relation and public relations work, on- and off site search engine optimization, content marketing and other forms of inbound marketing.

The efficiency and success of our brand & organic marketing efforts, which we measure by analyzing website traffic, has been constantly growing in recent years. In 2020, approximately 54% of all traffic to our websites was attributable to our brand and & organic marketing efforts, passing the amount of traffic attributable to more costly performance marketing efforts (46%), and representing an increase by 35 percentage points since 2015 (19%). In the first half of 2021, we increased our marketing expenses with the goal to increase our brand awareness.

Our strategy is to continue to increase brand & organic marketing and use the strength of our brand to attract more Users via direct or unpaid channels and to further decrease our performance marketing spend.

13.5.5 Personnel expenses

Our personnel expenses are not presented separately in our consolidated statement of profit or loss and other comprehensive income, but are part of our expenses related to product development and operations, marketing and sales expenses and general and administrative expenses. During the first six months of 2021, our personnel expenses amounted to €7.6 million (€7.2 million during the first six months of 2020) while in the fiscal year 2020, our personnel expenses amounted to €15.6 million, remaining at the same level as in the fiscal year 2019. Our personnel expenses in the fiscal year 2019 in the amount of €15.6 million represented an increase by €7.2 million, or 85.7%, from €8.4 million in the fiscal year 2018, primarily driven by our investment in our talent pool across our business. As our business grew, we developed a higher demand for experienced employees, which in turn caused us to adjust salary levels for certain positions. In addition, salary adjustments were also made in response to the general salary increase in the employment market for tech companies in Berlin. Expressed as a percentage of total revenue, personnel expenses increased from 16.5% in 2018 to 23.6% in 2020 and 25.3% for the first six months of 2021.

13.5.6 Investment in talent

We believe that talented employees are a very important asset. We intend to continue to invest in hiring and retaining talent. We have implemented several similar share-based payment programs, *i.e.*, separate share-based payment agreements in 2014, a virtual option plan in 2015, a founder program in 2019 and a key management program in 2019. Pursuant to these programs, current and future members of HomeToGo, who participate in the programs according to the terms and conditions, are eligible to participate in the future growth of HomeToGo by receiving cash payments or non-cash consideration by HomeToGo subject to certain exit related events defined thereunder. For further information on these programs, please see Section "*17.4. Transition of former HomeToGo GmbH Incentive Programs*" and Note "*30. Share based payments*" to the audited consolidated financial statements of HomeToGo GmbH as of and for the fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018 (pages F-61 *et seqq.*).

We incurred expenses related to our employee share-based programs. Employee share-based compensation expenses were €0.6 million in 2018, €4.9 million in 2019, €11.2 million in 2020 and €10.9 million for the six months ended June 30, 2021. As we believe that share-based compensation expenses are not reflective of the underlying operating performance of our business, we do not take into account share-based compensation expenses for purposes of Adjusted EBITDA.

13.5.7 Investments in technology

We are investing significant resources in our technology architecture and infrastructure. These improvements enable our engineers to use the latest tools and technologies to build new products and features. For example, we have successfully developed and implemented our deduplication technology and inventory enhancement technology. Both features are based on proprietary algorithms and use machine learning functions.

Our deduplication technology is programmed to recognize duplicative Offers of the same property and automatically combines them into a single presentation on our website, leveraging the different data points we receive from our multiple Partners, assuring the most comprehensive information for our Users. Our inventory enhancement technology automatically detects the content of images, rearranges the order of images to group similar images together and applies graphical filters to improve image quality. The continued improvement of our technology platform and product features is paramount to our User experience, driving our ability to attract and retain Partners and Users, improve the rate of booking for new and returning website visitors, and generate revenue.

Our investments in technology are reflected in our product development and operations expenses, in particular in our license expenses, software expenses and related personnel expenses. These three expense components in aggregate amounted to €11.4 million in 2020 representing an increase of 2.7% from €11.1 million in 2019, which in turn represents an increase by €4.3 million, or 63.2%, from €6.8 million in 2018. In the six months ended June 30, 2021 we expensed €6.0 million in these three expense components.

13.5.8 Seasonality

Our business experiences seasonal fluctuations in the demand for its services because of seasonal patterns in bookings and travel. For example, absent the effect of the COVID-19 pandemic in 2020 and 2021, which has disrupted our usual seasonality trends, clicks and consequently CPC and CPL revenue is generally highest in the first two quarters as travelers plan and book their spring, summer and winter holiday travel, whereas CPA revenue is generally highest in the third quarter when the most check-ins occur, the point at which such revenue is recognized. Our revenue typically decreases in the fourth quarter. As we typically invoice once per month with customary payment terms and since our Partners pay CPA commission mainly after check-in or check-out, cash flow from operating activities increases in the fourth quarter. As such, our cash flow varies seasonally with a slight delay to revenue and is significantly affected by the timing of performance marketing spending.

However, it is difficult to forecast the seasonality for future periods, given the uncertainty around the duration of the impact from COVID-19 and the nature and timing of any sustained recovery.

Except for the expenses for performance marketing, our costs remain relatively stable across fiscal quarters or change in proportion to the volume of transactions on our platform. Expenses for performance marketing depend on the level of additional non-organic traffic which we aim to generate for the platform. In general, no immediate correlation exists between expenses for performance marketing and revenue as most of our revenue is recognized from CPA contracts, under which revenue is recognized at the check-in or check-out date, both of which occur at a later point in time compared to the marketing spend generating the associated booking.

13.6 Components of Results of Operations

13.6.1 Revenue

The following table provides an overview of our revenue for the periods indicated.

	For the year ended December 31,			For the six months ended June 30,	
	2018	2019	2020	2020	2021
		(audited) (in € thousands)		(unaudited) (in € thousands)	
Revenue recognized at a point in time					
CPA	29,961	46,392	48,695	14,228	18,927
CPC and CPL	19,209	17,470	10,154	5,095	7,025
Other	1,523	1,813	654	475	271
Revenue recognized over time					
Subscriptions	321	3,865	6,352	3,257	3,809
	51,015	**69,540**	**65,855**	**23,055**	**30,032**

In addition to our main types of revenue described under "*13.2 Our Business Model*" (CPA, CPC/CPL, subscription), we recognize a small amount of advertising revenue (which we categorize as "other revenue"), amounting to less than 1% of our total revenue in 2020. With respect to our revenue mix, we experience a decline in CPC, CPL and other revenue and an increase in CPA and subscriptions revenue which strengthens our revenue profile as our Take Rate is generally higher in CPA than in CPC. The share of our CPC, CPL and other revenue has steadily declined from 40% in 2018 to 16% in 2020, and we expect it to continue to decline. Our CPA revenue share on the other hand increased from 59% in 2018 to 74% in 2020, which results from the growth of our onsite business and a shift from CPC to CPA deals. The share of subscription revenue increased from 1% in 2018 to 10% in 2020, based on the expansion of, and the increase in demand for, our SaaS products.

For the periods indicated below, several Partners accounted for more than 10% or our revenue:

	For the year ended December 31,			For the six months ended June 30,	
	2018	2019	2020	2020	2021
		(audited) (in € thousands)		(unaudited) (in € thousands)	
Partner 1	9,368	12,583	9,092	4,360	124
Partner 2	11,869	12,237	9,065	4,626	6,702
Partner 3	12,281	16,849	23,498	6,407	12,365
	33,518	**41,669**	**41,655**	**15,393**	**19,191**

13.6.2 Cost of Revenues

The following table provides a breakdown of our cost of revenues for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,	
	2018	2019	2020	2020	2021
		(audited) (in € thousands)		(unaudited) (in € thousands)	
Hosting and domains	1,285	2,291	2,154	1,071	1,281
Depreciation and amortization	530	1,516	285	135	415
Other	105	194	353	85	135
	1,920	**4,001**	**2,792**	**1,291**	**1,831**

Cost of revenues includes costs related to hosting and domains, depreciation and amortization and other costs. We expect that our cost of revenue will continue to increase on an absolute Euro basis for the foreseeable future to the extent that we continue to see growth on our platform. Cost of revenues do not necessarily correlate to the development of revenue as expenses for hosting and domains are partly fixed and mainly depend on the data storage volume than on the actual transaction volume for revenue. Depreciation and amortization result mainly from amortization of internally generated intangible assets and the depreciation of order backlogs that were identified as part of purchase price allocations in previous business combinations. These expenses are therefore more driven by our investing activities than the development in revenue.

13.6.3 Product Development and Operations

The following table provides a breakdown of our expenses for product development and operations for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,	
	2018	2019	2020	2020	2021
	(audited) (in € thousands)			(unaudited) (in € thousands)	
Personnel-related expenses	3,554	6,485	6,747	3,192	3,158
Depreciation and amortization	118	458	721	139	264
License expenses	-	446	581	275	419
Software expenses	3,275	4,169	4,056	2,082	2,446
Share-based compensation	71	811	3,170	1,699	1,785
Other	650	485	-	318	715
	7,668	**12,854**	**15,275**	**7,705**	**8,787**

Expenses for product development and operations consist of personnel-related expenses, depreciation and amortization, license expenses, software expenses, share-based compensation and other expenses. We expect that our product development and operations expenses will increase on an absolute Euro basis and will vary from period to period as a percentage of revenue for the foreseeable future as we continue to invest in product development activities relating to ongoing improvements to and maintenance of our technology platform and other programs improving the User experience and support, including the hiring of personnel to support these efforts.

Expressed as a percentage of revenue, expenses for product development and operations accounted for 23.2% in 2020. We are also investing to improve the efficiency of our operations and support organization, which we expect will decrease operations and support expenses as a percentage of revenue over the longer term.

13.6.4 Marketing and Sales

The following table provides a breakdown of our marketing and sales expenses for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,	
	2018	2019	2020	2020	2021
	(audited) (in € thousands)			(unaudited) (in € thousands)	
Performance marketing	58,286	59,160	40,517	22,897	47,564
Personnel-related expenses	2,827	5,021	4,202	1,998	2,243
Depreciation and amortization	482	1,760	2,111	1,167	1,180
Share-based compensation	4,763	2,008	4,623	1,617	1,704
Other	1,360	1,431	782	245	666
	67,718	**69,380**	**52,235**	**27,924**	**53,357**

Our marketing and sales expenses comprise performance marketing, personnel-related expenses, depreciation and amortization, share-based compensation and other expenses. Expenses for performance marketing depend on the level of additional non-organic traffic we aim to generate for our platform. In general, there exists no immediate correlation between expenses for performance marketing and revenue as we recognize revenue from CPA contracts, which represent the main portion of our revenue, upon check-in date, *i.e.*, at later point in time compared to the marketing spend. Therefore, should we, for example due to travel restrictions resulting from the COVID-19 pandemic), reduce marketing spend to address these developments, such reduction may not have a direct impact on revenue. The same applies, should we, *e.g.*, after travel restrictions are lifted, increase our marketing spend again. Expressed as a percentage of revenue, our marketing and sales expenses accounted for 79.3% in 2020. We expect our marketing and sales expenses will vary from period to period as a percentage of revenue for the foreseeable future, and over the long term, we expect it will decline as a percentage of revenue.

13.6.5 *General and Administrative*

The following table provides a breakdown of our general and administrative expenses for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,	
	2018	2019	2020	2020	2021
	(audited) (in € thousands)			(unaudited) (in € thousands)	
Personnel-related expenses	2,044	4,062	4,613	2,041	2,205
Depreciation and amortization	99	394	491	115	201
Consulting expenses	188	383	1,643	159	2,602
License expenses	50	329	178	105	161
Expenses for third-party-services	95	616	1,155	573	733
Share-based compensation	434	2,114	3,395	1,982	7,584
Other	870	960	1,617	578	1,735
	3,780	**8,858**	**13,092**	**5,553**	**15,221**

General and administrative expenses consist of personnel-related expenses, depreciation and amortization, consulting expenses, license expenses, expenses for third-party-services, share-based compensation and other expenses. We expect to incur additional general and administrative expenses as a result of operating as a public company, including expenses to comply with the rules and regulations applicable to publicly listed companies, as well as higher expenses for corporate insurance, director and officer insurance, investor relations, and professional services. Expressed as a percentage of revenue, general and administrative expenses accounted for 19.9% in 2020. Overall, we expect our general and administrative expenses will vary from period to period as a percentage of revenue for the foreseeable future, and over the long term, we expect it will decline as a percentage of revenue.

13.6.6 *Other Expenses*

Other expenses include in particular foreign exchange losses.

13.6.7 *Other Income*

Other income mainly consists of foreign exchange gains and income related to a government grant for investment in new employments. The grant is subject to the condition that investments are made in a certain number of permanent jobs and is accrued in proportion to the permanent jobs that were already created.

13.6.8 *Finance Income*

Finance income consists primarily of interest income and gains from changes in fair value measurement of derivative liabilities.

13.6.9 *Finance Expenses*

Finance expenses consist primarily of interest expenses, expenses from changes in fair value measurement of derivative liabilities, interest expenses on leases and a write-off on financial assets (only applicable for 2019).

13.6.10 *Income Taxes*

Income taxes represent current income taxes and deferred income taxes. For the fiscal years 2020, 2019 and 2018, our tax rate was 30.175%, consisting of the German corporate tax rate of 15%, a 5.5% solidarity surcharge on the corporate tax rate, and a trade tax rate of 14.35%.

13.7 Results of Operations

The following table presents our results of operations for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,	
	2018	2019	2020	2020	2021
		(audited) (in € millions)		(unaudited) (in € millions)	
Revenue	51.0	69.5	65.9	23.1	30.0
Cost of revenues	(1.9)	(4.0)	(2.8)	(1.3)	(1.8)
Gross profit	**49.1**	**65.5**	**63.1**	**21.8**	**28.2**
Product development and operations	(7.7)	(12.9)	(15.3)	(7.7)	(8.8)
Marketing and sales	(67.7)	(69.4)	(52.2)	(27.9)	(53.4)
General and administrative	(3.8)	(8.9)	(13.1)	(5.6)	(15.2)
Other expenses	(0.2)	(0.2)	(0.7)	(0.3)	(0.0)
Other income	0.4	0.7	1.1	0.5	1.1
Profit (loss) from operations	**(29.8)**	**(25.0)**	**(17.2)**	**(19.2)**	**(48.1)**
Finance income	0.1	0.2	-	-	-
Finance costs	(0.0)	(4.7)	(7.9)	(3.7)	(14.5)
Profit (loss) before tax	**(29.8)**	**(29.6)**	**(25.1)**	**(22.9)**	**(62.6)**
Income taxes	0.8	0.2	1.3	0.6	0.1
Net income (loss)	**(29.0)**	**(29.4)**	**(23.8)**	**(22.3)**	**(62.5)**

13.7.1 Revenue

13.7.1.1 Comparison of the Six Months Ended June 30, 2020 and 2021

In the six months ended June 30, 2021, our revenue increased by €6.9 million, or 30.3%, from €23.1 million in the six months ended June 30, 2020 to €30.0 million, due to an increase in our CPA as well as CPC and CPL revenue. Given the partial travel restrictions within Europe, the growth was mainly driven by our operations in North America.

13.7.1.2 Comparison of the Fiscal Years Ended December 31, 2019 and 2020

Our revenue decreased by €3.6 million, or 5.2%, from €69.5 million in the fiscal year ended December 31, 2019 to €65.9 million in the fiscal year ended December 31, 2020, primarily due to a decrease of our CPC and CPL revenue (2019: €17.5 million; 2020: €10.2 million), partly offset by an increase of our subscription-based revenue (2019: €3.9 million; 2020: 6.4 million) and our CPA revenue (2019: €46.4 million; 2020: 48.7 million). Our CPC business faced the highest decrease as our Partners only carefully re-entered the market after the initial impact of the COVID-19 pandemic, partially given marketing budget restrictions on their end. The growth of our subscription-based revenue was accelerated by our ongoing M&A activities that led to the acquisition of EscapadaRural at the end of 2019.

13.7.1.3 Comparison of the Fiscal Years Ended December 31, 2018 and 2019

Our revenue increased by €18.5 million, or 36.3%, from €51.0 million in the fiscal year ended December 31, 2018 to €69.5 million in the fiscal year ended December 31, 2019, mainly due to an increase of CPA revenue (2018: €30.0 million; 2019: €46.4 million) and subscription-based revenue (2018: €0.3 million; 2019: €3.9 million), partly offset by a decrease of CPC and CPL revenue (2018: €19.2 million; 2019: €17.5 million). Significant drivers for the growth were the ongoing development of our platform through the integration of different technologies and a stronger focus on our onsite booking feature.

13.7.2 Cost of revenues

13.7.2.1 Comparison of the Six Months Ended June 30, 2020 and 2021

In the six months ended June 30, 2021, our cost of revenue increased by €0.5 million, or 41.8%, from €1.3 million in the six months ended June 30, 2020 to €1.8 million, mainly due to an increase in depreciation and amortization from €0.1 million in the six months ended as of June 30, 2020 to €0.4 million as on six months ended June 30, 2021 that was related to additional intangible assets recognized as part of the acquisition of our subsidiary Smoobu in the first quarter of 2021.

13.7.2.2 Comparison of the Fiscal Years Ended December 31, 2019 and 2020

Our cost of revenues decreased by €1.2 million, or 30%, from €4.0 million in the fiscal year ended December 31, 2019 to €2.8 million in the fiscal year ended December 31, 2020, caused primarily by a reduction in depreciation and amortization from €1.5 million in 2019 to €0.3 million in 2020. The amount for amortization in 2019 was mainly related to order backlogs that were recognized as part of our acquisitions in the fiscal year 2018.

13.7.2.3 Comparison of the Fiscal Years Ended December 31, 2018 and 2019

In the fiscal year ended December 31, 2019, our cost of revenues increased by €2.1 million from €1.9 million in the fiscal year ended December 31, 2018 to €4.0 million, due to an increase in costs for hosting and domains from €1.3 million in 2018 to €2.3 million in 2019 and an increase in depreciation and amortization from €0.5 million in 2018 to €1.5 million in 2019. The increase in expenses for hosting and domains results from our overall business expansion, whereas the increase in depreciation and amortization is related to the effect from amortization of order backlogs, as explained in the previous paragraph.

13.7.3 Product Development and Operations

13.7.3.1 Comparison of the Six Months Ended June 30, 2020 and 2021

In the six months ended June 30, 2021, our product development and operations expenses increased by €1.1 million, or 14.0%, from €7.7 million in the six months ended June 30, 2020 to €8.8 million, mainly due to increases in license, software and other expenses.

13.7.3.2 Comparison of the Fiscal Years Ended December 31, 2019 and 2020

Our product development and operations expenses increased by €2.4 million, or 18.6%, from €12.9 million in the fiscal year ended December 31, 2019 to €15.3 million in the fiscal year ended December 31, 2020. This increase results from an increase in expenses for our share-based compensation from €0.8 million in 2019 to €3.2 million in 2020 and an increase in personnel-related expenses from €6.5 million in 2019 to €6.7 million in 2020 as well as an increase in depreciation and amortization from €0.5 million in 2019 to €0.7 million in 2020.

13.7.3.3 Comparison of the Fiscal Years Ended December 31, 2018 and 2019

In the fiscal year ended December 31, 2019, our product development and operations expenses increased by €5.2 million, or 67.5%, from €7.7 million in the fiscal year ended December 31, 2018 to €12.9 million, mainly due to an increase of our personnel-related expenses from €3.6 million in 2018 to €6.5 million, increased software expenses (2018: €3.3 million; 2019: €4.2 million) and increased expenses for share-based payments (2018: €0.1 million; 2019: €0.8 million) and license expenses (2018: nil; 2019: €0.4 million). The increase in personnel-related expenses was explained by the significant growth of our product and engineer workforce.

13.7.4 Marketing and Sales

13.7.4.1 Comparison of the Six Months Ended June 30, 2020 and 2021

In the six months ended June 30, 2021, our marketing and sales expenses increased by €25.4 million, or 91.1%, from €27.9 million in the six months ended June 30, 2020 to €53.4 million, mainly due to an increase in performance marketing expenses from €22.9 million in the six months ended June 30, 2020 to €47.6 million in the six months ended June 30, 2021 after the lifting of travel restrictions towards the end of the first half of 2021. Additionally, we increased the expenses for our overall brand management from €0.9 million in the six months ended June 30, 2020 to €3.3 million in the six months ended June 30, 2021.

13.7.4.2 Comparison of the Fiscal Years Ended December 31, 2019 and 2020

Our marketing and sales expenses decreased by €17.1 million, or 24.7%, from €69.4 million in the fiscal year ended December 31, 2019 to €52.2 million in the fiscal year ended December 31, 2020, mainly due to the reduction of our performance marketing expenses by €18.7 million, in particular during the second and third quarter of 2020, when the travel industry was adversely affected by the COVID-19 pandemic and when competition in the alternative accommodation market slowed down significantly.

13.7.4.3 Comparison of the Fiscal Years Ended December 31, 2018 and 2019

In the fiscal year ended December 31, 2019, our marketing and sales expenses increased by €1.7 million, or 2.5%, from €67.7 million in the fiscal year ended December 31, 2018 to €69.4 million, due to an increase in depreciation and amortization from €0.5 million in 2018 to €1.8 million in 2019 and an increase of our performance marketing expenses from €58.3 million in 2018 to €59.2 million in 2019 and personnel-related expenses from €2.8 million in 2018 to €5.0 million in 2019, partly offset by a decrease in expenses for share-based compensation from €4.8 million in 2018 to €2.0 million in 2019.

13.7.5 General and Administrative

13.7.5.1 Comparison of the Six Months Ended June 30, 2020 and 2021

In the six months ended June 30, 2021, our general and administrative expenses increased by €9.7 million from €5.6 million in the six months ended June 30, 2020 to €15.2 million, mainly due to increases of expenses of for share-based compensation from €2.0 in the six months ended June 30, 2020 to €7.6 million in the six months ended June 30, 2021 and consulting expenses from €0.2 million in the six months ended June 30, 2020 to €2.6 million in the six months ended June 30, 2021 and other expenses from €0.6 million in the six months ended June 30, 2020 to €1.7 million in the six months ended June 30, 2021. The increase in consulting expenses was related to the preparation of the Business Combination.

13.7.5.2 Comparison of the Fiscal Years Ended December 31, 2019 and 2020

Our general and administrative expenses increased by €4.2 million, or 47.2%, from €8.9 million in the fiscal year ended December 31, 2019 to €13.1 million in the fiscal year ended December 31, 2020, reflecting in particular an increase of expenses for third-party services (2019: €0.6 million; 2020: €1.2 million), expenses for share-based compensation (2019: €2.1 million; 2020: €3.4 million), consulting expenses (2019: €0.4 million; 2020: €1.6 million) and other expenses (2019: €1.0 million; 2020: €1.6 million). The increase in consulting expenses was mainly related to external legal advice in connection with litigation and M&A activities.

13.7.5.3 Comparison of the Fiscal Years Ended December 31, 2018 and 2019

In the fiscal year ended December 31, 2019, our general and administrative expenses increased by €5.1 million from €3.8 million in the fiscal year ended December 31, 2018 to €8.9 million, mainly due to an increase of personnel-related expenses (2018: €2.0 million; 2019: €4.1 million), expenses for share-based compensation (2018: €0.4 million; 2019: €2.1 million) and expenses for third-party services (2018: €0.1 million; 2019: €0.6 million).

13.7.6 Other Expenses

13.7.6.1 Comparison of the Six Months Ended June 30, 2020 and 2021

In the six months ended June 30, 2021, our other expenses decreased by €0.3 million, or 87.1%, from €0.3 million in the six months ended June 30, 2020 to €0.0 million, mainly due to a decrease in foreign exchange losses.

13.7.6.2 Comparison of the Fiscal Years Ended December 31, 2019 and 2020

Our other expenses increased by €0.5 million from €0.2 million in the fiscal year ended December 31, 2019 to €0.7 million in the fiscal year ended December 31, 2020. The increase is due to an increase of foreign exchange losses.

13.7.6.3 Comparison of the Fiscal Years Ended December 31, 2018 and 2019

In the fiscal year ended December 31, 2019, our other expenses remained relatively unchanged at a level of €0.2 million compared to the fiscal year ended December 31, 2018, and increased only marginally due to a decrease of foreign exchange losses.

13.7.7 Other Income

13.7.7.1 Comparison of the Six Months Ended June 30, 2020 and 2021

In the six months ended June 30, 2021, our other income increased by €0.7 million, from €0.5 million in the six months ended June 30, 2020 to €1.1 million, mainly due to income from a government grant income amounting to €0.3 million in six months ended June 30, 2021 compared to €0 million in six months ended June 30, 2020 and an increase in gains from foreign exchange gains from €0.3 million in six months ended June 30, 2020 to €0.5 million in six months ended June 30, 2021.

13.7.7.2 Comparison of the Fiscal Years Ended December 31, 2019 and 2020

Our other income increased by €0.4 million, or 57.1%, from €0.7 million in the fiscal year ended December 31, 2019 to €1.1 million in the fiscal year ended December 31, 2020, mainly due to an government grant related income amounting to €0.4 million in 2020 compared to nil in 2019 which was partly offset by a decrease in gains from foreign exchange gains from €0.5 million in 2019 to €0.4 million in 2020.

13.7.7.3 Comparison of the Fiscal Years Ended December 31, 2018 and 2019

In the fiscal year ended December 31, 2019, our other income increased by €0.3 million, or 75.0%, from €0.4 million in the fiscal year ended December 31, 2018 to €0.7 million. This increase was mainly based on an increase of foreign exchange gains from €0.1 million in 2018 to €0.5 million in 2019.

13.7.8 Finance Income

13.7.8.1 Comparison of the Six Months Ended June 30, 2020 and 2021

We did not have any finance income in the six months ended June 30, 2021 or the six months ended June 30, 2020.

13.7.8.2 Comparison of the Fiscal Years Ended December 31, 2019 and 2020

Our finance income decreased by 0.2 million, or 100%, from €0.2 million in the fiscal year ended December 31, 2019 to nil in the fiscal year ended December 31, 2020, related to a decrease in interest income.

13.7.8.3 Comparison of the Fiscal Years Ended December 31, 2018 and 2019

In the fiscal year ended December 31, 2019, our finance income increased by €0.1 million, or 100%, from €0.1 million in the fiscal year ended December 31, 2018 to €0.2 million. This increase was mainly due to an increase in interest income from €0.1 million in 2018 to €0.2 million in 2019.

13.7.9 Finance Expenses

13.7.9.1 Comparison of the Six Months Ended June 30, 2020 and 2021

In the six months ended June 30, 2021, our finance expenses increased by €10.8 million from €3.7 million in the six months ended June 30, 2020 to €14.5 million, mainly due to increases in expenses from fair value measurement of derivative liabilities from €2.2 million in the six months ended June 30, 2020 to €7.5 million in the six months ended June 30, 2021 and an increase in interest expenses from €1.5 million in the six months ended June 30, 2020 to €7.0 million in the six months ended June 30, 2021. Both increases result mainly from convertible loans that were concluded in the second half of 2020 and the first half of 2021.

13.7.9.2 Comparison of the Fiscal Years Ended December 31, 2019 and 2020

Our finance expenses increased by €3.2 million, or 68.1%, from €4.7 million in the fiscal year ended December 31, 2019 to €7.9 million in the fiscal year ended December 31, 2020, mainly due to increases in interest expenses from €0.0 million in 2019 to €2.0 million in 2020, expenses from fair value measurement of derivative liabilities from €0.0 million in 2019 to €5.5 million in 2020 and interest expenses on leases from €0.1 million in 2019 to €0.3 million in 2020 which were partly offset by a decrease in write-offs on financial assets from €4.6 million in 2019 to nil in 2020.

13.7.9.3 Comparison of the Fiscal Years Ended December 31, 2018 and 2019

In the fiscal year ended December 31, 2019, our finance expenses increased by €4.7 million, from €0.0 million in the fiscal year ended December 31, 2018 to €4.7 million. This increase was mainly due to an increase in write-off on financial assets from nil in 2018 to €4.6 million in 2019. The write-off on financial assets was related to a loan provided to a jointly controlled entity, Everystay Holding UG, that had filed for liquidation in the fiscal year 2020 (please also see Section "*20.3 Other Related Party Transactions*").

13.7.10 Income Taxes

13.7.10.1 Comparison of the Six Months Ended June 30, 2020 and 2021

In the six months ended June 30, 2021, our income tax changed by €0.5 million, or 80%, from an income tax income of €0.6 million in the six months ended June 30, 2020 to an income tax income of €0.1 million, mainly due to decrease in deferred tax income.

13.7.10.2 Comparison of the Fiscal Years Ended December 31, 2019 and 2020

Our income taxes changed by €1.1 million from an income tax income of €0.2 million in the fiscal year ended December 31, 2019 to an income tax income of €1.3 million in the fiscal year ended December 31, 2020, primarily driven by an increase in deferred tax income.

13.7.10.3 Comparison of the Fiscal Years Ended December 31, 2018 and 2019

In the fiscal year ended December 31, 2019, our income taxes changed by €0.6 million, or 75%, from an income tax income of €0.8 million in the fiscal year ended December 31, 2018 to an income tax income of €0.2 million. This change resulted primarily from a change from current tax income to current tax expenses, partly offset by an increase in deferred tax income.

13.8 Liquidity and Capital Resources

Liquidity management is critical for us. We therefore monitor our liquidity regularly. Historically, our main sources of liquidity have consisted of financing from our shareholders and, more recently, from third parties.

In 2020, HomeToGo GmbH as borrower entered into two fixed rate bank loans in the amount of €6.0 million and €10.0 million with Deutsche Bank as lender. In the same year, our subsidiaries Feries as borrower entered into a loan agreement in the amount of €0.4 million, and EscapadaRural as borrower entered into two loan agreements in the amount of €0.5 million and €0.3 million.

In 2019, HomeToGo GmbH issued a subordinated convertible loan in the amount of €14.0 million, of which €2.0 million were paid out in 2019 and €12.0 million in 2020. Furthermore, in 2020, HomeToGo GmbH issued an additional subordinated convertible loan in the amount of € 24.4 million, which was fully paid out in the same year. In 2021, HomeToGo GmbH issued three tranches of subordinated convertible loans in the total amount of €66.2 million. The convertible loans are convertible into shares of HomeToGo GmbH upon the occurrence of certain events, or repayable on July 31, 2022.

We expect our liquidity needs to decrease as we grow and seek to improve our results of operations. As of June 30, 2021, our principal sources of liquidity were cash and cash equivalents of €64.1 million.

13.8.1 Cash Flows

The following table provides a breakdown of our cash flows for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,	
	2018	2019	2020	2020	2021
		(audited) (in € thousands)		(unaudited) (in € thousands)	
Profit (loss) before income tax	(29,794)	(29,603)	(25,122)	(22,949)	(62,581)
Adjustments for:					
Depreciation and amortization	1,230	4,128	3,607	1,558	2,062
Non-cash employee benefits expense - share-based payments	554	4,932	11,189	5,300	11,073

	For the year ended December 31,			For the six months ended June 30,	
	2018	**2019**	**2020**	**2020**	**2021**
		(audited) **(in € thousands)**		**(unaudited)** **(in € thousands)**	
Non-cash share-based payments for services and goods other than employee benefits (Tripping)	4,714	-	-	-	-
Net (gain) / loss on sale of non-current assets	-	19	-	-	-
Finance costs – net/Finance result, net	(28)	4,561	7,906	3,704	14,521
Net exchange differences	(296)	274	(33)	(115)	(68)
Change in operating assets and liabilities					
(Increase) / Decrease in trade and other receivables	(1,386)	419	(1,676)	(1,753)	(5,834)
(Increase) / Decrease in other financial assets	(454)	(1,388)	(135)	(970)	(1,394)
(Increase) / Decrease in other assets	(339)	2,483	143	383	(301)
Increase / (Decrease) in trade and other payables	1,440	(150)	(1,061)	905	10,852
Increase / (Decrease) in other financial liabilities	70	19	(229)	(290)	(287)
Increase / (Decrease) in other liabilities	4,860	4,090	(6,236)	757	(299)
Increase / (Decrease) in provisions	(256)	(10)	1,182	(273)	(185)
Cash generated from operations	**(19,687)**	**(10,226)**	**(10,465)**	**(13,744)**	**(32,441)**
Interest and other finance cost paid (-)	(11)	(85)	(680)	(167)	(427)
Income taxes (paid) / received	(225)	212	(163)	33	(61)
Net cash used in operating activities	**(19,923)**	**(10,099)**	**(11,309)**	**(13,878)**	**(32,930)**
Payment for acquisition of subsidiary, net of cash acquired	(14,583)	(19,746)	(1,647)	-	(13,235)
Payments for property, plant and equipment	(180)	(402)	(1,551)	(71)	(94)
Payments for intangible assets	(887)	(42)	(100)	-	-
Payments for internally generated intangible assets	(68)	(854)	(1,369)	(530)	(720)
Payments for financial assets at amortized costs	(1,696)	(1,601)	-	-	(5)
Proceeds from sale of property, plant and equipment	-	45	18	-	1
Net cash used in investing activities	**(17,368)**	**(22,599)**	**(4,649)**	**(601)**	**(14,054)**
Proceeds from borrowings and convertible loans	-	1,985	43,512	18,770	75,795
Proceeds from issuance of shares	64,874	-	-	-	-
Repayments of borrowings and convertible loans	-	-	(1,500)	(750)	(803)
Principal elements of lease payments	(116)	(721)	(563)	(432)	(470)
Net cash provided by financing activities	**64,758**	**1,264**	**41,449**	**17,588**	**74,522**
Net increase (decrease) in cash and cash equivalents	**27,467**	**(31,435)**	**25,490**	**3,110**	**27,538**
Cash and cash equivalents at the beginning of the period	**15,202**	**42,745**	**10,972**	**10,972**	**36,237**
Effects of exchange rate changes on cash and cash equivalents	76	(338)	(226)	416	312
Cash and cash equivalents at end of the period	**42,745**	**10,972**	**36,237**	**14,498**	**64,087**

13.8.1.1 *Net Cash used in Operating Activities*

13.8.1.1.1 Comparison of the Six Months Ended June 30, 2020 and June 30, 2021

Net cash used in operating activities increased from a cash outflow of €13.9 million in the six months ended June 30, 2020 to a cash outflow of €32.9 million in the six months ended June 30, 2021. This change resulted from a decrease in cash effective profit before income tax, which was, however, partly offset by an increase in net cash outflows related to changes in operating assets and liabilities

13.8.1.1.2 Comparison of December 31, 2019 and December 31, 2020

Net cash used in operating activities increased from a cash outflow of €10.1 million in 2019 to a cash outflow of €11.3 million in 2020. This change resulted from a favorable development in cash effective profit before income tax, which was, however, offset by an increase in net cash outflows related to changes in operating assets and liabilities.

13.8.1.1.3 Comparison of the Fiscal Years Ended December 31, 2018 and 2019

Net cash used in operating activities decreased from a cash outflow of €19.9 million in 2018 to a cash outflow of €10.2 million in 2019. This decrease was primarily driven by a favorable development in cash effective profit before income tax and an increase in net cash inflows related to changes in operating assets and liabilities.

13.8.1.2 *Net Cash used in Investing Activities*

13.8.1.2.1 Comparison of the Six Months Ended June 30, 2020 and June 30, 2021

Net cash used in investing activities increased from a cash outflow of €0.6 million in the six months ended June 30, 2020 to a cash outflow of €14.1 million in the six months ended June 30, 2021. This increase was mainly driven by high cash outflows from payment for acquisition of subsidiary, net of cash acquired.

13.8.1.2.2 Comparison of December 31, 2019 and December 31, 2020

Net cash used in investing activities decreased from a cash outflow of €22.6 million in 2019 to a cash outflow of €4.6 million in 2020. This decrease was mainly driven by lower cash outflows from payment for acquisition of subsidiary, net of cash acquired.

13.8.1.2.3 Comparison of the Fiscal Years Ended December 31, 2018 and 2019

Net cash used in investing activities increased from a cash outflow of €17.4 million in 2018 to a cash outflow of €22.6 million in 2019 primarily due to higher cash outflows from payment for acquisition of subsidiary, net of cash acquired.

13.8.1.3 *Net Cash provided by Financing Activities*

13.8.1.3.1 Comparison of the Six Months Ended June 30, 2020 and June 30, 2021

Net cash provided by financing activities increased from a cash inflow of €17.6 million in the six months ended June 30, 2020 to a cash inflow of €74.5 million in the six months ended June 30, 2021 primarily due to an increase in proceeds from borrowings and convertible loans.

13.8.1.3.2 Comparison of December 31, 2019 and December 31, 2020

Net cash provided by financing activities increased from a cash inflow of €1.3 million in 2019 to a cash inflow of €41.5 million in 2020 primarily due to an increase in proceeds from borrowings and convertible loans.

13.8.1.3.3 Comparison of the Fiscal Years Ended December 31, 2018 and 2019

Net cash provided by financing activities decreased from a cash inflow of €64.8 million in 2018 to a cash inflow of €1.3 million in 2019. This decrease resulted mainly from the financing round of HomeToGo GmbH in 2018.

13.9 Liabilities

The following table provides an overview of our liabilities as of the reporting dates indicated.

	As of December 31,			As of June 30,
	2018	2019	2020	2021
		(audited) (in € millions)		(unaudited) (in € millions)
Convertible loans (non-current)	–	1.7	33.1	80.4
Borrowings (non-current)	–	–	3.6	10.0
Other financial liabilities (non-current)	0.9	1.7	26.1	58.4
Provisions (non-current)	0.3	0.4	0.6	0.4
Other liabilities (non-current)	0.3	0.3	1.1	1.0
Income tax liabilities (non-current)	0.0	0.0	0.0	0.0
Deferred tax liabilities	3.3	3.6	2.2	3.7
Non-current liabilities	**4.8**	**7.7**	**66.7**	**154.0**
Trade and other payables (current)	4.5	5.3	4.2	15.4
Borrowings (current)	–	–	2.1	3.7
Other financial liabilities (current)	7.7	2.8	1.6	6.5
Provisions (current)	0.2	0.0	1.1	1.0
Other liabilities (current)	7.3	13.2	6.2	8.2
Income tax liabilities (current)	0	0.2	0.0	0.1
Current liabilities	**19.8**	**21.6**	**15.2**	**35.0**
Total liabilities	**24.6**	**29.4**	**81.9**	**189.0**

13.9.1 Non-current Liabilities

13.9.1.1 June 30, 2021 Compared to December 31, 2020

As of June 30, 2021, our total non-current liabilities amounted to €154.0 million, representing 81.5% of our total liabilities and an increase by €87.2 million from our total non-current liabilities of €66.7 million as of December 31, 2020. Non-current liabilities as of June 30, 2021 comprised mainly convertible loans of €80.4 million and other non-current financial liabilities of €58.4 million.

Other non-current financial liabilities as of June 30, 2021 comprised mainly €13.3 million lease liabilities and €45.0 million derivative liabilities resulting from convertible loan agreements.

13.9.1.2 December 31, 2020 Compared to December 31, 2019

As of December 31, 2020, our total non-current liabilities amounted to €66.7 million, representing 81.4% of our total liabilities and an increase by €59.0 million from our total non-current liabilities in the amount of €7.7 million as of December 31, 2019. Non-current liabilities as of December 31, 2020 comprised mainly convertible loans of €33.1 million and other non-current financial liabilities of €26.1 million.

Other non-current financial liabilities as of December 31, 2020 comprised mainly €13.7 million lease liabilities and €12.5 million derivative liabilities resulting from convertible loan agreements.

13.9.1.3 December 31, 2019 Compared to December 31, 2018

As of December 31, 2019, our total non-current liabilities amounted to €7.7 million, representing 26.2% of our total liabilities and an increase by €2.9 million, or 60.4%, from our total non-current liabilities in the amount of €4.8 million as of December 31, 2018. Non-current liabilities as of December 31, 2019 mainly comprised deferred tax liabilities.

The largest components of other non-current financial liabilities as of December 31, 2019 were lease liabilities amounting to €1.4 million and €0.3 million derivative liabilities resulting from convertible loan agreements.

13.9.2 *Current Liabilities*

13.9.2.1 *June 30, 2021 Compared to December 31, 2020*

As of June 30, 2021, our total current liabilities amounted to €35.0 million, representing 18.5% of our total liabilities and an increase by €19.8 million, from our total current liabilities in the amount of €15.2 million as of December 31, 2020.

Current liabilities as of June 30, 2021 comprised mainly current trade and other payables of €15.4 million and other liabilities (current) of €8.2 million.

13.9.2.2 *December 31, 2020 Compared to December 31, 2019*

As of December 31, 2020, our total current liabilities amounted to €15.2 million, representing 18.6% of our total liabilities and a decrease by €6.4 million, or 29.6%, from our total current liabilities in the amount of €21.6 million as of December 31, 2019. Current liabilities as of December 31, 2020 comprised mainly current trade and other payables of €4.2 million and other current liabilities of €6.2 million.

Current liabilities as of December 31, 2019 comprised mainly current trade and other payables amounting to €5.3 million and other current liabilities amounting to €13.2 million.

13.9.2.3 *December 31, 2019 Compared to December 31, 2018*

As of December 31, 2019, our total current liabilities amounted to €21.6 million, representing 73.5% of our total liabilities and an increase by €1.8 million, or 9.1%, from our total current liabilities in the amount of €19.8 million as of December 31, 2018. Current liabilities as of December 31, 2019 mainly comprised current trade and other payables of €5.3 million and other current liabilities of €13.2 million.

The largest components of current liabilities as of December 31, 2018 were current trade and other current payables in the amount of €4.5 million, other current financial liabilities in the amount of €7.7 million and other current liabilities in the amount of €7.3 million.

13.10 Equity

The following table provides an overview of our equity as of the reporting dates indicated.

	As of December 31,			As of June 30,
	2018	2019	2020	2021
		(audited) (in € millions)		(unaudited) (in € millions)
Subscribed capital	0.1	0.1	0.1	0.1
Capital reserves	113.3	113.3	113.3	113.3
Retained Earnings	(59.5)	(88.9)	(112.7)	(175.1)
Share-based payments reserve	6.0	11.0	22.1	33.2
Total equity	**59.9**	**35.5**	**22.9**	**(28.5)**

13.10.1.1 *June 30, 2021 Compared to December 31, 2020*

Our total equity decreased from €22.9 million as of December 31, 2020 to negative €28.5 million as of June 30, 2021, primarily due to an increase in negative retained earnings due to our net loss for the six months ended June 30, 2021.

13.10.1.2 *December 31, 2020 Compared to December 31, 2019*

Our total equity decreased from €35.5 million as of December 31, 2019 to €22.9 million as of December 31, 2020, primarily due to an increase in negative retained earnings due to our net loss for the fiscal year ended December 31, 2020.

13.10.1.3 *December 31, 2019 Compared to December 31, 2018*

Our total equity decreased from €59.9 million as of December 31, 2018 to €35.5 million as of December 31, 2019, primarily due to an increase in negative retained earnings in the fiscal year ended December 31, 2019.

13.11 Quantitative and Qualitative Disclosure of Market and Other Risks

13.11.1 Credit Risk

Credit risk is the risk of financial loss to us if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk includes both the immediate default risk and the danger of a decline in the customer's creditworthiness.

We are exposed to credit risk on cash and cash equivalents, which we monitor centrally. We maintain our cash deposits at financial institutions with top credit ratings. The creditworthiness of these financial institutions is constantly monitored. We considers that our cash and cash equivalents have low credit risk based on the external credit ratings of these financial institutions.

We are generally exposed to the credit risk that its partners are cash-strapped or in financial difficulties and thus, would not pass the agreed share of commission to us. Overall, the credit risk for trade and other receivables is considered immaterial due to the low outstanding amounts for which no individual allowance for doubtful accounts was built. The maximum risk exposure for all financial assets is the carrying amount.

13.11.2 Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure, as far as possible, that we will have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. We use regular external financing options such as bank loans, but also financing instruments such as convertible loans, to quickly raise larger amounts of fresh capital and thus always ensure a certain liquidity buffer.

The following are the remaining contractual maturities of financial liabilities at the reporting dates indicated. Apart from lease liabilities, the amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

As of December 31, 2020:

(audited) (in € thousands)	**<1 year**	**1 - 5 years**	**> 5 years**	**Total**	**Carrying amount**
Trade and other payables	4,233	-	-	4,233	4.233
Other liabilities	110	9	-	119	119
Convertible loans	-	42,231	-	42,231	33,132
Borrowings	1,930	4,212	103	6,245	5.671
Lease liabilities	1,487	5,154	12.674	19,315	15.129
Total	**7,760**	**51,606**	**12,777**	**72,143**	**58,284**

As of December 31, 2019:

(audited) (in € thousands)	**<1 year**	**1 - 5 years**	**> 5 years**	**Total**	**Carrying amount**
Trade and other payables	5,294	-	-	5,294	5,294
Other liabilities	1,972	23	-	1,996	1,996
Convertible loans	-	2,102	-	2,102	1,697
Lease liabilities	874	1,026	701	2,601	2,258
Total	**8,141**	**3,151**	**701**	**11,993**	**11,245**

As of December 31, 2018:

(audited) (in € thousands)	<1 year	1 - 5 years	> 5 years	Total	Carrying amount
Trade and other payables	4,527	-	-	4,527	4,527
Other liabilities	7,040	50	-	7,090	7,090
Lease liabilities	806	1,005	-	1,811	1,509
Total	**12,373**	**1,055**	**-**	**13,428**	**13,126**

13.11.3 Market, interest rate and currency risk

Market risk is the risk that changes in market prices, such as foreign exchange rates or interest rates will affect our income or the value of our financial instruments. We manage our market risk on a centralized basis with the objectives of managing and controlling market risk exposures within acceptable parameters.

Exposure to interest rate risk normally arises from variable interest-bearing financial instruments. We only have fixed interest loan agreements and therefore are not exposed to an interest rate risk.

We are not exposed to a material transactional foreign currency risk.

13.12 Critical Accounting Estimates and Judgments

For a summary of critical accounting estimates and judgments, please see Note *"7. Critical accounting judgments and key estimates and assumptions*" to the audited consolidated financial statements of HomeToGo GmbH as of and for the fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018 (pages F-88 *et seqq.*).

13.13 Changes in Accounting Standards

For a summary of changes in accounting standards, please see Note *"34. Transition to IFRS "* to the audited consolidated financial statements of HomeToGo GmbH as of and for the fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018 (pages F-119 *et seqq.*).

14. SHAREHOLDER INFORMATION

14.1 Major Shareholders

The following table sets forth the major direct and indirect shareholders of the Company based on the Company's best knowledge as of the date of this Prospectus.

Shareholder	Shareholding (in %)
HTG Insight IX S.à r.l.	17.9
Acton GmbH & Co. Heureka II KG	8.6
ANXA Holding PTE Ltd.	7.0
DN Capital Global Venture Capital III LP	7.0
Mr. Wolfgang Heigl	4.2
TruVenturo GmbH	4.2
Lakestar II LP	3.7

Except the major shareholders mentioned above, there are no other persons that have major holdings within the meaning of Article 8 or Article 9 of the Luxembourg law of January 11, 2008 on transparency requirements for issuers of securities, as amended.

14.2 Controlling Interest

To the knowledge of the Company, the Company is neither directly nor indirectly owned or controlled by any shareholder or third person.

Class A Shares and Class B Shares have the same voting rights.

15. GENERAL INFORMATION ON THE COMPANY AND THE GROUP

15.1 Formation, Incorporation, Commercial Name and Registered Office

The Company was formed on December 4, 2020.

The Company is a European company (*Societas Europaea*) existing under Luxembourg law and has its registered office at 9, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg (telephone: +352 27 44 41 7714; website: www.hometogo.com), LEI 2221001IK1TS34BCHL37, registered with the Luxembourg Trade and Companies Register (*Registre de commerce et des sociétés de Luxembourg*) under number B 249273. The Company's legal and commercial name is Lakestar SPAC I SE (to be renamed HomeToGo SE as of closing of the Business Combination).

HomeToGo GmbH was originally incorporated on January 13, 2014 under the name Locando GmbH and its name was changed to HomeToGo GmbH on April 25, 2014. HomeToGo GmbH is a limited liability company (*Gesellschaft mit beschränkter Haftung*) existing under the laws of Germany and has its registered office at Pappelallee 78/79, 10437 Berlin, Germany (telephone +49 30 255 59 440; website: www.hometogo.de), registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Charlottenburg under HRB 155381 B. HomeToGo GmbH's share capital amounts to € 112,951.00 and is divided into 112,951 shares at a nominal value of € 1.00 each. At the beginning of the current fiscal year 2021, HomeToGo GmbH's share capital amounted to € 93,223, divided into 93,223 shares at a nominal value of € 1.00 each. In connection with the Business Combination, HomeToGo GmbH's share capital was increased from € 93,223 to € 112,951 by issuing 19,728 new HomeToGo GmbH shares in relation to the conversion of certain convertible loan rights and options (please refer to Section "*5.3 Treatment of HomeToGo's Convertible Loans and Outstanding Options under HomeToGo's VSOPs*"). All shares are of the same class and are fully paid. Furthermore, HomeToGo GmbH does not have any authorized share capital. HomeToGo GmbH's legal and commercial name is HomeToGo GmbH.

15.2 Fiscal Year and Duration

The Company's fiscal year is the calendar year. The first fiscal year was a short fiscal year from the date of the formation of the Company to the end of the calendar year. The Company has been established for an unlimited duration.

HomeToGo GmbH's fiscal year is the calendar year. HomeToGo GmbH has been established for an unlimited duration.

15.3 The Company's History

The Company was organized by its founders ANXA Holding PTE Ltd., Singapore, Winners & Co. GmbH, Germany, and Inga Schwarting.

With a purchase agreement dated December 14, 2020, the Company has acquired 100% of the shares in LS I Advisors Verwaltungs-GmbH ("**LS I Advisors GmbH**"), which is the general partner of LS I Advisors KG, as well as the limited partner interest of LS I Advisors KG (registered with the commercial register in Munich, Germany, on February 3, 2021).

On July 14, 2021, the Company and HomeToGo GmbH entered into a Business Combination Agreement. Pursuant to the Business Combination Agreement, the Company acquired 100% of the shares in HomeToGo GmbH as a contribution in-kind for the issuance of 80,793,077 New Public Shares. In connection with the Business Combination, the Company also issued 7,500,000 New Public Shares as part of the PIPE Financing in the amount of €75 million (see Sections "*5 Business Combination*" and "*6. Business Combination Agreement and Ancillary Documents*").

15.4 Corporate Purpose

The Company's purpose is the creation, holding, development and realization of a portfolio, consisting of interests and rights of any kind and of any other form of investment in entities in the Grand Duchy of Luxembourg and in foreign entities, whether such entities exist or are to be created, especially by way of subscription, by purchase, sale, or exchange of securities or rights of any kind whatsoever, such as equity instruments, debt instruments as well as the administration and control of such portfolio. The Company may further grant any form of security for the performance of any obligations of the Company or of any entity in which it holds a direct or indirect interest or right of any kind or in which the Company has invested in any other manner or which forms part of the same group of entities as the Company and lend funds or otherwise assist any entity in which it holds a direct or indirect interest or right of any kind or in which the Company has invested in any other manner or which forms part of the same group of companies as the Company. The Company may borrow in any form and may issue any kind of notes, bonds and debentures and generally issue any debt, equity and/or hybrid securities in accordance with Luxembourg law. The Company may carry out any commercial, industrial, financial, real estate or intellectual property activities which it may deem useful in accomplishment of these purposes.

The purpose of HomeToGo is the operation of internet portals for brokerage of travel arrangements of all kinds as well as all services related thereto. HomeToGo may perform any and all acts and steps directly or indirectly appropriate for the promotion of this purpose. HomeToGo may further take over participations in companies having the same or a similar purpose, acquire such companies and establish subsidiaries in Germany as well as in other jurisdictions.

15.5 Group Structure

The Company is the holding company of the Group. The Group's business is conducted by the Company's wholly-owned direct subsidiary HomeToGo GmbH and its subsidiaries. The Group comprises all companies whose financial and business policy can be controlled by the Company, either directly or indirectly, and the equity interests of the Group whose financial and business policy can be influenced by the Company to a significant extent.

15.6 Subsidiaries

The following table presents an overview of the Company's significant subsidiaries:

Subsidiary	Registered Office	Aggregate Interest
LS I Advisors GmbH & Co. KG	Munich, Germany	100%
LS I Advisors Verwaltungs-GmbH	Munich, Germany	100%
HomeToGo GmbH	Berlin, Germany	100%
Casamundo GmbH	Berlin, Germany	100%(1)
HomeToGo International Inc.	Delaware, United States	100%(1)
UAB HomeToGo Technologies	Kaunas, Lithuania	100%(1)
UAB HomeToGo Technologies Vilnius	Vilnius, Lithuania	100%(1)
mertus 288. GmbH	Berlin, Germany	100%(1)
HS Holiday Search GmbH	Berlin, Germany	100%(1)
Mapify UG (haftungsbeschränkt)	Baunatal, Germany	100%(1)
Feries S.r.l.	Milan, Italy	100%(1)
Escapada Rural S.L.	Barcelona, Spain	100%(1)
Smoobu GmbH	Berlin, Germany	100%(1)

(1) Indirectly through HomeToGo GmbH.

15.7 Management of HomeToGo GmbH

Dr. Patrick Andrae and Mr. Wolfgang Heigl, who are members of the Management Board of the Company, are also managing directors of HomeToGo GmbH. Immediately following the approval of this Prospectus (either on the date of this Prospectus or the following day), and in accordance with the Business Combination Agreement, the Company, as the sole shareholder of HomeToGo GmbH, will appoint each of Mr. Valentin Gruber and Mr. Steffen Schneider, who are also members of the Management Board of the Company, as additional managing directors of HomeToGo GmbH. The service agreements between the managing directors of HomeToGo GmbH and HomeToGo GmbH govern both their function as managing directors of HomeToGo GmbH and members of the Management Board of the Company, including their terms of office. For further information, refer therefore to Section "*17.1 Management Board*".

15.8 Independent Auditor

The Company appointed Ernst & Young S.A., with registered office at 35E, Avenue J.F. Kennedy, L-1855 Luxembourg and registered with the Luxembourg Trade and Companies Register (*Registre de commerce et des sociétés de Luxembourg*) under number B 47771 as its independent auditor (*réviseur d'entreprises agréé*).

HomeToGo GmbH appointed Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, with registered office at Friedrichstraße 140, 10117 Berlin and registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Stuttgart, Germany under HRB 730277 as its independent auditor (*unabhängiger Abschlussprüfer*). Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft is a member of the German Chamber of Public Accountants (*Wirtschaftsprüferkammer*), Rauchstraße 26, 10787 Berlin, Germany.

15.9 Notifications, Supplements to the Prospectus, Luxembourg Paying Agent and LuxCSD Principal Agent

Notifications in connection with the Listing will be published on the Company's website (www.hometogo.com).

Any supplements to the Prospectus will be drawn up and published in accordance with the Luxembourg Regulation. Printed copies of each such notification and supplements will be made available by publication on the website of the Company (www.hometogo.com) for a period of ten years commencing on the date of this Prospectus and for collection free of charge during normal business hours at the Company's office at 9, rue de Bitbourg, L-1273 Luxembourg, Luxembourg.

The Luxembourg paying agent and LuxCSD principal agent for the Company's shares is Banque Internationale à Luxembourg S.A. The mailing and registered address of the LuxCSD principal agent is 69 Route d'Esch, L-2953 Luxembourg, Grand Duchy of Luxembourg.

16. SHARE CAPITAL OF THE COMPANY AND APPLICABLE REGULATIONS

16.1 Current Share Capital; Shares

As of the date of this Prospectus and following the consummation of the Business Combination, the share capital of the Company is denominated in euro and amounts to €2,441,068.45, represented by 112,285,615 Public Shares and 4,583,333 Founder Shares at a par value of €0.0192 each. The Founder Shares are subject to the transfer limitations (Founder Lock-Up) which are also reflected in the Articles of Associations. The New Public Shares issued to the shareholders of HomeToGo are subject to certain lock-up provisions set out in the Business Combination Agreement (see Section "*6. Business Combination Agreement and Ancillary Documents*").

The share capital will be fully paid up.

The management board of the Company on February 17, 2021, resolved on the creation of the Public Shares in dematerialized form, and that any future Public Shares shall be issued in dematerialized form only, which are subject to the Luxembourg law of April 6, 2013 on dematerialized securities, as amended. All of the Public Shares in dematerialized form will be registered with the single securities issuance account with the settlement organization LuxCSD S.A., 42, Avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg ("**LuxCSD**"). Dematerialized shares are only represented, and ownership of the shareholder over such Public Shares is only established by a record in the securities account. LuxCSD may, however, issue or request the Company to issue certificates relating to the Public Shares for the purpose of the international circulation thereof. The transfer of a dematerialized share occurs by book entry (*virement de compte à compte*).

The Company may suspend voting rights of Public Shares concerned in case information provided with respect to a holders' securities account are false, or incomplete until the correction and/or completion of such information. The Company will further recognize only one holder per Public Share, and may suspend all rights attached to a Public Share in case such Public Share is held by more than one person, until a single representative of co-owners is appointed.

All Public Shares carry pre-emption rights. However, pre-emption rights may at any time be limited or excluded either by a resolution passed by the general shareholders' meeting or by the Management Board in case of a capital increase under the authorized capital of the Company, or by the Management Board if previously authorized by a general shareholders' meeting adopting such resolution under the conditions for an amendment of the Articles of Association. Shareholders will not have pre-emption rights in respect of Public Shares being issued to a person exercising an existing right to subscribe for Public Shares.

16.2 Development of the Share Capital

The Company's initial share capital of €120,000 remained the same from its formation until December 31, 2020.

The Company's share capital has been raised from the initial share capital of €120,000 to €664,992 in conjunction with the initial private placement and listing of the Public Shares by a resolution of the management board of the Company dated on February 17, 2021, under the authorized capital.

The Company's share capital has been raised again from €664,992 to €2,441,068.45 as of the date of this Prospectus in conjunction with the Business Combination and the PIPE Financing by a resolution of the Management Board dated on September 21, 2021 under the authorized capital and issued on the same day. For the 85,003,982 Public Shares issued in connection with the Business Combination, more than 10% of the respective share capital has been paid for with assets other than cash.

16.3 Authorized Capital

Pursuant to the Articles of Association, the Company may issue up to 458,996,018 additional Class A Shares, and thus increase the share capital of the Company by an amount of up to €8,811,571.55. The authorized capital is intended for the issuance of Class A Shares (i) for the exercise of the Public Warrants and the Founder Warrants and (ii) in connection with the Business Combination.

During a period of five (5) years from the date of incorporation or any subsequent resolutions to create, renew or increase the authorized capital of the Company, the Management Board, with the consent of the Supervisory Board, is authorized to issue Class A Shares, to grant options to subscribe for Class A Shares and to issue any other instruments, such as convertible warrants, giving access to shares within the limits of the authorized capital to such persons and on such terms as they shall see fit and specifically to proceed to such issue with limitation or removal of the preferential right to subscribe to the shares issued for the existing shareholders, and it being understood, that any issuance of such instruments will reduce the available authorized capital accordingly.

The authorized capital of the Company may be increased or reduced by a resolution of the general shareholders' meeting adopted in the manner required for an amendment of the Articles of Association.

The authorization may be renewed through a resolution of the general shareholders' meeting adopted in the manner required for an amendment of the Articles of Association and subject to the provisions of Luxembourg law, each time for a period not exceeding five (5) years.

16.4 General Rules on Allocation of Profits and Dividend Payments

At the end of each fiscal year, the accounts are closed and the Management Board draws up an inventory of the Company's assets and liabilities, the statement of financial position and the statement of comprehensive income in accordance with Luxembourg law.

Of the annual net profits of the Company, 5% at least shall be allocated to the legal reserve, which cannot be distributed. This allocation shall cease to be mandatory as soon and as long as the aggregate amount of such reserve amounts to 10% of the share capital of the Company.

Sums contributed to a reserve of the Company may also be allocated to the legal reserve.

In case of a share capital reduction, the Company's legal reserve may be reduced in proportion so that it does not exceed 10% of the share capital.

Until the Founder Shares convert into Public Shares in accordance with the Promote Schedule, the Founder Shares will not have any rights to dividends and distributions and will not participate in any liquidation proceeds. Only once the Founder Shares are converted into Public Shares will they carry full dividend rights that will allow them to participate in not previously distributed dividends.

Upon recommendation of the Management Board, the general shareholders' meeting shall determine how the remainder of the Company's profits shall be used in accordance with Luxembourg law and the Articles of Association. In the event that distributions are made after the date of consummation of the Business Combination, each Share shall be entitled to receive the same amount. Distributions shall be made to the shareholders in proportion to the number of Shares they hold in the Company.

The payment of the dividends to a depositary operating principally with a settlement organization in relation to transactions on securities, dividends, interest, matured capital or other matured monies of securities or of other financial instruments being handled through the system of such depositary discharges the Company. Said depositary shall distribute these funds to his depositors according to the amount of securities or other financial instruments recorded in their name.

16.5 General Provisions Governing the Liquidation of the Company

The general meeting of shareholders may decide at any time and with or without cause to dissolve and liquidate the Company, subject to the quorum and majority requirements for an amendment to the Articles of Association. The Articles of Association may be amended by a majority of at least two thirds of the votes validly cast at a general meeting at which a quorum of more than half of the Company's share capital is present or represented. If no quorum is reached in a meeting, a second meeting may be convened in accordance with the Luxembourg Company Law and the Articles of Association. This meeting may deliberate regardless of the quorum and resolutions must be passed by two thirds of the votes validly cast.

If due to a loss, the net assets of the Company are less than half of the amount of the subscribed share capital, the Management Board must convene an extraordinary general shareholders' meeting within two months as of the date on which the Management Board discovered or should have ascertained this undercapitalization and draw up a report explaining causes and making proposals to rectify the situation. At this extraordinary general shareholders' meeting, shareholders will resolve on the possible dissolution of the Company. The quorum must be at least fifty percent of all the shares issued and outstanding. In the event the required quorum is not reached at the first extraordinary general shareholders' meeting, a second extraordinary general shareholders' meeting may be convened, through a new convening notice, at which shareholders can validly deliberate and decide regardless of the number of shares present or represented. A majority of two thirds of the votes cast by the shareholders present or represented is required at any such extraordinary general shareholders' meeting. If due to a loss, the net assets of the Company are less than one quarter of the amount of the subscribed share capital, the same procedure must be followed, it being understood, however, that the dissolution only requires the approval of shareholders representing twenty-five percent of the votes cast at the meeting.

The Company, once dissolved, is deemed to exist for as long as necessary for its proper liquidation. If the Company is dissolved for any reason, the general shareholders' meeting will have the most extensive powers to appoint the liquidator(s), determine their powers and fix their remuneration. The powers of the members in office of the Management Board and Supervisory Board will end at the time when the liquidators are appointed. In the event that the general shareholders' meeting fails to appoint the liquidator(s), the directors then in office will automatically become the liquidators of the Company.

The principal duty of the liquidators consists of winding up the Company by paying its debts, realizing its assets and distributing them to the shareholders. If the financial situation so warrants, pre-payments of liquidation dividends may be made by the liquidator in accordance with the Luxembourg law.

In the event of the Company's dissolution, the liquidation shall be carried out by one or several liquidators appointed by the general meeting of shareholders resolving on the Company's dissolution which shall determine the liquidators'/liquidator's powers and remuneration.

The surplus resulting from the realization of the assets and the payment of the liabilities shall be distributed among the shareholders pro rata to the stake in the Company held by them.

16.6 General Provisions Governing a Change in the Share Capital

The share capital may be increased or decreased by a resolution of the general shareholders' meeting, adopted in the manner required for an amendment of the Articles of Association.

The Articles of Association authorize the Management Board (and will, following the restatement of the Articles of Association set to occur prior to the date of the admission to trading of the Public Shares and Public Warrants (the "**Admission Date**"), authorize the Management Board), with consent of the Supervisory Board, to increase the share capital of the Company by a certain maximum amount fixed in the Articles of Association. The Management Board, with consent of the Supervisory Board, will be authorized for a period starting on the date of publication on the RESA of the minutes of the general shareholders' meeting that has amended the Articles of Association to include the authorized capital and expiring on the fifth anniversary of such date, to increase the share capital up to the amount of the authorized capital, in whole or in part from time to time. As of the date of this Prospectus, Article 6 of the Articles of Association provides that the authorized capital of the Company amounts to €8,811,571.55 represented by a maximum of 458,996,018 Public Shares at par value. In case of an increase of the share capital through a decision of the Management Board, such a decision needs to be recorded in a notarial deed of acknowledgment subsequently. Share capital increases may be made subject to and out of available reserves (including share premium) of the Company, against payment in cash or against payment in kind. In case of a share capital increase of the Company against payment in kind, in principle a report from an independent auditor (*réviseur d'entreprises agréé*) is required to confirm that the value of the contribution corresponds at least to the subscription price (accounting par value and share premium, if any) of the newly issued Shares.

In the case of a share capital increase against payment in cash, existing shareholders have a preferential subscription right pro rata to their participation in the share capital prior to its increase (no preferential subscription right applies in case of a share capital increase against contribution in kind). The Management Board shall determine the period of time during which such preferential subscription right may be exercised and which may not be less than 14 days from the opening of the subscription period, which shall be announced in a notice setting such subscription period which shall be published on the RESA as well as a newspaper published in Luxembourg. If after the end of the subscription period not all of the preferential subscription rights offered to the existing shareholder(s) have been subscribed by the latter, third parties may be allowed to participate in the share capital increase, except if the Management Board, with the consent of the Supervisory Board, decides that the preferential subscription rights shall be offered to the existing shareholders who have already exercised their rights during the subscription period, in proportion to the portion their shares represent in the same category of shares in the share capital, the modalities for the subscription are determined by the Management Board, with the consent of the Supervisory Board. The Management Board, with the consent of the Supervisory Board, may also decide in such case that the share capital shall only be increased by the amount of subscriptions received by the shareholder(s) of the Company.

Such right may be waived by the relevant shareholders and it may as well be limited or suppressed by the general shareholders' meeting or by the Management Board deciding the share capital increase. The decision to limit or suppress the preferential subscription right must be justified in a written report of the Management Board to the general shareholders' meeting, indicating in particular the proposed subscription price for the new Shares. The new Shares will be issued by excluding the preferential subscription right of existing shareholders.

Pursuant to Article 420-26 of the Luxembourg Company Law, the preferential subscription rights of existing shareholders in case of a capital increase by means of a contribution in cash may not be restricted or withdrawn by the Articles of Association. Nevertheless, the Articles of Association may authorize the Management Board to withdraw or restrict these preferential subscription rights in relation to an increase of capital made within the limits of the authorized capital. Such authorization is only valid for a maximum of five years from publication on the RESA of the relevant amendment of the Articles of Association. It may be renewed on one or more occasions by the extraordinary general shareholders' meeting, deliberating in accordance with the requirements for amendments to the Articles of Association, for a period that, for each renewal, may not exceed five years. The Management Board must draw up a report to the general shareholders' meeting on the detailed reasons for the restriction or withdrawal of the preferential subscription rights, which must include in particular the proposed issue price. As of the date of this Prospectus, the Articles of Association authorize the Management Board to increase the share capital and to restrict or withdraw the preferential subscription rights of shareholders in relation to an increase of capital made within the limits of the authorized capital.

In addition, an extraordinary general shareholders' meeting called upon to resolve, on the conditions prescribed for amendments to the Articles of Association, either upon an increase of the share capital or upon the authorization to increase the share capital, may limit or withdraw preferential subscription rights or authorize the Management Board to do so. Any proposal to that effect must be specifically announced in the convening notice. Detailed reasons must therefore be set out in a report prepared by the Management Board and presented to the extraordinary general shareholders' meeting dealing, in particular, with the proposed issue price. This report must be made available to the public at the Company's registered office, and on its website. An issuance of shares to banks or other financial institutions with a view to their being offered to the shareholders of the Company in accordance with the decision relating to the increase of the subscribed capital does not constitute an exclusion of the preferential subscription rights pursuant to the Luxembourg Company Law.

The share capital may be decreased by a resolution of the general shareholders' meeting, adopted in the manner required for an amendment of the Articles of Association. In case of a share capital decrease all shareholders have the right to participate pro rata in the share capital reduction. In the event of a decrease of the share capital with a repayment to the shareholders or a waiver of their obligation to pay up their Shares, creditors whose claims predate the publication of the minutes of the extraordinary general shareholders' meeting on the RESA may, within 30 days from such publication, apply for the constitution of securities to the judge presiding the chamber of the district court (*Tribunal d'Arrondissement*) dealing with commercial matters and sitting as in urgency matters. The judge may only reject such an application if the creditor already has adequate safeguards or if such securities are unnecessary with regard to the assets of the Company. No payment may be made or waiver given to the shareholders until such time when the creditors have obtained satisfaction or until the judge presiding the chamber of the district court (*Tribunal d'Arrondissement*) dealing with commercial matters and sitting as in urgency matters has ordered that their application should not be granted. No creditor protection rules apply in the case of a reduction in the subscribed capital for the purpose of offsetting losses incurred which are not capable of being covered by means of other own funds or to include sums in a reserve provided that such reserve does not exceed 10% of the reduced subscribed capital.

16.7 Mandatory Takeover Bids and Exclusion of Minority Shareholders

16.7.1 Mandatory Bids, Squeeze-Out and Sell-Out Rights

The Luxembourg law of May 19, 2006 on takeover bids, as amended (the "**Luxembourg Takeover Law**"), provides that if a person, acting alone or in concert, obtains voting securities of the Company which, when added to any existing holdings of the Company's voting securities, give such person control over the Company, which under the Luxembourg Takeover Law is set at 331/3% of all of the voting rights attached to the voting securities in the Company, this person is obliged to launch a mandatory bid for the remaining voting securities in the Company at a fair price.

Following the implementation of Directive 2004/25/EC of the European Parliament and of the Council of April 21, 2004 on takeover bids (the "**Takeover Directive**"), any voluntary bid for the takeover of the Company and any mandatory bid will be subject to shared regulation by the CSSF pursuant to the Luxembourg Takeover Law, which has implemented the Takeover Directive into Luxembourg law, and by the BaFin pursuant to the German Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*).

Under the shared regulation regime, German takeover law applies to the matters relating to the consideration offered, the bid procedure, the content of the offer document and the procedure of the bid. The German Regulation on the Applicability of the Takeover Code (*WpÜG-Anwendbarkeitsverordnung*) specifies the applicable provisions in more detail. Matters regarding company law (and related questions), such as, for instance, the question relating to the percentage of voting rights which give control over a company and any derogation from the obligation to launch a bid or regarding information to be provided to employees of the target company, and, to the extent applicable, any sell-out or squeeze-out procedures further to a voluntary or mandatory takeover bid, will be governed by Luxembourg law.

The Luxembourg Takeover Law provides that, when an offer (mandatory or voluntary) is made to all of the holders of voting securities of the Company and the bidder holds voting securities representing not less than 95% of the share capital that carry voting rights to which the offer relates and 95% of the voting rights in the Company, the bidder may require the holders of the remaining voting securities to sell those securities to the bidder. The price offered for such securities must be a "fair price." The price offered in a voluntary offer would in principle be considered a "fair price" in the squeeze-out proceedings if at least 90% of the securities comprised in the bid were acquired in such voluntary offer. The price paid in a mandatory offer in principle is deemed a "fair price." The consideration paid in the squeeze-out proceedings must take the same form as the consideration offered in the offer or consist solely of cash. Moreover, an all-cash option must be offered to the remaining shareholders of the Company. Finally, the right to initiate squeeze-out proceedings must be exercised within three months following the expiration of the acceptance period of the offer.

The Luxembourg Takeover Law provides that, when an offer (mandatory or voluntary) is made to all of the holders of voting securities of the Company and if after such offer the bidder (and any person acting in concert with the bidder) holds voting securities carrying more than 90% of the voting rights in the Company, the remaining security holders may require that the bidder purchase the remaining voting securities at a "fair price". The price offered in a voluntary offer would in principle be considered "fair" in the sell-out proceedings if at least 90% of the securities comprised in the bid were acquired in such voluntary offer. The price paid in a mandatory offer is in principle deemed a "fair price." The consideration paid in the sell-out proceedings must take the same form as the consideration offered in the offer or consist solely of cash. Moreover, an all-cash option must be offered to the remaining shareholders of the Company. Finally, the right to initiate sell-out proceedings must be exercised within three months following the expiration of the acceptance period of the offer.

Where the Company has issued more than one class of voting securities, the rights of squeeze-out and sell-out described in the last two preceding paragraphs can be exercised only in the class in which the relevant thresholds have been reached.

16.7.2 Luxembourg Mandatory Squeeze-Out and Sell-Out Law

The Company falls under the scope of the Luxembourg law of July 21, 2012 on the mandatory squeeze-out and sell-out of securities of companies currently admitted or previously admitted to trading on a regulated market or having been offered to the public (the "**Luxembourg Mandatory Squeeze-Out and Sell-Out Law**"). The Luxembourg Mandatory Squeeze-Out and Sell-Out Law provides that if a majority shareholder (for the purpose of the Luxembourg Mandatory Squeeze-Out and Sell-Out Law, a "**Majority Shareholder**" means any natural or legal person, holding alone or with persons acting in concert it, directly or indirectly at least 95% of the Company's capital carrying voting rights and 95% of the voting rights of the Company), (i) such Majority Shareholder may require the holders of the remaining shares or other voting securities to sell those remaining securities (the "**Mandatory Squeeze-Out**"); and (ii) the holders of the remaining shares or securities may require such Majority Shareholder to purchase those remaining shares or other voting securities (the "**Mandatory Sell-Out**"). The Mandatory Squeeze-Out and the Mandatory Sell-Out must be exercised at a fair price according to objective and adequate methods applying to asset disposals. The procedures applicable to the Mandatory Squeeze-Out and the Mandatory Sell-Out must be carried out in accordance with the Luxembourg Mandatory Squeeze-Out and Sell-Out Law and under the supervision of the CSSF.

16.8 Amendment to the Rights of Shareholders

Any amendments to the Articles of Association, including amendments affecting the rights of the shareholders as set out in the Articles of Association, require the amendment of the Articles of Association. An amendment to the Articles of Association must be approved by an extraordinary general shareholders' meeting of the Company held in front of a Luxembourg notary in accordance with the quorum and majority requirements applicable to an amendment to the Articles of Association. The quorum requirement is met if at least one half of all the shares issued and outstanding are present or represented at the extraordinary general shareholders' meeting. In the event the required quorum is not reached at the first extraordinary general shareholders' meeting, a second extraordinary general shareholders' meeting may be convened, through a new convening notice, at which shareholders can validly deliberate and decide regardless of the number of shares present or represented. A 2/3 majority of the votes cast by the shareholders present or represented is required at any such general shareholders' meeting. The Articles of Association do not provide for any specific conditions that are stricter than required by Luxembourg law.

16.9 Shareholdings Disclosure Requirements

16.9.1 Luxembourg Transparency Law

Holders of the shares and other financial instruments linked to the shares may become subject to notification obligations pursuant to the Luxembourg law of January 11, 2008 on transparency requirements regarding information about issuers whose securities are admitted to trading on a regulated market, as amended (the "**Luxembourg Transparency Law**"). In case of doubt, holders are advised to consult with their own legal advisers to determine whether they are subject to notification obligations deriving from the Luxembourg Transparency Law.

16.9.1.1 *Shares and voting rights*

The Luxembourg Transparency Law provides that, if a person acquires or disposes of shares in the Company, including depositary receipts representing shares, and to which voting rights are attached, even if the exercise thereof is suspended (if any), in the Company, and if following the acquisition or disposal the proportion of voting rights held by the person reaches, exceeds or falls below one of the thresholds of 5%, 10%, 15%, 20%, 25%, $33^1/_3$%, 50% or $66^2/_3$% (each a "**Relevant Threshold**") of the total voting rights existing when the situation giving rise to a declaration occurs, such person must simultaneously notify the Company and the CSSF of the proportion of voting rights held by it further to such event.

The voting rights shall be calculated on the basis of all the shares in the Company, including depositary receipts (if any), and to which voting rights are attached, even if exercise thereof is suspended.

This information shall also be given in respect of all the shares in the Company, including depositary receipts representing shares, if any, which are in the same class and to which voting rights are attached.

A person must also notify the Company and the CSSF of the proportion of his or her voting rights if that proportion reaches, exceeds or falls below a Relevant Threshold as a result of events changing the breakdown of voting rights such as an increase or decrease of the total number of voting rights and capital having occurred.

The same notification requirements apply to a natural person or legal entity to the extent they are entitled to acquire, to dispose of, or to exercise voting rights in any of the following cases or a combination of them:

(a) voting rights held by a third party with whom that person or entity has concluded an agreement, which obliges them to adopt, by concerted exercise of the voting rights they hold, a lasting common policy towards the management of the Company;

(b) voting rights held by a third party under an agreement concluded with that person or entity providing for the temporary transfer for consideration of the voting rights in question;

(c) voting rights attaching to shares which are lodged as collateral with that person or entity, provided the person or entity controls the voting rights and declares their intention of exercising them;

(d) voting rights attaching to shares in which that person or entity has the life interest;

(e) voting rights which are held, or may be exercised within the meaning of points (a) to (d), by an undertaking controlled by that person or entity;

(f) voting rights attaching to shares deposited with that person or entity which the person or entity can exercise at his/her/its discretion in the absence of specific instructions from the shareholders;

(g) voting rights held by a third party in its own name on behalf of that person or entity; and

(h) voting rights which that person or entity may exercise as a proxy where the person or entity can exercise the voting rights at his/her/its discretion in the absence of specific instructions from the shareholders.

16.9.1.2 *Specific financial instruments*

The notification requirements which apply to shares in the Company, including, as may be the case, depositary receipts representing shares to which voting rights are attached, even if the exercise thereof is suspended (see above), also apply to a natural person or legal entity that holds, directly or indirectly:

(i) financial instruments that, on maturity, give the holder, under a formal agreement, either the unconditional right to acquire or the discretion as to his right to acquire shares, to which voting rights are attached, already issued by the Company, or

(ii) financial instruments which are not included in point (i) above but which are referenced to the shares referred to in that point and with an economic effect similar to that of the financial instruments referred to in that point, whether or not they confer a right to a physical settlement.

The notification required shall include the breakdown by type of financial instruments held in accordance with point (i) above and financial instruments held in accordance with point (ii) above, distinguishing between the financial instruments which confer a right to a physical settlement and the financial instruments which confer a right to a cash settlement.

The number of voting rights shall be calculated by reference to the full notional amount of shares underlying the financial instrument except where the financial instrument provides exclusively for a cash settlement, in which case the number of voting rights shall be calculated on a 'delta-adjusted' basis, by multiplying the notional amount of underlying shares by the delta of the instrument. For this purpose, the holder shall aggregate and notify all financial instruments relating to the Company. Only long positions shall be taken into account for the calculation of voting rights. Long positions shall not be netted with short positions relating to the Company.

For the purposes of the aforesaid, the following shall be considered to be financial instruments, provided they satisfy any of the conditions set out in points (i) or (ii) above:

(i) transferable securities;

(j) options;

(k) futures;

(l) swaps;

(m) forward rate agreements;

(n) contracts for differences; and

(o) any other contracts or agreements with similar economic effects which may be settled physically or in cash.

16.9.1.3 *Aggregation*

The notification requirements described under the two preceding indents above shall also apply to a natural person or a legal entity when the number of voting rights held directly or indirectly by such person or entity aggregated with the number of voting rights relating to specific financial instruments held directly or indirectly reaches, exceeds or falls below a Relevant Threshold. Any such notification shall include a breakdown of the number of voting rights attached to shares or, as may be the case, depositary receipts representing shares, and voting rights relating to financial instruments.

Voting rights relating to specific financial instruments that have already been notified to that effect shall be notified again when the natural person or the legal entity has acquired the underlying shares and such acquisition results in the total number of voting rights attached to shares issued by the same issuer reaching or exceeding a Relevant Threshold.

16.9.1.4 Notifications

Notifications to the Company and the CSSF must be effected promptly, but not later than four trading days after the date on which the shareholder, or person to whom the voting rights are attributed as set out above (i) learns of the acquisition or disposal or of the possibility of exercising voting rights, or on which, having regard to the circumstances, should have learned of it, regardless of the date on which the acquisition, disposal or possibility of exercising voting rights takes effect, or (ii) is informed of an event changing the breakdown of voting rights by the Company. Upon receipt of the notification, but not later than three trading days thereafter, the Company must make public all the information contained in the notification as regulated information within the meaning of the Luxembourg Transparency Law.

16.9.2 Luxembourg Mandatory Squeeze-Out and Sell-Out Law

Pursuant to Article 3 of the Luxembourg Mandatory Squeeze-Out and Sell-Out Law, any holder of shares or other voting securities, including depositary receipts in respect of shares to which the possibility to give a voting instruction with respect to the shares is attached, notify the Company and the CSSF whenever (i) such holder becomes a Majority Shareholder, (ii) such holder ceases to be a Majority Shareholder, or (iii) such holder is a Majority Shareholder and acquires additional shares or other voting securities, including certificates over shares to which the possibility to give a voting instruction with respect to the shares is attached. The notification any such holder must give to the Company and the CSSF must contain at least the exact percentage of the holder's holding, a description of the transaction that triggered the notification requirement, the effective date of such transaction, the identity of the shareholder and the way the shares or other voting securities, including depositary receipts in respect of shares to which the possibility to give a voting instruction with respect to the shares is attached, are being held.

The notification to the Company and the CSSF must be effected as soon as possible, but not later than four working days after obtaining knowledge of the effective acquisition or disposal or of the possibility of exercising or not the voting rights or after the day on which he/she/it should have learnt of it, having regard to the circumstances, regardless of the date on which the acquisition, disposal or possibility of exercising the voting rights take effect. Upon receipt of the notification, but no later than three working days thereafter, the Company must make public all the information contained in the notification in a manner ensuring fast access to the information and on a non-discriminatory basis.

17. GOVERNING BODIES OF THE COMPANY

The Company's governing bodies are the Management Board, the Supervisory Board and the shareholders' meeting. The Company is managed by its Management Board under the supervision and control of the Supervisory Board. This two-tier governance structure was resolved by an extraordinary shareholders' meeting of the Company held on January 22, 2021. The members of the Supervisory Board were appointed by an extraordinary shareholders' meeting of the Company held on September 13, 2021, subject to the condition precedent of the Closing of the Business Combination and effective as of the decision of the Supervisory Board to be taken on the date following the Consummation of the Business Combination. The members of the Management Board were appointed by a resolution of the Supervisory Board on September 20, 2021, subject to the condition precedent of the Closing of the Business Combination and effective as of the decision of the Supervisory Board to be taken on the date following the Consummation of the Business Combination.

The powers of these governing bodies are determined by the Luxembourg Company Law, the Articles of Association of the Company and the internal rules of procedure of both the Management Board and Supervisory Board. The rules of procedure are intended to be resolved with the terms described in this Prospectus immediately upon its approval by the CSSF and prior to its publication.

17.1 Management Board

The Management Board is responsible for managing the Company. For this purpose, the Management Board is vested with the broadest powers to act in the name of the Company and to take any actions necessary or useful to fulfill the Company's corporate purpose, with the exception of the powers reserved by law, its rules of procedure or the Articles of Association of the Company to the Supervisory Board or to the general shareholders' meeting. Pursuant to the rules of procedure of the Management Board and the Articles of Association of the Company, the following matters, among others, require prior consent of the Supervisory Board:

- issuance of Class A Shares, granting options to subscribe for Class A Shares and to issue any other instruments, such as convertible warrants, giving access to Shares under the authorized capital;
- proposal of a Business Combination to the shareholders;
- material transactions with related parties in accordance with the provisions of the shareholder rights law;
- modification of the fields of business of the Company and the termination of existing and commencement of new fields of business;
- encumbrance of shares in material companies as well as liquidation of material companies;
- amendments to the appointment, removal and term of office of members of the management board;
- institution and termination of court cases or arbitration proceedings involving an amount in controversy of more than €1 million in the individual case; and
- acquisition, sale and encumbrance of real estate and similar rights or rights in real estate with a value of more than five million euro (€5,000,000) in the individual case.

The members of the Management Board are generally appointed by the Supervisory Board (with the exception of the current members of the Management Board who, as members of the first Management Board of the Company in the context of the implementation of the two-tier governance structure, were appointed in accordance with the Articles of Association by an extraordinary shareholders' meeting of the Company held on January 22, 2021). The Supervisory Board also determines the number of members of the Management Board, their remuneration and the terms of their office. Pursuant to the Articles of Association, the members of the Management Board are elected for a term of up to four years. The members of the Management Board are eligible for re-appointment. A member of the Management Board may be removed by a resolution adopted by the Supervisory Board. A member of the Management Board cannot be a member of the Supervisory Board at the same time.

Pursuant to the Articles of Association, the Management Board must be composed of at least three members. Currently, the Management Board consists of four members, with Dr. Patrick Andrae being the CEO, Wolfgang Heigl being the CSO, Valentin Gruber being the COO and Steffen Schneider being the CFO. If a legal entity is appointed as a member of the Management Board of the Company, such legal entity must designate a physical person as a permanent representative, who shall perform this role in the name and on behalf of the legal entity. The relevant legal entity may only remove its permanent representative if it appoints a successor at the same time. An individual may only be a permanent representative of one member of the Management Board and may not be a member of the Supervisory Board at the same time. An individual cannot be a permanent representative of a member of the Management Board of the Company and of a member of the Supervisory Board of the Company at the same time.

The members of the Management Board represent the Company in dealing with third parties. However, with regard to the daily management of the Company as well as the representation of the Company in relation to such daily management, the Management Board, in accordance with the Luxembourg Companies' Law, may delegate such actions to one or several members of the Management Board, officers or other agents, but not to a member of the Supervisory Board. The Company is bound towards third parties by the joint signature of any two members of the Management Board, or by the individual or joint signature of any persons to whom such signatory power may have been delegated by the Management Board within the limits of such delegation.

According to its rules of procedure, the Management Board shall meet at least once every calendar quarter. In addition, Management Board meetings must be held without undue delay if the Supervisory Board or one member of the Management Board requests so. Resolutions of the Management Board are adopted by a simple majority of the votes cast, unless other majorities are required by law, the Articles of Association or the internal rules of procedures.

Generally, the Management Board adopts resolutions in meetings. However, Management Board resolutions may also be adopted by circular means when expressing its approval in writing (by electronic mail or otherwise), provided that each of the members of the Management Board unanimously passes such resolutions by circular means.

At least once every calendar quarter, the Management Board must submit a written report to the Supervisory Board on the business of the Company and its foreseeable future development. In addition, the Management Board must inform the Supervisory Board without undue delay of any events likely to have an appreciable influence on the situation of the Company.

17.1.1 Composition and Biographical Information

The table below lists the members of the Management Board appointed by the meeting of the Supervisory Board of the Company held on September 20, 2021, in the context of the approval of the Business Combination.

Name	Age	Member since	Appointed until	Responsibilities
Dr. Patrick Andrae	40	2021	2025	Chief executive officer
Wolfgang Heigl.................................	52	2021	2024	Chief strategy officer
Valentin Gruber.................................	30	2021	2025	Chief operating officer
Steffen Schneider	49	2021	2025	Chief financial officer

The following description provides summaries of the curricula vitae of the current members of the Management Board and indicates their principal activities outside the Company to the extent those activities are significant with respect to the Company.

Dr. Patrick Andrae was born in 1981 in Hanover, Germany.

Dr. Andrae studied law at the Universities of Würzburg and Goettingen and graduated with the first state exam in law in 2007. In parallel he studied business administration at the Private University of Applied Sciences (PFH) Göttingen and graduated 2008 with a bachelor degree (*Dipl.-Betriebswirt (FH)*). Dr. Andrae obtained the second state exam in law after his legal traineeship at the Higher Regional Court (*Oberlandesgericht*) Hamburg in 2012. He is a member of the German Bar Association since 2012 and obtained his PhD in Law from the University of Muenster in 2013.

He started working at the age of 16 as a web developer for a local internet service provider, and later for clients mainly in the U.S. while still attending school, and later university. In the later years of his education, he worked in parallel on a project basis for European Founders and Rocket Internet SE. During his PhD he also worked 2009/2010 for the law firm HoganLovells as Research Associate prior to joining Home24 as Director Business Development. In 2014 he co-founded HomeToGo GmbH as CEO and has been holding this position since then.

Alongside his office as a member of the executive board, Dr. Andrae is, or was within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies or partnerships outside the Company:

Current:

- wrapall UG (haftungsbeschränkt) (managing director)
- luscinius UG (haftungsbeschränkt) (managing director)

Previous:

- JobHub AG (member of the supervisory board)

Wolfgang Heigl was born in 1969 in Schwabmünchen, Germany.

Mr. Heigl has a tax accountant background. Since 1999 Mr. Heigl founded and invested in several companies and startups. He was the founder and CMO of Swoodoo AG (from March 2005 until May 2010), the CMO and managing director for EMEA at KAYAK Europe GmbH (from May 2010 until July 2012), the founder of NFQ Technologies UAB (from March 2002 until today) and a co-founder of HomeToGo in March 2014.

Alongside his office as a member of the executive board, Mr. Heigl is, or was within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies or partnerships outside the Company:

Current:

- Tourlane GmbH (member of the board)
- NFQ Technologies UAB (general partner)

Previous:

- Swoodoo AG (CMO)
- KAYAK Europe GmbH (CMO and managing director)

Valentin Gruber was born in 1990 in Stuttgart, Germany.

Mr. Gruber studied Business Administration at the WHU – Otto Beisheim School of Management in Vallendar, Germany. In 2012, Mr. Gruber graduated with a Bachelor of Science in Business Administration. Aside from various previous internships, Mr. Gruber started his first employment as Head of International Operations at audibene GmbH. From 2015 to 2018 Mr. Gruber was then-appointed CEO, President and Managing Director of hear.com LLC, a subsidiary of Sivantos Inc. and an affiliated company of audibene GmbH. Following his appointment in the U.S., Mr. Gruber headed the German organization (audibene GmbH) as Country Head Germany until leaving the company in May 2019 to join HomeToGo GmbH as Chief Revenue Officer in June 2019.

Alongside his office as a member of the executive board, Mr. Gruber is, or was within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies or partnerships outside the Company:

Current:

- VG911 UG (haftungsbeschränkt) (managing director)

Previous:

- hear.com LLC (CEO/president/managing director)

Steffen Schneider was born in 1971 in Mannheim, Germany.

Mr. Schneider studied business administration at Berufsakademie Mannheim, now DHBW Mannheim and graduated 1995 with a bachelor degree (*Dipl-Betriebswirt (BA)*). In parallel he worked at Dresdner Bank, now Commerzbank, in their commercial and consumer banking operations. In 1999, Mr. Schneider obtained an MBA from London Business School. Following the MBA, he started as Associate in the Investment Banking division of Citigroup where he advised clients on IPOs, bond issuances as well as M&A. In 2006, Mr. Schneider was promoted to Director. In 2008, Mr. Schneider joined Fox Corporate Finance as Managing Director advising companies on financings and various advisory topics. In 2014, he became CFO and member of the Management Board of Frankfurt Prime Standard listed SFC Energy AG. In 2017, Mr. Schneider became CFO and Managing Director of sonnen GmbH and subsequently of sonnen Holding GmbH. Following the successful sale of venture financed sonnen Holding GmbH to Shell in 2019 and subsequent integration into Shell New Energies he joined HomeToGo GmbH in 2020.

Alongside his office as a member of the executive board, Mr. Schneider is, or was within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies or partnerships outside the Company:

Current:

None.

Previously:

- sonnen Holding GmbH and sonnen GmbH (CFO)
- SFC Energy AG (CFO)

The members of the Management Board may be reached at the Company's office at 9, rue de Bitbourg, L-1273 Luxembourg, Luxembourg (tel.: +352 27 44 41 7714).

17.1.2 Contractual Arrangements with Members of the Management Board

In September 2021, with commencement of the Business Combination, the members of the Management Board entered into service agreements with HomeToGo GmbH. These service agreements provide for an initial term between three and four years.

17.1.3 Compensation and Other Benefits of the Members of the Management Board

17.1.3.1 Remuneration

The remuneration of the members of the Management Board consists of a fixed component and a Variable Component (as defined below).

Each member of the Management Board receives a fixed annual salary of €250.000,00 (gross) payable in twelve equal instalments at the end of each month.

Furthermore, each member of the Management Board receives a multi-annual variable remuneration ("**Variable Remuneration**"). The Variable Remuneration differs between the members of the Management Board and provides for a target amount of €975,000.00 (gross) *per annum* for Patrick Andrae and €625,000.00 (gross) *per annum* for the other members of the Management Board. The maximum payout under the Variable Remuneration is capped at €1,930,000.00 (gross) for Patrick Andrae and €1,230,000.00 (gross) for the other members of the Management Board. The Company has the right to limit the Variable Remuneration in case of extraordinary circumstances such as a takeover of the Company, the sale of parts of the Company, uncovering of hidden reserves or external influences.

In addition, the Company may award a special remuneration in a maximum amount of €200,000.00 (gross) *per annum* to each member of the Management Board if the member of the Management Board conducts outstanding and exceptional performance. The Company may decide on a special remuneration in its absolute and sole discretion.

The total annual remuneration of each of the members of the Management Board is capped at €2,220,000 for Patrick Andrae and €1,520,000 for the other members of the Management Board. This includes their fixed salary, Variable Remuneration, special remuneration and other benefits.

In case of a deterioration of the Company's situation that reaches an extent that makes it to be considered unreasonable to continue paying the remuneration, the Company has the right to reduce the remuneration to an appropriate amount.

Furthermore, members of the Management Board are reimbursed for their travel expenses incurred in connection with the performance of their duties. Besides, the members of the Management Board are covered by the Company's D&O insurance, the terms of which the Company believes are in line with market practice and which provides for a deductible in line with the AktG (please see "*10.11 Insurance Coverage*").

17.1.3.2 Malus and Clawback

In the event of a serious violation of one of the members of the Management Board of statutory duties, duties of care as well as duties arising from the Company's articles of association, the rules of procedure or concerning the Company's compliance rules or duties arising under the Management Board members' service agreement during the assessment period of the Variable Remuneration, the Company may reduce or entirely cancel the amounts payable under the respective Variable Component or recover these in whole or in part. As a consequence, some or all of the Variable Remuneration during the assessment period in which the violation took place and that have not yet been paid out at the time of the Company's decision may be reduced or entirely cancelled. Furthermore, should a violation become subsequently known, if the Variable Remuneration with respect to the assessment period in which the violation took place that have already been paid out may be recovered in whole or in part if no more than five years have elapsed since the payment.

17.1.3.3 Post-Contractual Non-Compete Regulations

The service agreements provide for non-competition and non-solicitation undertakings. If a member of the Management Board intentionally (*vorsätzlich*) or negligently (*fahrlässig*) fails to comply with these undertakings, the respective service agreements requires such member of the management Board to pay a penalty in the amount of which depends on the severity relevant violation.

For the duration of the post-contractual non-compete undertaking of up to two years, each member of the Management Board receives a compensation in the amount of €25,000 (gross) per month. However, the members of the Management Board have to deduct any other earnings from this compensation if these earnings together with the non-compete compensation exceeds €50,000 (gross) per month.

For information on the historical compensation of the members of the Management Board, see "*20. Certain Relationships and Related-Party Transactions of HomeToGo GmbH*".

No other benefits have been granted to the members of the Management Board.

17.1.4 Shareholdings of the Members of the Management Board in the Company

As of the date of this Prospectus, Patrick Andrae directly and indirectly, through his wholly-owned subsidiary wrapall UG, Germany, holds 3,207,371 Public Shares. Wolfgang Heigl holds 5,359,012 Public Shares. Valentin Gruber holds 225,850 Public Shares. Steffen Schneider holds 93,576 Public Shares.

In addition, as of the date of this Prospectus, Patrick Andrae holds 4,245 unvested virtual options under the HomeToGo VSOP; Wolfgang Heigl holds 2,069 unvested virtual options under the HomeToGo VSOP; Valentin Gruber holds 2,124 unvested virtual options under the HomeToGo VSOP; and Steffen Schneider holds 1,117 unvested virtual options under the HomeToGo VSOP.

17.2 Supervisory Board

The Supervisory Board is responsible for carrying out the permanent supervision and control of the management of the Company, without being authorized to interfere with such management. For this purpose, the Supervisory Board has an unlimited right of information regarding all operations of the Company and may inspect any of the Company's documents. It may request the Management Board to provide any information necessary for exercising its functions and may directly or indirectly proceed to all verifications, which it may deem useful in order to carry out its duties. In addition, the Supervisory Board will oversee the sustainability policies and practices, in particular in relation to health, safety, environment and compliance with laws concerning environmental and social matters and the review of their implementation.

The members of the Supervisory Board are appointed by the general shareholders' meeting by way of simple majority vote of the shares present or represented. The general shareholders' meeting also determines the Supervisory Board members' remuneration and the terms of office. Pursuant to the Articles of Association, the members of the Supervisory Board are elected for a term not exceeding a period ending at the expiration of the general shareholders' meeting that resolves on the discharge for the exercise of the Supervisory Board member's mandate for the fourth fiscal year of the term of office. The year of appointment does not count towards the fourth year. Members of the Supervisory Board may be re-appointed for successive terms. Any member of the Supervisory Board may be removed from office at any time, with or without cause, by the general shareholders' meeting at a two-third majority vote of the shares present or represented.

According to the Articles of Association, the Supervisory Board must be composed of at least three members. Currently, the Supervisory Board consists of six members. The Supervisory Board shall elect among its members a chairperson and it may elect a secretary, who does not need to be a shareholder or a member of the Supervisory Board. Christoph Schuh will be the chairperson of the Supervisory Board.

If a legal entity is appointed as member of the Supervisory Board, such legal entity must designate an individual as permanent representative, who shall perform this role in the name and on behalf of the legal entity. The relevant legal entity may only remove its permanent representative if it appoints a successor at the same time. An individual may only be a permanent representative of one member of the Supervisory Board and may not be a member of the Management Board at the same time. An individual cannot be a permanent representative of a member of the Supervisory Board and of a member of the Management Board at the same time.

Pursuant to its rules of procedure, the Supervisory Board shall hold at least one meeting in each calendar quarter. Additional meetings are convened by the chairperson if necessary. Unless otherwise provided by mandatory law or the Articles of Association, resolutions of the Supervisory Board are passed with a simple majority of the votes cast. In case of a tie, the chairperson of the Supervisory Board has a casting vote.

Generally, the Supervisory Board adopts resolutions in meetings. However, the Supervisory Board may also adopt resolutions by circular means when expressing its approval in writing (by electronic mail or otherwise), provided that each of the members of the Supervisory Board participates in such resolution by circular means.

17.2.1 Composition and Biographical Information

The table below lists the current members of the Supervisory Board appointed by the extraordinary shareholders' meeting of the Company held on September 13, 2021 in the context of the implementation of the two-tier governance structure.

Name	**Age**	**Member since**	**Appointed until**	**Principal occupation outside the Company**
Christoph Schuh (Chairperson)	57	2021	2023	Partner at Lakestar L.P.
Dr. Dirk Altenbeck............................	56	2021	2023	Tax consultant and the managing partner of PKF Issing Faulhaber Wozar Altenbeck GmbH & Co. KG
Philipp Kloeckner	41	2021	2023	Managing director of HiddenMarkets UG (haftungsbeschränkt)
Martin Reiter....................................	38	2021	2023	Founder of Reiter startup Ltd.
Susanne Sandler	36	2021	2023	General Manager of Apalon
Thilo Semmelbauer...........................	55	2021	2023	Managing Director Insight Partners

The following description provides summaries of the curricula vitae of the current members of the Supervisory Board and indicates their principal activities outside the Company to the extent those activities are significant with respect to the Company.

Christoph Schuh was born in 1964 in Cologne, Germany. He holds a master's degree in Business Administration from the University of Cologne, Germany.

Mr. Schuh started his career in 1991 as a corporate developer at Bertelsmann. He joined the Hubert Burda Media/Verlagsgruppe Milchstrasse as vice president in 1994. In 1999, Mr. Schuh co-founded Tomorrow Internet AG (later Tomorrow Focus AG), an internet portfolio company, and managed the IPO on the German Stock Market. As part of the management board, he was responsible for different portfolio companies in digital media, advertising and transaction businesses like HolidayCheck, ElitePartner, Jameda, Tomorrow Focus Media and Huffington Post Germany. In 2016 Mr. Schuh served as an advisor to BC Partners, GC Altium and Amadeus IT Group. In 2017, Mr. Schuh became a partner at Lakestar L.P.; in 2020 also managing Director for Lakestar Advisors Germany GmbH.

Alongside his office as a chairperson of the Supervisory Board, Mr. Schuh is, or was within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies or partnerships outside the Company:

Current:

- Lakestar Advisors Germany GmbH (managing director)
- sennder GmbH (member of the board)
- Streetbees.com Ltd. (member of the board)
- Impala Travel Technology Ltd. (member of the board)
- Helping GmbH & Co. KG (member of the board)
- CONDO GmbH (member of the board)
- Sunshine Smile GmbH (member of the board)
- Scoutbee GmbH (member of the board)
- LimeHome GmbH (member of the board)
- Calceus GmbH (managing director)

Previous:

- Marley Spoon AG (vice chair of the supervisory board)
- Nebenan/Good Hood GmbH (member of the board)
- Priori Data GmbH (member of the board)
- ShareIQ GmbH (member of the board)

Dr. Dirk Altenbeck was born in 1965 in Essen, Germany. He studied Business Administration at the Julius-Maximilians-University of Würzburg, where he graduated with an MBA in Business in 1992 and a Ph.D in Business in 1994.

During his doctoral studies, Dr. Altenbeck worked in the credit department of the Bayrische Vereinsbank Nuremberg and as a research associate in the department of Business Administration and Business Taxation at the Julius-Maximilians-University of Würzburg, where he stayed until 1997. Dr. Altenbeck has been an independent tax consultant since 1997 and a tax consultant and the managing partner of PKF Issing Faulhaber Wozar Altenbeck GmbH & Co. KG (accountants and tax consultants) in Würzburg since 2001. Dr. Altenbeck's consulting specialties are structuring large family-owned businesses, transaction consulting and international tax structuring. In addition, Dr. Altenbeck has been teaching "International Income Tax Law" at the Julius-Maximilians University in Würzburg since 2003.

Alongside his office as a member of the Supervisory Board, Dr. Altenbeck is, or was within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Company:

Current:

- HolidayCheck Group AG (deputy chairman of the supervisory board and chairman of the audit committee); and
- Sparkasse Mainfranken Würzburg (member of the administrative board).

Previous:

- None.

Other than listed above, Dr. Altenbeck has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Group within the last five years.

Philipp Kloeckner was born in 1980 in Greifswald, Germany. He holds a Diplom-Kaufmann degree in Economics from the Ernst-Moritz-Arndt-University in Greifswald, Germany.

Mr. Kloeckner started his career in 2005 at Idealo Internet GmbH as division manager Travel, Search Engine Optimization and Business Intelligence. From 2012 to 2014 he served as search strategy consultant at Wimdu GmbH before joining Treatwell (Wahanda) as search strategy advisor in 2015. In 2016, Mr. Kloeckner became the managing director of Trade Machines FI GmbH, where he remained until 2018. Mr. Kloeckner has served and currently serves as search strategy consultant and advisor for a vast variety of companies, including Foodpanda and Hellofood, Lamudi, Mädchenflohmarkt GmbH, Visual Meta GmbH, Home24, Lazada, iPrice, GetYourGuide and Rocket Internet SE. Since 2018 he serves as a marketing and due diligence advisor for KKR & Co. Inc and other top tier private equity firms. He is also a mentor and angel investor for the Axel Springer Porsche APX Accelerator and the Plug and Play Hamburg Accelerator.

Alongside his office as a chairperson of the Supervisory Board, Mr. Kloeckner is, or was within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies or partnerships outside the Company:

Current:

- iPrice Group Sdn Bhd (member of the advisory board)
- HiddenMarkets UG (haftungsbeschränkt) (managing director)
- Kombinat für digitale Medien UG (haftungsbeschränkt) (managing director)
- 79 Donuts GmbH (member of the advisory council)

Previous:

- Trade Machines FI GmbH (managing director)

Other than listed above, Mr. Kloeckner has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Group within the last five years.

Martin Reiter was born in 1983 in Leoben, Austria. He holds a bachelor's degree in Economics and master's degrees in Philosophy, Law and Finance from the Karl-Franzen-University in Graz, Austria.

Mr. Reiter started his career in 2007 at McKinsey & Company as Engagement Manager. He joined Groupon in 2010 as Vice President International before moving to Airbnb.com as Head of International Operations in the same year. In 2011, Mr. Reiter founded Startsglobal, an international investment and consulting holding focused on High Growth/Tech companies; in 2016, he founded rare-produce.com, focused on high-quality sustainable food; and in 2017, he founded Reiter Heritage, focused on Real Estate, Wine and Yachting in France. He joined Wayfair in 2014 as Head of Europe, where he oversees Wayfair's Europe Business across all functions, offices and warehouse.

Alongside his office as a member of the Supervisory Board, Mr. Reiter is, or was within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Company:

Current:

- Reiter startup Ltd. (founder)

- Reiter Heritage SARL (founder)

Previous:

- WAYFAIR LLC (director)

Other than listed above, Mr. Reiter has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Group within the last five years.

Susanne (Greenfield) Sandler was born in 1984 in New York, USA. She graduated Magna Cum Laude from New York University's Undergraduate Stern School of Business, earning a Bachelor of Science degree in both Finance and Accounting.

Ms. Sandler started her career as an Analyst with Merrill Lynch in 2006. She joined Corsair Capital, a private equity firm, as an Associate in 2008 and moved to the Griffon Corporation in 2010 to become Director of Corporate Development. From 2014 - 2017 Ms. Sandler served as Director and then Vice President of Corporate Development at Booking Holdings, becoming Vice President of Global Strategy in 2017. In 2020, Ms. Sandler joined IAC to assume the role of General Manager of Apalon, where she oversees all major functions of the 200+ person mobile app company.

Alongside his office as a member of the Supervisory Board, Ms Sandler is, or was within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies or partnerships outside the Company:

Current:

- None.

Previous:

- None.

Thilo Semmelbauer was born in 1965 in Darmstadt, Germany. He holds a Dual Master's Degree in Management and Electrical Engineering from the Massachusetts Institute of Technology (MIT), where he was a fellow in the dual-degree Leaders for Global Operations program, as well as a Bachelor of Arts in Electrical Engineering and Computer Science from Dartmouth College.

Mr. Semmelbauer started his career as an Associate with The Boston Consulting Group in 1988. He joined Motorola, Inc. as a Production Manager in 1992, where he launched Motorola's first wireless consumer data product and its first cable modem for broadband Internet access. In 1996, he rejoined The Boston Consulting Group as a Principal, focused on consumer and technology strategy. In 2000, Mr. Semmelbauer co-founded WeightWatchers.com and served as President and COO and lastly as Global COO until 2008. WeightWatchers.com became the global leader in online weight loss and was acquired in 2005 by the licensor, Weight Watchers International. In 2009, he served as Executive Vice President, consumer business, of TheLadders.com, before joining Shutterstock in 2010, where he served as President and COO until 2015. Mr. Semmelbauer served as the Interim CEO and Director of Weight Watchers International during its search for the next CEO from 2016 to 2017. In 2019, Mr. Semmelbauer joined Insight Partners, where he is currently a Managing Director and Operating Partner.

Alongside his office as a chairperson of the Supervisory Board, Mr. Semmelbauer is, or was within the last five years, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies or partnerships outside the Company:

Current:

- Insight Partners (operating partner)
- N26 GmbH (member of the supervisory board)
- Blikist GmbH (member of the supervisory board)
- JoyTunes Ltd. (member of the board)
- Lightricks Ltd. (member of the board)

- Seated, Inc. (member of the board)
- Aaptiv, Inc. (member of the board)

<u>Previous</u>:

- Weight Watchers International, Inc. (director & interim CEO)

The members of the Supervisory Board may be reached at the Company's office at 9, rue de Bitbourg, L-1273 Luxembourg, Luxembourg (tel.: +352 27 44 41 7714).

17.2.2 Committees of the Supervisory Board

As of the Closing, the Supervisory Board will have an audit committee (the "**Audit Committee**"). The Audit Committee is responsible for all matters set forth in the Luxembourg law of July 23, 2016 on the audit profession, as amended (the "**Audit Law**") and will be, in particular, responsible for, among other things, considering matters relating to financial controls and reporting, internal and external audits, the scope and results of audits and the independence and objectivity of auditors. They will monitor and review the Company's audit function and, with the involvement of its auditor, will focus on compliance with applicable legal and regulatory requirements and accounting standards. The Company has engaged Ernst & Young S.A. as its independent auditor. The Audit Committee will make recommendations to the Management Board regarding the auditors to be proposed by the Management Board to the general shareholders' meeting for approval.

On the date of this Prospectus, the members of the Audit Committee are Dr. Dirk Altenbeck, Christoph Schuh and Thilo Semmelbauer, with the committee being chaired by Dr. Dirk Altenbeck.

The Audit Committee oversees the accounting and financial reporting processes of the Company, the integrity of the financial statements and publicly reported results, and the adequacy and effectiveness of the risk management and internal control frameworks as well as the choice, effectiveness, performance and independence of the internal and external auditors.

The Audit Committee performs its duties in compliance with applicable laws, in particular Regulation (EU) No. 537/2014 of the European Parliament and the Council of April 16, 2014 on specific requirements regarding the statutory audit of public-interest entities, as amended, the Audit Law, the Articles of Association, the rules of procedure of the Supervisory Board and rules of procedure of the Audit Committee.

17.2.3 Contractual Arrangements with the Members of the Supervisory Board

The current members of the Supervisory Board have been appointed in the context of the approval of the Business Combination by resolution of the extraordinary shareholders' meeting of the Company held on September 13, 2021, subject to the condition precedent of the Closing of the Business Combination and effective as of the decision of the Supervisory Board to be taken on the date following the Consummation of the Business Combination, in accordance with the Articles of Association and applicable law.

We have no contractual arrangements with the members of the Supervisory Board.

17.2.4 Compensation and Other Benefits of the Members of the Supervisory Board

The compensation of the Supervisory Board was resolved by an extraordinary shareholders' meeting of the Company held on September 13, 2021, in the context of the approval of the Business Combination.

The remuneration of the members of the Supervisory Board is based on fixed compensation elements only. The chairperson of our Supervisory Board receives a fixed compensation in the amount of €120,000. The chairpersons of the committees of the Supervisory Board receive a fixed compensation in the amount of €90,000. Members of the Supervisory Board receive a fixed compensation in the amount of €60,000.

No other compensation and/or benefits have been granted to the members of the Supervisory Board.

17.2.5 Shareholdings of the Members of the Supervisory Board in the Company

As of the date of this Prospectus, Philipp Kloeckner, through his wholly-owned subsidiary HiddenMarkets UG, Germany, holds 81,356 Public Shares and Martin Reiter, through Reiter Startup Limited, Cyprus, holds 300,000 Public Shares.

17.3 Certain Information Regarding the Members of the Management Board and Supervisory Board; Conflicts of Interest

During the preceding five years, none of the members of the Management Board or the Supervisory Board have been convicted of any fraudulent offenses, served as an officer or director of any company subject to a bankruptcy, receivership or liquidation, been the subject of any public incrimination or of sanctions by a statutory or regulatory authority (including designated professional bodies) or been disqualified by any court of competent jurisdiction from acting as a member of the administrative, management or supervisory body of any issuer or from participating in the management or conduct of the affairs of any issuer.

17.3.1 Certain Information Regarding the Members of the Management Board and the Supervisory Board

In the last five years, no member of the Management Board or the Supervisory Board has been convicted of fraudulent offences or has been associated with any bankruptcy, receivership or liquidation acting in its capacity as a member of any administrative, management or supervisory body. In the last five years, no official public incriminations and/or sanctions have been made by statutory or legal authorities (including designated professional bodies) against the members of the Management Board or Supervisory Board, nor have sanctions been imposed by the aforementioned authorities.

No court has ever disqualified any of the members of either board from acting as a member of the administrative, management, or supervisory body of an issuer, or from acting in the management or conduct of the affairs of any issuer for at least the previous five years. No conflicts of interest or potential conflicts of interest exist between the members of the Management Board as regards the Company on the one side and their private interests, membership in governing bodies of companies, or other obligations on the other side.

No member of the Management Board or the Supervisory Board has entered into a service agreement with a group company that provides for benefits upon termination of employment or office. There are no family relationships between the members of the Management Board and the Supervisory Board, either among themselves or in relation to the members of the other body.

17.3.2 Conflicts of Interest

Save as otherwise provided by the Luxembourg Company Law, any member of the Management Board who has, directly or indirectly, a financial interest conflicting with the interest of the Company in connection with a transaction falling with the competence of the Management Board, must inform the Management Board of such conflict of interest and must have his declaration recorded in the minutes of the Management Board meeting. The relevant member of the Management Board may not take part in the discussions relating to such transaction nor vote on such transaction. Any such conflict of interest must be reported to the next general shareholders' meeting prior to such meeting taking any resolution on any other item.

Where, by reason of a conflicting interests, the number of members of the Management Board required in order to validly deliberate is not met, the Management Board may decide to submit the decision on this specific item to the general shareholders' meeting. The conflict of interest rules shall not apply where the decision of the Management Board relates to day-to-day transactions entered into under normal conditions.

Save as otherwise provided by law, any member of the Management Board who has, directly or indirectly, a financial interest conflicting with the interest of the Company in connection with a transaction falling with the competence of the Management Board, must inform the Management Board of such conflict of interest and must have his declaration recorded in the minutes of the meeting of the Management Board. The relevant member of the Management Board may not neither take part in the discussions relating to such transaction nor vote on such transaction. Any such conflict of interest must be reported to the next general shareholders' meeting prior to such meeting taking any resolution on any other item. Where, by reason of conflicting interests, the number of Management Board members required in order to validly deliberate is not met, the Management Board may decide to submit the decision on this specific item to a special committee of the Management Board.

There are no other conflicts of interest or potential conflicts of interests between members of the Management Board and Supervisory Board with respect to their duties to the Company on the one hand and their private interests, membership in governing bodies of companies, or other obligations on the other hand.

17.4 Transition of former HomeToGo GmbH Incentive Programs

Between 2016 and 2019, HomeToGo GmbH implemented several non-equity-settled long-term incentive programs for certain key employees, service and consulting providers as well as board members of HomeToGo GmbH as beneficiaries (the "**HomeToGo VSOP**"), under which the relevant beneficiaries were granted virtual options relating to HomeToGo GmbH based on generally standardized terms. Under the VSOPs, each of the relevant beneficiary received one such virtual option together with a pre-determined exercise price determined, in each individual case, by the advisory board of HomeToGo GmbH based on the fair market value of HomeToGo GmbH at the relevant time of issuance of the virtual option. The exercise price will be deducted from the respective payment claim of the beneficiary in the event of an exercise of the virtual option.

The virtual options are subject to certain vesting provisions under the VSOPs. The allotted virtual options vest over a period of four years from the day of allotment to the beneficiary (the "**Vesting Term**"). 8/10 of the allotted virtual options vest within the Vesting Term pursuant to the following condition: (i) on the first anniversary of the allotment (the "**Cliff Day**") a number of virtual options as set out in annex A to each allotment letter to the respective beneficiary will vest and (ii) after the Cliff Period, the respective number of virtual options as set out in annex A to each virtual option allotment letter will vest every completed quarter of the following three years. The remaining 2/10 of the allotted virtual options vest after the later of (a) the Vesting Term and (b) the exercise event.

Unvested virtual options expire if the employment, service or consulting relationship or the board position is terminated, regardless of any reason. In the case of a bad leaver event, all vested and unvested virtual options will expire and lapse without replacement. In the case of a good leaver event, 50% of the vested virtual options will expire and lapse without replacement.

The virtual options entitle the relevant beneficiaries, subject to certain exceptions, to cash payments from HomeToGo GmbH in the case of the occurrence of certain exercise events. The Business Combination is an event that allows for an exercise of the virtual options under the VSOPs.

In conjunction with the consummation of the Business Combination, several of the virtual option plans have been terminated and the virtual options under the plans have been settled partly in cash and partly in Public Shares. However, for virtual options, which are not exercisable at the closing commencement date of the Business Combination the virtual options will continue to apply with the specification that (i) for the calculation of any payment claims the exit proceeds allocable to each virtual option shall correspond to the amount calculated for HomeToGo GmbH in the Business Combination, (ii) 100% of the payment claims of the beneficiaries will be fulfilled by way of issuance of Public Shares for an issuance price of €10.00 per Public Share, irrespective of the actual share price of such Public Shares at the time of their delivery and (iii) the Public Shares delivered to the beneficiaries shall not be subject to a lock-up.

No new options will be granted under the VSOPs.

17.5 General Shareholders' Meeting

17.5.1 General

The shareholders exercise their collective rights in the general shareholders' meeting. Any regularly constituted general shareholders' meeting of the Company shall represent the entire body of shareholders of the Company. The general shareholders' meeting is vested with the powers expressly reserved to it by the law and by the Articles of Association. In particular, the general shareholders' meeting has the right to vote on the election of members of the Supervisory Board from a list of candidates proposed by the Founders as well as the removal of members of the Supervisory Board.

Temporary legislation introduced with respect to the COVID-19 pandemic for the time being, and, as of the date of this Prospectus, allows for general shareholders' meetings to take place on a fully virtual basis without any physical meeting and this until December 31, 2021. There is currently no view on whether this temporary measure will be extended past December 31, 2021 (please refer also to the subsequent paragraphs regarding the already existing flexibilities in respect of a virtual participation in general meeting under general company law).

The general shareholders' meeting of the Company may at any time be convened by the Management Board or the Supervisory Board or, as the case may be, by the independent auditor(s), to be held at such place and on such date as specified in the notice of such meeting in accordance with the provisions of the law and the Articles of Association, and in accordance with the publicity requirements of any foreign stock exchange applicable to the Company.

The Management Board or the Supervisory Board shall convene the annual general shareholders' meeting within a period of six (6) months after the end of the Company's fiscal year. Other meetings of shareholders may be held at such place and time as may be specified in the respective notices of meeting. The general shareholders' meeting must be convened by the Management Board or the Supervisory Board or the independent auditor(s), upon request in writing indicating the agenda, addressed to the Management Board or the Supervisory Board by one or several shareholders representing at least 10% of the Company's issued share capital. In such case, a general shareholders' meeting must be convened and shall be held within a period of one (1) month from the receipt of such request. If following such a request, a general shareholders' meeting is not held in due time, such shareholder's may request the president of the district court (*Tribunal d'Arrondissement*) dealing with commercial matters and sitting as in urgency matters to appoint a delegate which will convene the general shareholders' meeting.

As long as the Shares are admitted to trading on a regulated market within a European Union member state, the general shareholders' meeting of the Company must be convened in accordance with the provisions of the Luxembourg law of May 24, 2011 on the exercise of certain rights of shareholders in general meetings of the shareholders of listed companies, as amended (the "**Luxembourg Shareholder Rights Law**"). In accordance with the Luxembourg Shareholder Rights Law, the convening notice for any general shareholders' meeting must contain the agenda of the meeting, the place, date and time of the meeting, the description of the procedures that shareholder must comply with in order to be able to participate and cast their votes in the general meeting, a statement of the record date and the manner in which shareholders have to register and a statement that only those who are shareholders on that date shall have the right to participate and vote in the general meeting, indication of the postal and electronic addresses where and how the full unbridged text of the documents to be submitted to the general meeting and the draft resolutions may be obtained and an indication of the address of the internet site on which this information is available, and such notice shall take the form of announcements published (i) thirty (30) days before the meeting, in the RESA and in a Luxembourg newspaper and (ii) in a manner ensuring fast access to it on a non-discriminatory basis in such media as may reasonably be relied upon for the effective dissemination of information throughout the European Economic Area. A notice period of at least seventeen (17) days applies, in case of a second or subsequent convocation of a general shareholders' meeting convened for lack of quorum required for the meeting convened by the first convocation, provided that this paragraph has been complied with for the first convocation and no new item has been put on the agenda. The notices shall in addition be published in such other manner as may be required by laws, rules or regulations applicable any stock exchange the Company is listed on, as applicable from time to time.

In accordance with the Luxembourg Shareholder Rights Law, one or several shareholders, representing at least 5% of the Company's issued share capital, may (i) request to put one or several items to the agenda of any general shareholders' meeting, provided that such item is accompanied by a justification or a draft resolution to be adopted in the general meeting, or (ii) table draft resolutions for items included or to be included on the agenda of the general meeting. Such request must be sent to the Company's registered office in writing by registered letter or electronic means and must be received by the Company at least twenty-two (22) days prior to the date of the general meeting and include the postal or electronic address of the sender. In case such request entails a modification of the agenda of the relevant meeting, the Company will make available a revised agenda at least fifteen (15) days prior to the date of the general meeting.

If provided for in the relevant convening notice and the Articles of Association, shareholders may participate in a general meeting by electronic means, ensuring, notably, any or all of the following forms of participation: (i) a real-time transmission of the general meeting; (ii) a real-time two-way communication enabling shareholders to address the shareholders' meeting from a remote location; and (iii) a mechanism for casting votes, whether before or during the general meeting, without the need to appoint a proxy who is physically present at the meeting. Any shareholder which participates by electronic means in a general meeting shall be considered present for the purposes of the quorum and majority requirements. The use of electronic means allowing shareholders to take part in a general meeting may be subject only to such requirements as are necessary to ensure the identification of shareholders and the security of the electronic communication, and only to the extent that they are proportionate to achieving that objective.

If all shareholders are present or represented, the general meeting may be held without prior notice or publication.

The provisions of the law are applicable to general meetings. The Management Board may determine other terms or set conditions that must be respected by a shareholder to participate in any meeting of shareholders in the convening notice (including, but not limited to, longer notice periods).

A shareholder may act at any general shareholders' meeting by appointing another person, shareholder or not, as his proxy in writing by a signed document transmitted by mail or facsimile or by any other means of communication authorized by the Management Board. One person may represent several or even all shareholders.

A board of the meeting (*bureau*) shall be formed at any general shareholders' meeting, composed of a chairperson to be elected from the Management Board, a secretary and a scrutineer, each of whom shall be appointed by the general shareholders' meeting and who do not need to be shareholders. The board of the meeting shall ensure that the meeting is held in accordance with applicable rules and, in particular, in compliance with the rules in relation to convening the meeting, majority requirements, vote tallying and representation of shareholders.

An attendance list must be kept at any general shareholders' meeting.

In accordance with the Articles of Association, each shareholder may vote at a general shareholders' meeting through a signed voting form sent by post, electronic mail, facsimile or by any other means of communication authorized by the Management Board to the Company's registered office or to the address specified in the convening notice. The shareholders may only use voting forms provided by the Company which contain at least (i) the name or corporate denomination of the shareholder, his/her/its address or registered office, (ii) the number of votes the shareholder intends to cast in the general meeting, as well as the direction of his/her/its votes or his/her/its abstention, (iii) the form of the shares held, (iv) the place, date and time of the meeting, (v) the agenda of the meeting, the proposals submitted to the resolution of the meeting as well as for each proposal three boxes allowing the shareholder to vote in favor of or against the proposed resolution or to abstain from voting thereon by ticking the appropriate boxes, (vi) the period within which the form for voting from a remote location must be received by the Company and (vii) the shareholder's signature. The Company will only take into account voting forms received prior to the general shareholders' meeting to which they relate, within the deadlines provided in the Articles of Association. Forms in which no vote is expressed, or which do not indicate an abstention shall be void.

17.5.2 Record Date

Any shareholder who holds one or more share(s) of the Company at 24:00 hours (midnight) (Luxembourg time) on the date falling fourteen days prior to (and excluding) the date of the general shareholders' meeting (the "**Record Date**") shall be admitted to the relevant general shareholders' meeting. Any shareholder who wishes to attend the general meeting must inform the Company thereof at the latest on the Record Date, in a manner to be determined by the Management Board in the convening notice. In case of shares held through a settlement organization or with a professional depository or sub-depository designated by such depository, a holder of shares wishing to attend a general shareholders' meeting should receive from such operator or depository or sub-depository a certificate certifying the number of shares recorded in the relevant account on the Record Date. The certificate should be submitted to the Company at its registered address no later than three business days prior to the date of the general meeting. In the event that the shareholder votes through proxies, the proxy has to be deposited at the registered office of the Company at the same time or with any agent of the Company, duly authorized to receive such proxies. The Management Board may set a shorter period for the submission of the proxy.

17.5.3 Amendment of Articles of Association

Subject to the provisions of the Luxembourg law, any amendment of the Articles of Association requires a majority of at least 2/3 of the votes validly cast at a general shareholders' meeting at which at least half of the share capital is present or represented (in case the second condition is not satisfied, a second meeting may be convened in accordance with the Luxembourg law, which may deliberate regardless of the proportion of the capital represented and at which resolutions are taken at a majority of at least 2/3 of the votes validly cast). Abstention and nil votes will not be taken into account for the calculation of the majority.

17.5.4 Right to Ask Questions at the General Meeting

Every shareholder has the right to ask questions related to items on the agenda of general shareholders' meeting. The Company shall answer questions put to it by shareholders subject to measures which it may take to ensure the identification of shareholders, the good order of general meetings and their preparation and the protection of confidentiality and the Company's business interests. The Company may provide one overall answer to questions having the same content. Where the relevant information is available on the website of the Company in a question and answer format, the Company shall be deemed to have answered the questions asked by referring to the website.

The Articles of Association may provide that shareholders have the right, as soon as the convening notice is published, to ask questions in writing regarding the items on the agenda which will be answered during the general shareholders' meeting. Such questions may be addressed to the Company in writing or by electronic means at the address indicated in the convening notice along with a certificate proving that they are shareholders at the Record Date. The Articles of Association shall fix the time limit within which these written questions must be submitted to the Company.

17.5.5 Adjourning General Shareholders' Meetings

The Management Board may adjourn any general shareholders' meeting already commenced, including any general meeting convened in order to resolve on an amendment of the Articles of Association, for a period of four (4) weeks. The Management Board must adjourn any general shareholders' meeting already commenced if so required by one or several shareholders representing at least 10% of the Company's issued share capital. By such an adjournment of a general shareholders' meeting already commenced, any resolution already adopted in such meeting will be cancelled. For the avoidance of doubt, once a meeting has been adjourned pursuant to the second sentence of this section, the Management Board shall not be required to adjourn such meeting a second time.

17.5.6 Minutes of General Shareholders' Meeting

The board of any general shareholders' meeting shall draw up minutes of the meeting, which shall be signed by the members of the board of the meeting as well as by any shareholder who requests to do so. Any copy and excerpt of such original minutes to be produced in judicial proceedings or to be delivered to any third party shall be signed by the CEO or the CIO of the Management Board or by any two of its members.

17.6 Corporate Governance

The corporate governance rules of the Company are based on applicable Luxembourg laws, the Company's Articles of Association and its internal regulations, in particular the rules of procedure of the Management Board and the Supervisory Board.

As a Luxembourg governed company that is traded on the Frankfurt Stock Exchange, the Company is not required to adhere to the Luxembourg corporate governance regime applicable to companies that are traded in Luxembourg or to the German corporate governance regime applicable to listed companies in Germany. The Company has opted to not apply the Luxembourg or German corporate governance regime on a voluntary basis either. That being said, we are in compliance with certain rules of the German corporate governance codex and applicable Luxembourg laws (*e.g.*, our Supervisory Board has an Audit Committee that is chaired by an independent member of the Supervisory Board (Dirk Altenbeck), who has specific knowledge and experience in applying accounting principles and internal control procedures and is familiar with audits and is not the chairperson of the Supervisory Board.

The information on the corporate governance of the Company is published on the Company's website (www.hometogo.com).

18. REGULATORY AND LEGAL ENVIRONMENT

We operate our business through localized websites as well as iOS and Android apps in 23 countries, with properties bookable on our marketplace being located in over 230 countries. Our business is subject to numerous rules and regulations under the applicable national laws of these various jurisdictions, and as the size of our business grows, scrutiny of our business by legislators and regulators may intensify. We strive to ensure compliance with these various regulatory regimes by using both Group-wide and region-specific (in certain regions such as France, Germany and the United States) compliance policies and tactics. The implementation of unfavorable regulations or unfavorable interpretations of existing regulations by judicial or regulatory bodies could require us to incur significant compliance costs. We are cooperating with regulators where applicable, but we are unable to predict what, if any, effect any investigations or resolutions thereof, including the effect of any commitments we might make, will have on our business, industry practices or online commerce more generally. Below we identify several regulatory topics of particular relevance to our alternative accommodation business and to e-commerce more generally and summarize some of the applicable rules and regulations.

18.1 Regulation of Short-Term Vacation Rentals

There have been and continue to be regulatory developments that affect alternative accommodation. As a global company in the online travel business, our ability to provide our services and any future services is affected by legal regulations (including laws, ordinances, rules, licensing requirements and other requirements and regulations) of national and local governments and regulatory authorities around the world, many of which are evolving and subject to the possibility of new or revised interpretations.

Hotels and groups affiliated with hotels have engaged and will likely continue to engage in various lobbying and political efforts for stricter regulations governing our business in both local and national jurisdictions. For example, various municipalities have or are considering regulations that limit short-term rentals in various ways, such as regulating renting for less than 30 days, requiring platform operators to provide certain information on booked accommodations in specific regions and imposing various tax requirements, mainly regarding tourist tax. In addition, an increasing number of condominium and neighborhood associations have adopted regulations that would ban or otherwise restrict short-term and even long-term rentals. These and other comparable developments could reduce the number of vacation rental Offers on our websites.

Certain jurisdictions, particularly in Europe, are considering regulations intended to address the issue of "overtourism", including restrictions that may adversely affect our ability to offer alternative accommodations near city centers or popular tourist destinations. A group of mayors representing over 20 European cities has been meeting with the European Commission to seek increased regulatory control in relation to short-term rental platforms. Such regulations include ordinances that restrict or ban hosts from short-term rentals, set annual caps on the number of days hosts can share their homes, require hosts to register with the municipality or city, or require hosts to obtain permission before offering short-term rentals. In addition, some jurisdictions regard short-term rental or home sharing as "hotel use" and claim that such use constitutes a conversion of a residential property to a commercial property requiring a permitting process (see also Section *1.3.9 Laws, regulations, and rules that affect the short-term rental and home sharing business have limited and may continue to limit the ability or willingness of our current or potential Partners to offer properties for short-term rent and expose them to significant penalties, which have had and could continue to have a material adverse effect on our business, results of operations, and financial condition*).

To the extent any such regulations require online platforms such as ours to comply with additional restrictions or requests related to offering reservations for alternative accommodations in such areas, we could be subject to increased legal and compliance costs, and our business, growth and results of operations could be adversely affected.

France, for example, introduced new articles for the real estate market in its Code of Tourism including, *inter alia* information obligations for digital platforms that have to disclose data on booked (furnished) accommodations and its owners to municipalities upon request. The French law allows for a fine of up to € 50,000.00 per rented accommodation which may lead to very high administrative orders or litigation with a high amount in dispute. For further information on the regulation in France refer also to Sections *1.3.11 We are subject to regulatory inquiries, litigation, and other disputes, which have materially adversely affected and could materially adversely affect our business, results of operations, and financial condition* and *10.12 Litigation*.

Another example is the Tourist Promotion Act enforced in Vienna, Austria. It stipulates that platforms have to report addresses and contact details of registered vacation rentals proactively to the city. Furthermore, in

Barcelona, Spain, platforms may only advertise vacation rentals that have obtained a license by displaying the adequate registration number.

Jurisdictions in North America and Asia also adopted new laws and regulations governing short-term rentals in the recent past. For example, the City of Los Angeles requires permits for short-term rentals of primary residences. Hosts of short-term rentals are required to register with the city and are required to obtain an extended home sharing permit to host more than 120 days per year. In June 2018, a new national law in Japan went into effect to legalize the short-term rental of primary and secondary residences for up to 180 nights per fiscal year. Under the law, hosts are required to register their listing with the local government.

18.2 Data Protection and Data Privacy

The collection, processing and other use of personal data is extensively regulated by European (*e.g.*, Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "**Data Protection Regulation**")) and national legislation (*e.g.*, the German Federal Data Protection Act (*Bundesdatenschutzgesetz* (the "**Data Protection Act**")) in Germany).

In general, European data protection and data privacy laws regulate when and how personal data may be collected, for which purposes it may be processed, for how long such data may be stored and to whom and how they may be transferred. The Data Protection Regulation contains strict requirements for obtaining the consent of data subjects (*i.e.*, the persons to whom personal data relates) to the use and processing of their personal data. Such consent may be withdrawn at any time and without cause, preventing the continued use of the affected data. In addition, a transfer of personal data to entities outside Europe is subject to specific requirements.

The Data Protection Regulation also requires organizational measures, such as the installation of a data protection officer (*Datenschutzbeauftragter*) who, among other things, must monitor compliance with the Data Protection Regulation. In addition, it may require so-called privacy impact assessments, at least in cases where the data processing is likely to result in a high risk to the rights and freedoms of individuals.

The following selected areas of data protection and data privacy are, among others, of particular relevance to our business:

18.2.1 Web Analysis

Web analysis technology, such as cookies or tracking tools (*e.g.*, Google Analytics), enables us to utilize traffic to our websites and apps to personalize our offering and marketing efforts to better match the interests of our Users. Even though most web analysis tools allow for the anonymization of data (*i.e.*, by collecting only a part of the Users' IP addresses) and do not allow for a subsequent allocation of such data to individual Users, the use of such tools may still be subject to data privacy laws.

On May 28, 2020 the Federal Court of Germany (*Bundesgerichtshof*), based on a decision by the European Court of Justice of October 1, 2019, ruled that under German law, the use of certain cookies requires a clear affirmative act of the User and that a pre-activated checkbox does not fulfil this requirement. The use of cookies may be restricted further by a new regulation of the European Parliament and of the Council, which is currently undergoing the European legislative process. This legislation provides for an opt-in regime, pursuant to which the use of certain cookies requires a clear affirmative act establishing a freely given, specific, informed and unambiguous indication of Users of websites and apps.

18.2.2 Email Advertisements

Subject to certain exceptions, email advertisements (*e.g.*, newsletters) may only be sent to recipients who have given their explicit prior consent to receiving such communication. In Germany, case law demands that in certain cases consent must be obtained through a so-called double opt in procedure. This procedure requires that recipients give their consent first and then confirm their email address through a second step (*i.e.*, firstly by filling out an online registration form and secondly by confirming their email address after they have registered).

When obtaining consent, the respective sender has to clearly inform the recipients of the scope and consequences of their consent. For example, a declaration of consent may not be hidden in general terms and conditions but must be clearly highlighted. Consent may be withdrawn at any time without cause.

As an exception from the consent requirement, personalized product recommendations may be sent to customers by email without their explicit prior consent, provided that such recommendations only relate to products identical or similar to those previously purchased by these customers and that these customers have been duly informed about their right to object to receiving such recommendations.

18.3 Cybersecurity

We have to comply with various cybersecurity requirements. In particular, the Data Protection Regulation and the Data Protection Act stipulate that entities which collect and process personal data, including operators of online platforms, must implement certain technical and organizational measures to ensure such data is processed and stored safely, remains confidential and can be restored and accessed again after interruptions. These measures may include physical security against unauthorized access and manipulation (*e.g.*, secure storage and transportation of physical data carriers), password security, authorization concepts, logging of subsequent changes of data, separation of data that has been collected for different purposes, reasonable encryption and protection against accidental loss, destruction or damage of data. Furthermore, the effectiveness of such measures must be tested regularly.

In addition, operators of online platforms must ensure that appropriate compliance measures cover the detection and control of technology related risks. In Germany, the German Act to Increase the Security of Information Technology Systems (*Gesetz zur Erhöhung der Sicherheit informationstechnischer Systeme*) amended the Tele Media Act in 2015. German law requires operators of websites and apps to protect their technology, in particularly any data they collect and store, against outside attacks in accordance with the current standards of technology.

Directive (EU) 2016/1148 of the European Parliament and of the Council of July 6, 2016 concerning measures for a high common level of security of network and information systems, among other things, requires digital service providers, including online platforms, to:

- carefully review their existing network security mechanisms;
- implement state of the art security measures aimed at ensuring a level of security appropriate to the risk of the respective provider; and
- establish proper notification measures to promptly notify the competent authority of any incident which has a substantial impact on the services offered in the European Union.

Furthermore, the Data Protection Regulation generally requires us to inform the competent supervisory authorities of any breach of personal data stored or processed by us within 72 hours of becoming aware of such breach. Where the relevant breach is likely to result in a high risk to the rights and freedoms of the affected data subjects, we are also required to inform these data subjects of the breach without undue delay.

18.4 Consumer Protection

We must comply with various consumer protection laws. Throughout the European Union, consumer protection is extensively regulated on the basis of various directives and national laws implementing or complementing such directives that must in particular be taken into account in connection with designing our localized websites and apps. Applicable directives comprise in particular:

- Directive (EC) 2000/31 of the European Parliament and of the Council of June 8, 2000 on certain legal aspects of information society services, in particular electronic commerce, in the internal market, as amended;
- Directive (EC) 2005/29 of the European Parliament and of the Council of May 11, 2005 concerning unfair business-to-consumer commercial practices in the internal market, as amended; and
- Directive (EU) 2011/83 of the European Parliament and of the Council of October 25, 2011 on consumer rights, as amended (the "**Consumer Rights Directive**").

The aforementioned European directives on consumer protection and the national laws implementing or complementing these directives impose extensive duties and responsibilities on us, in particular:

18.4.1 Information Requirements

Operators of online platforms are subject to extensive and formalized information requirements. For example, they have to provide potential customers with detailed and accurate information on the main characteristics of their products, price and payment details and, to the extent applicable, on statutory withdrawal rights (see Section "*18.4.2 Withdrawal Rights*"). Operators of online platforms have to observe these requirements when designing and structuring their websites and apps as well as their ordering, payment and further processes.

As a result of changing legislation, operators of online platforms are regularly required to adapt their offerings and processes. For example, the Consumer Rights Directive requires online operators to ensure that during the order process, consumers explicitly acknowledge that their order implies an obligation to pay. If placing an order requires activating a button or a similar function, such button must be labeled "order with obligation to pay" or be similarly labeled, and the operator must ensure that consumers are made aware of certain key information relating to the purchase directly before placing orders by activating such button.

18.4.2 Withdrawal Rights

Consumers have the right to withdraw from certain online transactions without cause within 14 days from the day on which the contract was concluded. Operators of online platforms who provide services that are subject to such withdrawal right are required to inform consumers of their statutory withdrawal rights and failure to do so results in an extension of the withdrawal period by twelve months. Consumers must exercise their withdrawal rights by explicitly declaring their withdrawal (*e.g.*, in writing, per email or telephone).

18.4.3 Advertising

Advertising efforts (*e.g.*, promotional games, newsletters and personalized product recommendations) are heavily regulated, in particular if distributed via email. Advertisements may not be misleading, harassing, coercing or unreasonably or otherwise unduly influence consumers. These criteria leave wide room for interpretation, resulting in significant uncertainty as to how regulators, governmental agencies and other competent bodies will apply them.

18.4.4 Consequences of Non-Compliance

Failure to comply with the provisions on consumer protection may give rise to civil liability, administrative orders or fines, and may even result in the invalidity of the relevant purchase agreements. Competitors and consumer protection associations could issue formal warnings, and the latter may also assert claims for injunctive relief.

18.5 Trademarks

The registration and protection of trademarks is regulated by international, European and national legislation:

- On an international level, trademark registration and protection are, among other things, governed by the Madrid Agreement Concerning the International Registration of Marks of April 14, 1891, as amended (the "**MMA**"), the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks of June 27, 1989, as amended (the "**PMMA**"), and the Paris Convention for the Protection of Industrial Property of March 20, 1883, as amended.
- On a European level, trademarks are governed by Directive (EU) 2015/2436 of the European Parliament and of the Council of December 16, 2015 to approximate the laws of the member states relating to trademarks and, with respect to the creation of a union wide trademark registration and protection regime, by Regulation (EU) 2017/1001 of the European Parliament and of the Council of June 14, 2017 on the European Union trade mark, as amended.
- In Germany, trademarks are governed by the German Federal Trademark Act (*Markengesetz*).

Trademarks may be registered with a national trademark authority (*e.g.*, the German Patent and Trade Mark Office (*Deutsches Patent und Markenamt*)), the European Union Intellectual Property Office for union wide registration, and, following either national or union-wide registration, via the World Intellectual Property Organization in countries which are parties to the MMA or PMMA for ten-year periods. Such registrations may be renewed repeatedly.

Upon receiving an application, the competent trademark authority will examine whether there are grounds for refusal of granting the trademark registration (*e.g.*, due to a lack of distinctive character of the relevant trademark). Furthermore, proprietors of earlier trademarks may oppose the application for registration within three months of the publication of the application (*e.g.*, if the new trademark and the products or services sold thereunder are identical or similar to their trademark and the products or services sold thereunder). Upon registration of a European Union trademark, the proprietor may prohibit any third party from using such trademark commercially without his prior consent. In addition, national trademark laws of the member states of the European Union stipulate that the proprietor of a European trademark is entitled to, among other things, receive compensation for damages arising from the illegal use of his trademark.

19. CERTAIN RELATIONSHIPS AND RELATED-PARTY TRANSACTIONS OF LAKESTAR SPAC I SE

In accordance with IAS 24, transactions with persons or companies that are, inter alia, members of the same group as Lakestar SPAC I SE or that are in control of or controlled by Lakestar SPAC I SE must be disclosed unless they are already included as consolidated companies in Lakestar SPAC I SE's consolidated financial statements. Control exists if a shareholder owns more than half of the voting rights in Lakestar SPAC I SE or, by virtue of an agreement, has the power to control the financial and operating policies of Lakestar SPAC I SE's management. The disclosure requirements under IAS 24 also extend to transactions with associated companies, including joint ventures, as well as transactions with persons who have significant influence over Lakestar SPAC I SE's financial and operating policies, including close family members and intermediate entities. This includes the members of the Management Board and Supervisory Board, respectively, and close members of their families, as well as those entities over which the members of the Management Board and Supervisory Board, respectively, or their close family members are able to exercise a significant influence or in which they hold a significant share of the voting rights.

19.1 Transaction with Related Parties

Set forth below is a summary of such transactions with related parties up to and including the date of this Prospectus. Further information, with respect to related party transactions, including quantitative amounts, are included in this Prospectus under Section "*23. Financial Information*".

The Founders of Lakestar SPAC I SE entered into an unsecured loan agreement in the amount of up to €10,000,000 in December 2020 at the time of the incorporation of Lakestar SPAC. ANXA Holding Pte. Ltd. is obliged to grant 95.2%, and each of Winners & Co. GmbH and Inga Schwarting is obliged to grant 2.4%, of the loan amount (the "**Shareholder Loan**"). The Shareholder Loan was to be utilized for the purpose of financing third party costs and other working capital requirements until the Private Placement. The Shareholder Loan had a maturity date of December 31, 2022 and earned interest of 2.0% p.a. The Founders and Lakestar SPAC agreed to set-off the principal amount (€1,500,000) due as of the date of the private placement of the Founder Warrants against the aggregate subscription price for the 5,333,333 Founder Warrants (€8,000,000 in the aggregate) subscribed for by the Founders in such separate private placement. The Founders waived any interest accrued on the principal amount due as of the termination. The Shareholder Loan was terminated immediately prior to the Private Placement.

The Founders of Lakestar SPAC subscribed to an aggregate of 5,333,333 Founder Warrants for a subscription price of €1.50 per Public Warrant in a private placement (including the additional purchase price to be paid on the Founder Warrants in the aggregate of €3,200,000). Each Founder Warrant entitles the holder to subscribe to one Public Share at €11.50 per Public Share. The Founder Warrants (including the Public Shares issuable upon exercise thereof) may not, subject to certain limited exceptions described in this Prospectus, be transferred, assigned or sold by the holder.

Lakestar SPAC I SE currently maintains its executive offices at 9, rue de Bitbourg, L-1273 Luxembourg, Luxembourg.

On July 14, 2021, Raymond Bär, then member of the supervisory board of Lakestar SPAC subscribed for 100,000 Public Shares at €10.00 per Public Share (in the aggregated amount of €1,000,000) as part of the PIPE Financing. On the same day, Klaus Hommels, then chairman of the supervisory board of Lakestar SPAC, via his affiliate, Anxa Holding PTE Ltd., subscribed for 2,270,000 Public Shares at €10.00 per Public Share (in the aggregated amount of €22,700,000) as part of the PIPE Financing.

19.2 Relationship with Members of the Management Board and the Supervisory Board

19.2.1 Remuneration of the Members of the Management Board

Given that the Management Board in its current form was only established at the time of the approval this Prospectus, the members of the Management Board have not yet received any annual remuneration.

For a description of the current remuneration of the members of the Management Board, see Section "*17.1.3 Compensation and Other Benefits of the Members of the Management Board*".

19.2.2 Remuneration of the Members of the Supervisory Board

Given that the Supervisory Board in its current form was only established at the time of the approval this Prospectus, the members of the Supervisory Board have not yet received any annual remuneration.

For a description of the current remuneration of the members of the Supervisory Board, see Section "*17.2.4 Compensation and Other Benefits of the Members of the Supervisory Board*".

19.2.3 Pensions

As of the date of this Prospectus, Lakestar SPAC I SE did not make any pension commitments to members of the Management Board or the Supervisory Board.

20. CERTAIN RELATIONSHIPS AND RELATED-PARTY TRANSACTIONS OF HOMETOGO GMBH

In accordance with IAS 24, transactions with persons or companies that are, inter alia, members of the same group as HomeToGo GmbH or that are in control of or controlled by HomeToGo GmbH must be disclosed unless they are already included as consolidated companies in HomeToGo GmbH's consolidated financial statements. Control exists if a shareholder owns more than half of the voting rights in HomeToGo GmbH or, by virtue of an agreement, has the power to control the financial and operating policies of HomeToGo GmbH's management. The disclosure requirements under IAS 24 also extend to transactions with associated companies, including joint ventures, as well as transactions with persons who have significant influence over HomeToGo GmbH's financial and operating policies, including close family members and intermediate entities. This includes the managing directors of HomeToGo GmbH and members of the advisory board (Beirat) and close members of their respective families, as well as those entities over which the managing directors and members of the advisory board, or their respective close family members are able to exercise a significant influence or in which they hold a significant share of the voting rights.

Set forth below is a summary of such transactions with related parties for the fiscal years ended December 31, 2020, 2019 and 2018, for the six months ended June 30, 2021 and up to and including the date of this Prospectus. Further information, with respect to related party transactions, including quantitative amounts, are contained in the notes to HomeToGo's audited consolidated financial statements as of and for the fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018 and in the notes to HomeToGo GmbH's unaudited interim condensed consolidated financial statements as of and for the six months ended June 30, 2021, which are included in this Prospectus under Section "23. Financial Information".

20.1 Transactions with Entities with Significant Influence over the HomeToGo GmbH Group

The largest shareholder of HomeToGo GmbH, HTG Insight IX S.à r.l. ("**HTG Insight**"), has significant influence over the HomeToGo GmbH group and therefore is a related company according to IAS 24.

At the end of 2017 the shareholders' agreement for the financing round Series C2 of HomeToGo GmbH was signed and additional share capital was paid for the issuance of new shares. The capital contribution was fully paid beginning of 2018. HTG Insight subscribed to additional shares and therefore made a further capital contribution of €12.3 million. In this context, HTG Insight became the largest shareholder with significant influence over the HomeToGo GmbH group.

HomeToGo GmbH issued subordinated convertible loans for €14 million on December 19, 2019 ("**CLA 1**"), of which €2 million were paid out in 2019 and €12 million in 2020, and € 24.4 million on August 7, 2020 ("**CLA 2**") as well as €66.2 million between March 12, 2021 and April 14, 2021 ("**CLA 3**"). The loans are convertible into shares of HomeToGo upon the occurrence of certain events, or repayable on July 31, 2022 (for more information on the CLA 1, CLA 2 and CLA 3 refer to Note "*25. Convertible loans*" to the audited consolidated financial statements of HomeToGo GmbH as of and for the fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018 (page F-102) and Note "*14. Convertible loans*" to the unaudited interim condensed consolidated financial statements of HomeToGo GmbH as of and for the six months ended June 30, 2021 (page F-53)). HTG Insight, as one of the lenders under the CLA 1, CLA 2 and CLA 3, participated in the CLA 1 with a loan in the amount of €4.0 million, in the CLA 2 with a loan in the amount of €4.2 million and in the CLA 3 with a loan in the amount of €3.0 million.

20.2 Relationships with Members of HomeToGo GmbH's Governing Bodies

The managing directors as well as the members of the advisory board of HomeToGo GmbH constitute the key management personnel and therefore related persons according to IAS 24 for HomeToGo GmbH.

Expenses for compensation of HomeToGo GmbH's key management personnel are summarized in the table below for the periods indicated.

	Fiscal year ended December 31,			Six months ended June 30,	
	2018	2019	2020	2021	2020
	(in € thousands)			(in € thousands)	
Short-term employee benefits	334	416	413	225	204
Share-based payments	371	1,640	1,730	2,934	925
	705	**2,056**	**2,143**	**3,158**	**1,129**

Share-based payments expenses for HomeToGo GmbH's key management personnel solely arise from virtual option plans.

HomeToGo GmbH group has not granted any loans, guarantees, or other commitments to or on behalf of any of the related persons. Other than the remuneration disclosed above the following transactions occurred with entities controlled by HomeToGo's key management personnel:

UAB NFQ Technologies ("**NFQ**"), a software company registered in the Republic of Lithuania, is a related party according to IAS 24 since one of HomeToGo GmbH's founders and managing directors, Wolfgang Heigl, holds 33.33% of the shares in NFQ. NFQ provides certain software development services, office space and other services to entities of the HomeToGo GmbH group for cash consideration. Other services mainly include the provision of payroll, accounting and car rental services. The business transactions under the scope of the agreement with NFQ occurred under market conditions. Below listed amounts resulted from related party transactions with NFQ during the periods indicated:

	Fiscal year ended December 31,			Six months ended June 30,	
	2018	2019	2020	2021	2020
	(in € thousands)			(in € thousands)	
Product development and operations expenses	2,706	4,342	4,469	2,488	2,203
Other Services	164	156	131	81	66
Office Rent	227	237	204	113	102
Payables towards NFQ	-	65	19	9	47

In 2015, under the shareholders' agreement for the financing round Series A of HomeToGo GmbH, vesting conditions were set for certain HomeToGo GmbH shares already held by founding shareholders who hold key management positions. The vesting period for those shares was set at 36 months starting in February 2015 with a monthly vesting until February 2018. If the founder qualifies as a "Bad Leaver" in the vesting period, the founder has to offer to sell all or part of the unvested shares to the HomeToGo GmbH group or the remaining shareholders (if a sale to the HomeToGo GmbH group is not possible due to statutory restrictions) of HomeToGo GmbH for a consideration of €1.00 per share. The agreement incentivized the founders to remain in their position with HomeToGo GmbH through participation in the change in fair value of their shares in HomeToGo GmbH. In February 2018, the shares became fully vested and the bad leaver term thereby lapsed. This scheme is considered to be in scope of "IFRS 2 – Share-based payments", but no additional benefits were granted to the beneficiaries. Therefore, no expenses were recognized.

20.3 Other Related Party Transactions

HomeToGo GmbH invested into the start-up company Everystay Holding UG ("**Everystay**"), which offered and maintained a listing platform for homeowners and an online booking platform for vacation rentals but started its liquidation process in 2020 as the operating entity never generated sufficient growth and revenues for becoming profitable in the foreseeable future. HomeToGo GmbH's shareholding in Everystay is assessed as a joined control interest, based on terms and conditions in the financing provided to Everystay which require unanimous consent for a significant number of business decisions. In 2016, a loan agreement was entered into with Everystay whereby HomeToGo GmbH provided Everystay with a loan of GBP 1.5 million for four years with an interest rate of 2.5%. The loan amount was subsequently increased by GBP 2 million in 2018 and GBP 600 thousand in 2019. The carrying value of the loan was € 4.6 million in 2019 and € 3 million in 2018. The loan was fully written off in 2019 and the agreement terminated on December 1, 2020 after Everystay filed for liquidation.

21. TAXATION IN THE GRAND DUCHY OF LUXEMBOURG

The following information is of a general nature only and is based on the laws in force in Luxembourg as of the date of this Prospectus and is subject to any change in law that may take effect after such date. It does not purport to be a comprehensive description of all tax considerations that might be relevant to an investment decision. It is not intended to be, nor should it be construed to be, legal or tax advice. It is a description of the essential material Luxembourg tax consequences with respect to the listing and may not include tax considerations that arise from rules of general application or that are generally assumed to be known to investors. Prospective shareholders or warrant holders should consult their professional advisors with respect to particular circumstances, the effects of state, local or foreign laws to which they may be subject, and as to their tax position.

Please be aware that the residence concept used under the respective headings applies for Luxembourg income tax assessment purposes only. Any reference in this section to a tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. In addition, please note that a reference to Luxembourg income tax generally encompasses corporate income tax (impôt sur le revenu des collectivités), municipal business tax (impôt commercial communal), a solidarity surcharge (contribution au fonds pour l'emploi) as well as personal income tax (impôt sur le revenu). Corporate shareholders or warrant holders may further be subject to net worth tax (impôt sur la fortune) as well as other duties, levies or taxes. Corporate income tax, municipal business tax, the solidarity surcharge and net worth tax invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

21.1 Taxation of the Company

21.1.1 Income Tax

From a Luxembourg tax perspective, Luxembourg companies are considered as being resident in Luxembourg provided that they have either their registered office or their central administration in Luxembourg.

The Company is a fully taxable Luxembourg company. The net taxable profit of the Company is subject to corporate income tax ("**CIT**") and municipal business tax ("**MBT**") at ordinary rates in Luxembourg.

The maximum aggregate CIT and MBT rate amounts to 24.94% (including the solidarity surcharge for the employment fund) for companies located in the municipality of Luxembourg-city. Liability to such corporation taxes extends to the Company's worldwide income (including capital gains), subject to the provisions of any relevant double taxation treaty. The taxable income of the Company is computed by application of all rules of the Luxembourg income tax law of December 4, 1967, as amended (*loi concernant l'impôt sur le revenu*), as commented and currently applied by the Luxembourg tax authorities ("**LIR**"). The taxable profit as determined for CIT purposes is applicable, with minor adjustments, for MBT purposes. Under the LIR, all income of the Company will be taxable in the fiscal period to which it economically relates and all deductible expenses of the Company will be deductible in the fiscal period to which they economically relate. Under certain conditions, dividends received by the Company from qualifying participations and capital gains realized by the Company on the sale of such participations, may be exempt from Luxembourg corporation taxes under the Luxembourg participation exemption regime. A tax credit is generally granted for withholding taxes levied at source within the limit of the tax payable in Luxembourg on such income, whereby any excess withholding tax is not refundable (but may be deductible under certain conditions).

Under the participation exemption regime (subject to the relevant anti-abuse rules), dividends derived from shares may be exempt from income tax if (i) the distributing company is a qualified subsidiary ("**Qualified Subsidiary**") and (ii) at the time the dividend is put at the Company's disposal, the latter holds or commits itself to hold for an uninterrupted period of at least 12 months shares representing either (a) a direct participation of at least 10% in the share capital of the Qualified Subsidiary or (b) a direct participation in the Qualified Subsidiary of an acquisition price of at least €1.2 million ("**Qualified Shareholding**"). A Qualified Subsidiary means notably (a) a company covered by Article 2 of the Council Directive 2011/96/EU dated November 30, 2011 (the "**Parent-Subsidiary Directive**") or (b) a non-resident capital company (*société de capitaux*) liable to a tax corresponding to Luxembourg CIT. Liquidation proceeds are assimilated to a received dividend and may be exempt under the same conditions.

If the conditions of the participation exemption regime are not met, dividends derived by the Company from the Qualified Subsidiary may be exempt for 50% of their gross amount.

Capital gains realized by the Company on shares are subject to CIT and MBT at ordinary rates, unless the conditions of the participation exemption regime, as described below, are satisfied. Under the participation exemption regime (subject to the relevant anti-abuse rules), capital gains realized on shares may be exempt from income tax at the level of the Company (subject to the recapture rules) if at the time the capital gain is realized, the Company holds or commits itself to hold for an uninterrupted period of at least 12 months shares representing a direct participation in the share capital of the Qualified Subsidiary (i) of at least 10% or of (ii) an acquisition price of at least €6 million. Taxable gains are determined as being the difference between the price for which shares have been disposed of and the lower of their cost or book value.

For the purposes of the participation exemption regime, shares held through a tax transparent entity are considered as being a direct participation proportionally to the percentage held in the net assets of the transparent entity.

21.1.2 Net Worth Tax

The Company is as a rule subject to Luxembourg net worth tax ("**NWT**") on its net assets as determined for net worth tax purposes. NWT is levied at the rate of 0.5% on net assets not exceeding €500 million and at the rate of 0.05% on the portion of the net assets exceeding €500 million. Net worth is referred to as the unitary value (*valeur unitaire*), as determined at 1 January of each year. The unitary value is in principle calculated as the difference between (i) assets estimated at their fair market value (*valeur estimée de réalisation*), and (ii) liabilities.

Under the participation exemption regime, a Qualified Shareholding held by the Company in a Qualified Subsidiary is exempt for net worth tax purposes.

As from January 1, 2016, a minimum net worth tax ("**MNWT**") is levied on companies having their statutory seat or central administration in Luxembourg. For entities for which the sum of fixed financial assets, transferable securities and cash at bank exceeds 90% of their total gross assets and €350,000, the MNWT is set at €4,815. For all other companies having their statutory seat or central administration in Luxembourg which do not fall within the scope of the €4,815 MNWT, the MNWT ranges from €535 to €32,100, depending on their total balance sheet.

21.1.3 Other Taxes

The incorporation of the Company through a contribution in cash to its share capital as well as further share capital increase or other amendment to the articles of incorporation of the Company are subject to a fixed registration duty of €75.

21.1.4 Withholding Taxes

Dividends paid by the Company to its shareholders are generally subject to a 15% withholding tax in Luxembourg, unless a reduced treaty rate or the participation exemption applies. Under certain conditions, a corresponding tax credit may be granted to the shareholders. Responsibility for the withholding of the tax is assumed by the Company.

A withholding tax exemption applies under the participation exemption regime (subject to the relevant anti-abuse rules), if cumulatively (i) the shareholder is an eligible parent ("**Eligible Parent**") and (ii) at the time the income is made available, the Eligible Parent holds or commits itself to hold for an uninterrupted period of at least 12 months a Qualified Shareholding in the Company. Holding a participation through a tax transparent entity is deemed to be a direct participation in the proportion of the net assets held in this entity. An Eligible Parent includes notably (a) a company covered by Article 2 of the Parent-Subsidiary Directive or a Luxembourg permanent establishment thereof, (b) a company resident in a State having a double tax treaty with Luxembourg and liable to a tax corresponding to Luxembourg CIT or a Luxembourg permanent establishment thereof, (c) a capital company (*société de capitaux*) or a cooperative company (*société coopérative*) resident in a Member State of the EEA other than an EU Member State and liable to a tax corresponding to Luxembourg CIT or a Luxembourg permanent establishment thereof or (d) a Swiss capital company (*société de capitaux*) which is subject to CIT in Switzerland without benefiting from an exemption.

No withholding tax is levied on capital gains and liquidation proceeds.

21.2 Taxation of the Shareholders / Warrant Holders

21.2.1 Tax Residency

A shareholder or warrant holder will not become resident, nor be deemed to be resident, in Luxembourg solely by virtue of holding and/or disposing of shares or warrants or the execution, performance, delivery and/or enforcement of his/her rights thereunder.

21.2.2 Income Tax

For the purposes of this paragraph, a disposal may include a sale, an exchange, a contribution, a redemption and any other kind of alienation of the participation or the warrants.

21.2.2.1 Luxembourg Residents

21.2.2.1.1 Luxembourg Resident Individuals

Dividends and other payments derived from the shares held by resident individual shareholders, who act in the course of the management of either their private wealth or their professional/business activity, are subject to income tax at the ordinary progressive rates. Under current Luxembourg tax laws, 50% of the gross amount of dividends received by resident individuals from the Company may however be exempt from income tax.

Capital gains realized on the disposal of the shares or warrants by resident individual shareholders, who act in the course of the management of their private wealth, are not subject to income tax, unless said capital gains qualify either as speculative gains or as gains on a substantial participation. Capital gains are deemed to be speculative if the shares or warrants are disposed of within six months after their acquisition or if their disposal precedes their acquisition. Speculative gains are subject to income tax as miscellaneous income at ordinary rates. A participation is deemed to be substantial where a resident individual shareholder holds or has held, either alone or together with his/her spouse or partner and/or minor children, directly or indirectly at any time within the five years preceding the disposal, more than 10% of the share capital of the company whose shares are being disposed of the substantial participation ("**Substantial Participation**"). A shareholder is also deemed to alienate a Substantial Participation if he acquired free of charge, within the five years preceding the transfer, a participation that was constituting a Substantial Participation in the hands of the alienator (or the alienators in case of successive transfers free of charge within the same five-year period). Capital gains realized on a Substantial Participation more than six months after the acquisition thereof are taxed according to the half-global rate method (i.e., the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realized on the Substantial Participation).

Capital gains realized on the disposal of the shares or warrants by resident individual holders, who act in the course of their professional/business activity, are subject to income tax at ordinary rates. Taxable gains are determined as being the difference between the price for which the shares or warrants have been disposed of and the lower of their cost or book value.

21.2.2.1.2 Luxembourg Resident Companies

Dividends and other payments derived from the shares held by Luxembourg resident fully taxable companies are subject to income taxes, unless the conditions of the participation exemption regime, as described below, are satisfied. A tax credit is generally granted for withholding taxes levied at source within the limit of the tax payable in Luxembourg on such income, whereby any excess withholding tax is not refundable (but may be deductible under certain conditions). If the conditions of the participation exemption regime are not met, 50% of the dividends distributed by the Company to a Luxembourg fully taxable resident company are nevertheless exempt from income tax.

Under the participation exemption regime (subject to the relevant anti-abuse rules), dividends derived from the shares may be exempt from CIT and MBT at the level of the shareholder if (i) the shareholder is an Eligible Parent and (ii) at the time the dividend is put at the shareholder's disposal, the latter holds or commits itself to hold for an uninterrupted period of at least 12 months a shareholding representing a direct participation of at least 10% in the share capital of Company or a direct participation in the Company of an acquisition price of at least €1.2 million. Liquidation proceeds are assimilated to a received dividend and may be exempt under the same conditions. Capital gains realized by a Luxembourg fully-taxable resident company on the disposal of the shares are subject to income tax at ordinary rates, unless the conditions of the participation exemption regime, as described below, are satisfied.

Under the participation exemption regime (subject to the relevant anti-abuse rules), capital gains realized on the shares or warrants may be exempt from CIT and MBT (save for the recapture rules) at the level of the shareholder if cumulatively (i) the shareholder is a Eligible Parent and (ii) at the time the capital gain is realized, the shareholder holds or commits itself to hold for an uninterrupted period of at least 12 months shares representing either (a) a direct participation of at least 10% in the share capital of the Company or (b) a direct participation in the Company of an acquisition price of at least €6 million. Taxable gains are determined as being the difference between the price for which the shares have been disposed of and the lower of their cost or book value. Under Luxembourg tax law it is debatable to what extent the warrants are eligible for the participation exemption regime although certain case law supports such argumentation in certain circumstances.

For the purposes of the participation exemption regime, shares held through a tax transparent entity are considered as being a direct participation proportionally to the percentage held in the net assets of the transparent entity.

For warrant holders, the exercise of the warrants should not give rise to any immediate Luxembourg tax consequences.

21.2.2.1.3 Luxembourg Resident Companies Benefiting From a Special Tax Regime

A shareholder or warrant holder who is a Luxembourg resident company benefiting from a special tax regime, such as (i) a specialized investment fund governed by the amended law of February 13, 2007, (ii) a family wealth management company governed by the amended law of May 11, 2007 (iii) an undertaking for collective investment governed by the amended law of December 17, 2010 or (iv) a reserved alternative investment fund treated as a specialized investment fund for Luxembourg tax purposes and governed by the amended law of July 23, 2016 is exempt from income tax in Luxembourg and profits derived from the shares or warrants are thus not subject to tax in Luxembourg.

21.2.2.2 *<u>Luxembourg Non-Residents</u>*

Non-resident shareholders or warrant holders, who have neither a permanent establishment nor a permanent representative in Luxembourg to which or whom the shares or warrants are attributable, are not liable to any Luxembourg income tax, whether they receive payments of dividends or realize capital gains on the disposal of the shares or warrants, except with respect to capital gains realized on a Substantial Participation before the acquisition or within the first 6 months of the acquisition thereof, that are subject to income tax in Luxembourg at ordinary rates (subject to the provisions of any relevant double tax treaty) and except for the withholding tax mentioned above.

Non-resident shareholders or warrant holders having a permanent establishment or a permanent representative in Luxembourg to which or whom the shares or warrants are attributable, must include any income received, as well as any gain realized on the disposal of the shares or warrants, in their taxable income for Luxembourg tax assessment purposes, unless the conditions of the participation exemption regime, as described below, are satisfied. If the conditions of the participation exemption regime are not fulfilled, 50% of the gross amount of dividends received by a Luxembourg permanent establishment or permanent representative are however exempt from income tax. Taxable gains are determined as being the difference between the price for which the shares have been disposed of and the lower of their cost or book value.

Under the participation exemption regime (subject to the relevant anti-abuse rules), dividends derived from the shares may be exempt from income tax if cumulatively (i) the shares are attributable to a qualified permanent establishment ("**Qualified Permanent Establishment**") and (ii) at the time the dividend is put at the disposal of the Qualified Permanent Establishment, it holds or commits itself to hold a Qualified Shareholding in the Company. A Qualified Permanent Establishment means (a) a Luxembourg permanent establishment of a company covered by Article 2 of the Parent-Subsidiary Directive, (b) a Luxembourg permanent establishment of a capital company (*société de capitaux*) resident in a State having a double tax treaty with Luxembourg and (c) a Luxembourg permanent establishment of a capital company (*société de capitaux*) or a cooperative company (*société coopérative*) resident in a Member State of the EEA other than an EU Member State. Liquidation proceeds are assimilated to a received dividend and may be exempt under the same conditions. Shares held through a tax transparent entity are considered as being a direct participation proportionally to the percentage held in the net assets of the transparent entity.

Under the participation exemption regime (subject to the relevant anti-abuse rules), capital gains realized on the shares or warrants may be exempt from income tax (save for the recapture rules) if cumulatively (i) the shares or warrants are attributable to a Qualified Permanent Establishment and (ii) at the time the capital gain is realized, the Qualified Permanent Establishment holds or commits itself to hold for an uninterrupted period of at least 12 months shares or warrants representing either (a) a direct participation in the share capital of the Company of at least 10% or (b) a direct participation in the Company of an acquisition price of at least €6 million.

Under Luxembourg tax laws currently in force (subject to the provisions of double taxation treaties), capital gains realized by a Luxembourg non-resident shareholder or warrant holder (not acting via a permanent establishment or a permanent representative in Luxembourg through which/whom the shares are held) are not taxable in Luxembourg unless (a) the shareholder or warrant holder holds a Substantial Participation in the Company and the disposal of the shares or warrants takes place less than six months after the shares or warrants were acquired or (b) the shareholder the warrant holder has been a former Luxembourg resident for more than fifteen years and has become a non-resident, at the time of transfer, less than five years ago.

21.2.3 Net Worth Tax

A Luxembourg resident as well as a non-resident who has a permanent establishment or a permanent representative in Luxembourg to which the shares or warrants are attributable, are subject to Luxembourg NWT (subject to the application of the participation exemption regime) on such shares or warrants, except if the shareholder or warrant holders is (i) a resident or non-resident individual taxpayer, (ii) a securitization company governed by the amended law of March 22, 2004 on securitization, (iii) a company governed by the amended law of June 15, 2004 on venture capital vehicles, (iv) a professional pension institution governed by the amended law of July 13, 2005, (v) a specialized investment fund governed by the amended law of February 13, 2007, (vi) a family wealth management company governed by the law of May 11, 2007, (vii) an undertaking for collective investment governed by the amended law of December 17, 2010 or (viii) a reserved alternative investment fund governed by the amended law of July 23, 2016.

However, (i) a securitization company governed by the amended law of March 22, 2004 on securitization, (ii) a company governed by the amended law of June 15, 2004 on venture capital vehicles (iii) a professional pension institution governed by the amended law dated July 13, 2005 and (iv) an opaque reserved alternative investment fund treated as a venture capital vehicle for Luxembourg tax purposes and governed by the amended law of July 23, 2016 remain subject to the MNWT (for further details, please see "*21.1.2 Net Worth Tax*").

21.2.4 Other Taxes

Under current Luxembourg tax laws, no registration tax or similar tax is in principle payable by the shareholder or warrant holder upon the acquisition, holding or disposal of the shares or warrants. However, a fixed or ad valorem registration duty may be due upon the registration of the shares or warrants in Luxembourg in the case where the shares or warrants are physically attached to a public deed or to any other document subject to mandatory registration, as well as in the case of a registration of the shares or warrants on a voluntary basis.

No inheritance tax is levied on the transfer of the shares or warrants upon death of a shareholder in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes at the time of his death.

Gift tax may be due on a gift or donation of the shares, or warrants if the gift is recorded in a Luxembourg notarial deed or otherwise registered in Luxembourg.

The disposal of the shares or warrants is not subject to a Luxembourg registration tax or stamp duty, unless recorded in a Luxembourg notarial deed or otherwise registered in Luxembourg.

22. TAXATION IN THE FEDERAL REPUBLIC OF GERMANY

Income received from shares or Public Warrants of the Company is subject to taxation. In particular, the tax laws of any jurisdiction with authority to impose taxes on the investor and the tax laws of the Company's state of incorporation, statutory seat and place of effective management i.e., Luxembourg, might have an impact on the income received from shares or Public Warrants of the Company.

The following section outlines certain key German tax principles that may be relevant with respect to the acquisition, holding or transfer of shares or Public Warrants in the Company. It is important to note that the legal situation may change, possibly with retroactive effect. This summary is not and does not purport to be a comprehensive or exhaustive description of all German tax considerations that may be relevant to shareholders of the Company. In particular, this summary does not cover tax considerations that may be relevant to a shareholder that is a tax resident of a jurisdiction other than Germany. This presentation is based upon domestic German tax laws in effect as of the date of this Prospectus and the provisions of double taxation treaties currently in force between Germany and other countries.

This section does not replace the need for individual shareholders of the Company to seek personal tax advice. It is therefore recommended that shareholders consult their own tax advisors regarding the tax implications of acquiring, holding or transferring shares of the Company and, in particular, what procedures are necessary to secure the repayment of German withholding tax (Kapitalertragsteuer), if possible. Only qualified tax advisors are in a position to adequately consider the particular tax situation of individual shareholders.

22.1 Taxation of Shareholders Tax Resident in Germany

22.1.1 Taxation of Dividend Income

22.1.2 Shares held as Non-Business Assets

Dividends received by a shareholder who is subject to an unlimited tax liability in Germany and holds his or her shares as non-business assets are, as a general rule, taxed as capital investment income (*Einkünfte aus Kapitalvermögen*) and, as such, subject to a 25% flat tax plus 5.5% solidarity surcharge thereon resulting in an aggregate tax rate of 26.375% (flat tax regime, *Abgeltungsteuer)*, plus church tax, if applicable.

If the shares are held in a custodial account with a German resident credit institution, financial services institution (*inländisches Kredit- oder Finanzdienstleistungsinstitut*) (including in each case a German branch of such foreign institution), a securities trading company (*inländisches Wertpapierhandelsunternehmen*) or a securities trading bank (*inländische Wertpapierhandelsbank*) (the "**German Disbursing Agent**") (*inländische Zahlstelle*) the German Disbursing Agent generally withholds German tax at a rate of 25% (plus 5.5% solidarity surcharge thereon and, if applicable, church tax) on the gross amount of the dividends paid by the Company. However, the German Disbursing Agent must reduce the amount of the German withholding tax by the amount of tax withheld in Luxembourg (15% of the dividends as described under "*21.1.4 Withholding Taxes*"). The German tax resident individual's personal income tax liability with respect to dividends is generally satisfied through the withholding. To the extent withholding tax has not been levied, such as in the case of shares kept in custody abroad, the shareholder must report his or her income derived from the shares on his or her tax return and then will also be taxed at a rate of 25% (plus solidarity surcharge and church tax thereon, where applicable). The Company does not assume any responsibility for the withholding of German tax at source. Shareholders who are subject to an unlimited tax liability in Germany and hold their shares as non-business assets may provide to the German Disbursing Agent either a non-assessment certificate (*Nichtveranlagungsbescheinigung*) issued by their competent local tax office or an exemption declaration (*Freistellungsauftrag*) in the maximum amount of the saver's allowance (*Sparer-Pauschbetrag*) of €801 (or, for couples and for partners in accordance with the registered partnership law (*Gesetz über die Eingetragene Lebenspartnerschaft*) filing jointly, €1,602).

Entities required to collect withholding taxes on capital investment income are required to likewise withhold the church tax on payments to shareholders who are subject to church tax, unless the shareholder objects in writing to the German Federal Central Tax Office against the sharing of his or her private information regarding his affiliation with a religious denomination (*Sperrvermerk*). If church tax is withheld and remitted to the tax authority as part of the withholding tax deduction, the church tax on the dividends is also deemed to be discharged when it is deducted. Since the church tax is already deducted as a special expense in the course of the withholding tax deduction, the withheld church tax cannot be deducted in the tax assessment as a special expense. If no church taxes are withheld along with the withholding of the withholding tax, the shareholder who owes church tax is required to report his dividends in his income tax return. The church tax on the dividends will then be imposed during the assessment

The individual shareholder is taxed on his or her aggregate capital investment income, less the saver's allowance. Income-related expenses are not tax-deductible. Private investors can apply to have their investment income assessed in accordance with the general rules on determining the individual tax rate of the shareholder if this results in a lower tax, but even in this case, income-related expenses are not tax-deductible. Further, in such a case, tax withheld in Luxembourg (15% of the dividends as described under "*21.1.4 Withholding Taxes*") can generally be credited against the German tax liability on the Luxembourg dividends received by the German tax resident individual. The current double tax treaty between Germany and Luxembourg does not provide for a reduction of Luxembourg withholding tax on dividends for individuals below the 15% Luxembourg domestic withholding tax rate currently levied in Luxembourg.

As an exemption, dividend payments that are funded from the Company's contribution account for tax purposes (*steuerliches Einlagekonto;* section 27 para. 1, 8 of the German Corporate Tax Act, "**KStG**") and are paid to shareholders with a tax domicile in Germany whose shares are held as non-business assets, do – contrary to the above – not form part of the shareholder's taxable income provided that such capital repayment is upon application of the Company with the German Federal Tax Office officially certified by the latter. Dividend payments funded from the Company's contribution account for tax purposes (a *"***Return of Capital***")* would reduce the shareholder's acquisition costs or, if the Return of Capital exceeds the shareholder's acquisition costs, negative acquisition costs will arise. Both can result in a higher capital gain in case of the shares' disposal (see "*22.3 Taxation of Capital Gains of Shareholders with a Tax Residence in Germany*" below). This would not apply if (i) the shareholder or, in the event of a gratuitous transfer, its legal predecessor, or, if the shares have been gratuitously transferred several times in succession, one of his or her legal predecessors at any point during the five years preceding the (deemed, as the case may be) disposal directly or indirectly held at least 1% of the share capital of the Company (a "**Qualified Participation**"), and (ii) the Return of Capital exceeds the acquisition costs of the shares. In such aforementioned case, a Return of Capital is deemed a sale of the shares and is taxable as a capital gain. In this case, the taxation corresponds with the description in "*22.3 Taxation of Capital Gains of Shareholders with a Tax Residence in Germany*" made with regard to shareholders maintaining a Qualified Participation.

22.1.3 Shares Held as Business Assets

If the shares form part of a German business (including a German permanent establishment of a foreign business investor), the taxation of dividends differs depending on whether the shareholder is a corporation, a sole proprietor or a partnership. The flat tax regime does not apply to dividends paid on shares held by a German tax resident shareholder as business assets.

A Return of Capital that is paid to shareholders with a tax domicile in Germany whose shares are held as business assets are generally fully tax exempt in the hands of such shareholder provided that such capital repayment is upon application of the Company with the German Federal Tax Office officially certified by the latter. To the extent the Return of Capital exceeds the acquisition costs of the shares, a taxable capital gain should occur. The taxation of such gain corresponds with the description in "*22.3 Taxation of Capital Gains of Shareholders with a Tax Residence in Germany*" made with regard to shareholders whose shares are held as business assets (however, as regards the application of the 95% exemption in case of a corporation, this is not undisputed).

Special rules apply to companies operating in the financial and insurance sectors, as well as to pension funds (see "*22.7 Special Treatment of Companies in the Financial and Insurance Sectors and Pension Funds*").

22.1.3.1 Corporations

For corporations subject to an unlimited corporate income tax liability in Germany, dividends are, as a general rule, effectively 95% tax exempt from corporate income tax (including solidarity surcharge). 5% of the dividend income is deemed to be non-deductible business expenses and, as such, is subject to corporate income tax plus solidarity surcharge. However, dividends received by a shareholder holding a participation of less than 10% in the share capital of the Company at the beginning of the calendar year (a "**Portfolio Participation**") (*Streubesitzbeteiligung*) are not exempt in the amount of 95% from corporate income tax (including solidarity surcharge thereon). Participations of at least 10% acquired during a calendar year are deemed to be acquired at the beginning of the calendar year. Participations held through a partnership that is a partnership being engaged or deemed to be engaged in a business ("**Co-Entrepreneurship**") (*Mitunternehmerschaft*) are attributable to the shareholders *pro rata* in the amount of their participations.

Dividends are fully subject to trade tax, unless the shareholder held an interest of at least 15% in the share capital of the Company at the beginning of the relevant assessment period. In the latter case, effectively 95% of the dividends are also exempt from trade tax. Business expenses actually incurred in connection with the dividends are deductible for corporate income tax and – subject to certain restrictions – also for trade tax purposes.

Tax withheld on the dividends in Luxembourg is generally not creditable against the corporate income tax liability of the corporate shareholder in Germany, unless the dividend is fully subject to corporate income tax in Germany, i.e. the minimum participation does not apply.

Even if the shares are held in a custodial account with a German Disbursing Agent, there is generally no German withholding tax on dividends paid by the Company to a corporate shareholder.

22.1.3.2 Sole proprietors (individuals)

Where the shares are held as business assets by an individual who is subject to unlimited tax liability in Germany, 60% of the dividends are taxed at the applicable individual income tax rate plus 5.5% solidarity surcharge on such income tax (partial income taxation method, *Teileinkünfteverfahren*) totaling up to a maximum rate of around 47.5%, plus church tax, if applicable. Correspondingly, only 60% of any business expenses related to the dividends may be deducted for income tax purposes. Dividends are fully subject to trade tax, unless the sole proprietor holds at least 15% of the Company's registered share capital at the beginning of the relevant tax assessment period. In this case, the net amount of the dividend (i.e., after deduction of the business expenses directly connected to it) is exempt from trade tax. In general, business expenses are deductible for trade tax purposes but certain restrictions may apply. All or part of the trade tax levied may be credited on a lump sum basis against the sole proprietor's income taxes, depending on the multiplier set by the relevant municipality and the individual tax situation of the individual shareholder.

Tax withheld in Luxembourg (15% of the dividends as described under "*21.1.4 Withholding Taxes*") should be creditable against the German personal income tax liability with respect to the dividend income.

If the shares are held in a custodial account with a German Disbursing Agent, the German Disbursing Agent is not obliged to withhold German tax on dividends paid by the Company provided that the individual certifies to the German Disbursing Agent on an officially prescribed form that the dividends constitute business income of a German business.

22.1.3.3 Partnerships

If the shareholder is a Co-Entrepreneurship, the individual income tax or corporate income tax is not charged at the level of the partnership, but at the level of the respective partner. The taxation of each partner depends on whether the partner is a corporation or an individual. Thus, (corporate) income tax (including solidarity surcharge) and, if applicable, church tax will be assessed and levied only at the level of the partners, whereby, in principle, the respective rules applicable to a direct shareholding described above in subsection "*22.1.3.1 Corporations*" and "*22.3.2.2 Sole proprietors (individuals)*" apply accordingly. Trade tax, however, is assessed and levied at the level of the partnership if the shares are attributable to a permanent establishment of a commercial business of the partnership in Germany; this applies irrespective of whether the dividends are attributable to individual partners or corporate partners. The trade tax paid by the partnership and attributable to the individual's general profit share is completely or partially credited against the shareholder's individual income tax on a lump-sum basis. If the partnership fulfills the prerequisites for the trade tax exemption privilege at the beginning of the relevant assessment period, the dividends (after the deduction of business expenses economically related thereto) should generally not be subject to trade tax. However, in this case, trade tax should be levied on 5% of the dividends to the extent they are attributable to the profit share of a corporation which is a partner of such partnership and to whom at least 10% of the shares in the Company are attributable on a look-through basis, since such portion of the dividends should be deemed to be non-deductible business expenses. The remaining portion of the dividend income attributable to other than such specific corporation as partner of such partnership (which includes individual partners and should, under a literal reading of the law, also include any corporation as partner of such partnership to whom, on a look-through basis, only Portfolio Participations are attributable) should not be subject to trade tax.

The creditability of the tax withheld in Luxembourg against the German corporate or personal income tax depends on whether the partner is a corporation or an individual. If the partner is a corporation, the principles explained for corporations above apply (see "*22.1.3.1 Corporations*" above). If the partner is an individual, the principles explained for individuals above apply (see under "*22.3.2.2 Sole proprietors (individuals)*" above).

If the shares are held in a custodial account with a German Disbursing Agent, no German withholding tax arises provided that the partnership certifies to the German Disbursing Agent on an officially prescribed form that the dividends constitute business income of a German business.

22.2 German Controlled Foreign Corporation Rules (*Außensteuergesetz*)

Tax residents of Germany will have to include in their income (and file corresponding special tax returns with regard to) distributed and undistributed earnings of a foreign company in which they hold directly or indirectly shares if the foreign company qualifies as a low taxed controlled foreign corporation, for German tax purposes. Neither the (partial) exemption of dividends from German tax nor the reduced tax rates under the flat regime (*Abgeltungssteuer*) apply to these amounts; however, a subsequent dividend paid by the foreign company within seven years from the attribution of income pursuant to the controlled foreign corporation rules will be exempt from German taxation in the hands of the investor to the extent of such previously attributed amount. A foreign company generally qualifies as a controlled foreign corporation if the majority of its shares is held by German tax residents and certain expatriates and further requirements are met. However, with regard to certain passive portfolio income (*Zwischeneinkünfte mit Kapitalanlagecharakter*) of a foreign company (including, among other things, interest and capital gains from the disposal of financial instruments but excluding dividends received, and including passive portfolio income generated by a foreign subsidiary of such foreign company) the German shareholders will be required to include these amounts into income on a *pro rata* basis regardless of whether the majority of the shareholders is resident in Germany. The inclusion will take place if the passive portfolio income of such foreign company (as determined under German tax accounting principles) is subject to income tax of less than 25%. However, a German shareholder may escape such taxation of undistributed earnings if he holds less than 1% of the issued share capital of the Company at the end of the Company's fiscal year and can show to the satisfaction of the German tax authorities that regular and substantial trading in the Company's main class of shares takes place at a recognized stock exchange.

The German controlled foreign corporation rules will shortly be changed and/or amended in the course of the implementation of the European Anti-Tax Avoidance Directive in German law. Depending on the specific changes and/or amendments to the existing law and the qualification of the Company and its participations for purposes of the German controlled foreign corporation rules, an additional tax burden may arise for the Shareholders. shareholders are advised to monitor the further legislative process and to consult their individual tax advisor.

22.3 Taxation of Capital Gains of Shareholders with a Tax Residence in Germany

22.3.1 Shares Held by Individual Shareholders as Non-Business Assets

Capital gains from the sale of shares which an individual shareholder holds as non-business assets are generally subject to a 25% flat tax (plus 5.5% solidarity surcharge thereon, resulting in an aggregate withholding tax rate of 26.375%), plus church tax, if applicable. Losses from the sale of such shares can only be used to offset capital gains from the disposal of shares in stock corporations during the same year or in subsequent years. The amount of the taxable capital gain from the sale is the difference between (a) the proceeds from the sale and (b) the cost of acquisition of the shares and the expenses directly related to the sale. Income-related expenses may not be deducted from capital gains. Return of Capital which are officially certified accordingly by the German Federal Tax Office upon application by the Company with the German Federal Tax Office reduce the original acquisition costs; if respective Return of Capital exceed the acquisition costs, negative acquisition costs – which can increase a capital gain – can arise in case of shareholders, whose shares are held as non-business assets and do not qualify as Qualified Participation.

If the shares are deposited with or administered by a German Disbursing Agent, the tax on the capital gains is generally settled by way of withholding through the German Disbursing Agent which is required to deduct a withholding tax of 26.375% (including solidarity surcharge), plus church tax, if applicable, of the capital gains from the sale proceeds and remit it to the tax authority. To the extent withholding tax has not been levied, such as in the case of shares kept in custody abroad, the shareholder must report his or her income derived from the shares on his or her tax return and then will also be taxed at a rate of 25% (plus solidarity surcharge and church tax thereon, where applicable).

If, however, a shareholder, or in the case of a gratuitous acquisition, the shareholder's legal predecessor, directly or indirectly held a Qualified Participation, the flat tax regime does not apply and, rather, 60% of any capital gain resulting from the sale is taxable as business income at the shareholder's individual income tax rate plus 5.5% solidarity surcharge (and church tax, if applicable) on such income tax. Conversely, 60% of a capital loss from the disposal of the shares is generally recognized for tax purposes. Withholding tax is also deducted by a German Disbursing Agent in the case of a Qualified Participation, but this does not have the effect of a settlement of the shareholder's tax liability. Upon the shareholder's assessment to income tax, the withheld and remitted tax is credited against the individual income tax liability. To the extent that the amounts withheld exceed the individual income tax liability of the shareholder, they will be refunded.

22.3.2 Shares Held as Business Assets

Gains on the disposal of shares held by an individual or corporation as business assets are in principle not subject to the 25% flat tax plus 5.5% solidarity surcharge thereon (and church tax, if applicable). Withholding tax must only be withheld in the case of a German Disbursing Agent. The tax withheld, however, is not considered to be final as under the flat tax regime. The amount of tax withheld is credited against the shareholder's individual or corporate income tax liability and any amounts withheld in excess of such individual or corporate income tax liability will be refunded. Even if the shares are held in a custodial account with a German Disbursing Agent, there is generally no German withholding tax (i) in the case of a corporate shareholder, or (ii) if the shareholder holds the shares as assets of a business in Germany and certifies this on an officially prescribed form to the German Disbursing Agent. If a German Disbursing Agent nonetheless withholds tax on capital gains, the tax withheld and remitted (including solidarity surcharge, and church tax, if applicable) will be credited against the individual income tax or corporate income tax liability and any excess amount will be refunded.

Return of Capital which are officially certified accordingly by the German Federal Tax Office upon application by the Company with the German Federal Tax Office reduce the original acquisition costs. In case of disposal, a higher taxable capital gain can arise therefrom. If the dividend payments exceed the shares' book value for tax purposes, a taxable capital gain can arise.

Special rules apply to companies operating in the financial and insurance sectors, as well as to pension funds (see "*22.7 Special Treatment of Companies in the Financial and Insurance Sectors and Pension Funds*").

The taxation of capital gains from the disposal of shares held as business assets depends on whether the shareholder is a corporation, a sole proprietor or a partnership:

22.3.2.1 <u>Corporations:</u>

For corporations subject to an unlimited corporate income tax liability in Germany, capital gains from the sale of shares are, as a general rule and currently irrespective of any holding period or percentage level of participation, effectively 95% exempt from corporate income tax (including solidarity surcharge) and trade tax. 5% of the capital gains is deemed to be non-deductible business expenses and, as such, is subject to corporate income tax plus solidarity surcharge; business expenses actually incurred in connection with the capital gains from a tax perspective are generally tax-deductible. Losses from the sale of shares and other reductions in profit in connection with the shares are generally not deductible for corporate income tax and trade tax purposes. Capital gains are, irrespective of the percentage level of shareholding, effectively 95% exempt from trade tax.

22.3.2.2 <u>Sole proprietors (individuals)</u>

60% of capital gains from the sale of shares are taxed at the individual income tax rate plus 5.5% solidarity surcharge (plus church tax, if applicable) on such income tax where the shares are held as business assets by an individual who is subject to unlimited tax liability in Germany. Correspondingly, only 60% of the capital losses, other reductions in profit in connection with the shares and business expenses resulting from a share sale may be deducted for income tax purposes. Only 60% of the capital gains are subject to trade tax. Correspondingly, subject to general restrictions, only 60% of the business expenses resulting from a share sale may generally be deducted for trade tax purposes. All or part of the trade tax levied may be credited on a lump sum basis against the sole proprietor's income taxes, depending on the multiplier set by the relevant municipality and the individual tax situation of the individual shareholder.

22.3.2.3 <u>Partnerships</u>

If the shareholder is a Co-Entrepreneurship, the individual income tax or corporate income tax is not charged at the level of the partnership, but at the level of the respective partner. The taxation of each partner depends on whether the partner is a corporation or an individual. Thus, (corporate) income tax (including solidarity surcharge) and, if applicable, church tax will be assessed and levied only at the level of the partners, whereby, in principle, the respective rules applicable to a direct shareholding described above in subsection *22.3.2.1 Corporations* and *22.3.2.2 Sole proprietors (individuals)* apply accordingly. Trade tax, however, is assessed and levied at the level of the partnership if the shares are attributable to a permanent establishment of a commercial business of the partnership in Germany. Generally, 60% of a capital gain attributable to an individual partner and 5% of a capital gain attributable to a corporate partner are taxable. Capital losses or other reductions in profit in connection with the shares sold are not taken into account for purposes of trade tax to the extent they are attributable to a partner that is a corporation, and subject to general restrictions only 60% of these losses or expenses are taken into account to the extent they are attributable to a partner who is an individual.

The trade tax paid by the partnership and attributable to the individual's general profit share is completely or partially credited against the shareholder's individual income tax in accordance with such lump-sum method.

22.4 Taxation of Shareholders not Tax Resident in Germany

22.4.1 Taxation of Dividend Income

Shareholders who are not tax resident in Germany are only subject to taxation in Germany in respect of their dividend income if their shares form part of the business assets of a permanent establishment or a fixed place of business in Germany, or constitute business assets for which a permanent representative has been appointed in Germany. In general, the situation described above for shareholders tax resident in Germany who hold their shares as business assets applies accordingly (see "*22.1.3 Shares Held as Business Assets*"). The withholding tax, if any, deducted and remitted to the tax authorities (including solidarity surcharge) is either credited against the individual income tax or corporate income tax liability or refunded in the amount of an excess of such liability.

22.4.2 Taxation of Capital Gains

Capital gains from the disposal of shares by a shareholder not tax resident in Germany are only taxable in Germany if the selling shareholder holds the shares through a permanent establishment or fixed place of business or as business assets for which a permanent representative is appointed in Germany. In such a case, the description above for German tax resident shareholders who hold their shares as business assets applies accordingly (see "*22.1.3 Shares Held as Business Assets*").

22.5 Taxation of Capital Gains Derived from Public Warrants

22.5.1 Exercise of the Public Warrants

The tax consequences of an exercise of the Public Warrants are not entirely clear under German tax law. An exercise may be considered a non-taxable acquisition of the underlying Public Shares received upon exercise and thus not a gain realization event. However, there is a risk that the receipt of the Public Shares upon exercise of the Public Warrants is considered a taxable event (e.g., pursuant to Section 20(2) no. 3 lit. a) of the German Income Tax Code (*EStG*)). In this case, gains derived from the exercise of the Public Warrants would be subject to the tax treatment as described for capital gains derived from the sale or other disposition of the Public Warrants under the heading "*22.5.2 Sale or other Disposition of the Public Warrants*" below.

22.5.2 Sale or other Disposition of the Public Warrants

22.5.2.1 <u>German Holders</u>

22.5.2.1.1 Taxation of capital gains of German Holders who hold their Public Warrants as private assets

Capital gains derived from the sale or other disposition of Public Warrants by individual German holders who hold their Public Warrants as private assets constitute taxable investment income. Such capital gains are generally subject to personal income tax at a flat rate of 25% (plus 5.5% solidarity surcharge, i.e. in total 26.375%). Capital gains are determined as the difference between (a) the proceeds of the sale or other disposition and (b) the acquisition costs plus the expenses directly connected to the sale or other disposition. It is unclear how the price for a Unit is allocated between the Public Share and the Public Warrant in order to determine the acquisition costs for tax purposes, but the acquisition costs of the Public Warrants may be deemed zero.

Regarding the option of the holder to be taxed at personal progressive rates, the saver's allowance and the non-deductibility of expenses, the description for capital gains derived from Public Shares applies accordingly.

Losses resulting from the lapse of Public Warrants as well as losses from the sale or other disposition of Public Warrants, in each case occurring after December 31, 2020, should only be offsettable against similar investment income in an amount of €20,000 per individual tax year. Losses not utilized in the year of their occurrence may be carried forward to subsequent years to be offset up to an amount of €20,000 against similar investment income derived in the respective subsequent year. A carry back of such losses is not permitted.

If the Public Warrants are deposited in a custodial account with or administered by a German Disbursing Agent or a German Disbursing Agent conducts the sale of the Public Warrants, the German Disbursing Agent is generally obliged to withhold tax at a rate of 25% (plus 5.5% solidarity surcharge, i.e. in total 26.375%) on the capital gains derived from the sale or other disposition of the Public Warrants and disbursed or credited to the holder of the Warrants. The German personal income tax liability with respect to the capital gains is generally satisfied through the withholding. In case the exercise is treated as a taxable event, the German Disbursing Agent may demand that the holder of the Public Warrants provide him the funds necessary to comply with his obligation to withhold tax on the gains derived upon exercise. If the holder refuses to provide the funds to the German Disbursing Agent, the fiscal authorities may claim the withholding tax directly from the holder of the Public Warrants.

Qualified Participation. It is unclear whether the flat tax rate applies to capital gains derived from the sale or other disposition of Public Warrants by a holder who holds a Qualified Participation in the Company, i.e., a holder (or, in case of a gratuitous acquisition, the holder's predecessor or predecessors) who holds or has held a participation of a least 1% in the share capital of the Company in the last five years prior to the sale. In this case, capital gains may be subject to personal income tax at the holder's personal progressive tax rate. However, the partial-income taxation method should apply then to the capital gains derived by such a holder. If the partial-income taxation method applies, only 60% of the capital gains are taxable and only 60% of the losses from the sale or other disposition and of the expenses economically connected to the sale or other disposition are deductible.

22.5.2.1.2 Taxation of capital gains of German Holders who hold their Public Warrants as business assets.

In case the Public Warrants are business assets of a German holder, capital gains are not subject to the flat tax rate for Public Warrants held as private assets. The taxation of capital gains (i.e., the difference between (a) the proceeds of the sale or other disposition and (b) the book value) is determined according to whether the German holder is a corporation, an individual or a partnership (Co-Entrepreneurship):

Corporations. Capital gains of a corporate German holder of the Public Warrants should be fully subject to corporate income tax (plus solidarity surcharge thereon) and trade tax. The participation exemption should not apply to capital gains derived from Public Warrants. There is a risk that losses resulting from the sale, other disposition or lapse of the Public Warrants may be ring-fenced and only offsettable against income from forward transactions (*Termingeschäfte*).

A German Disbursing Agent that holds Public Warrants in a deposit account for a corporate German holder is generally exempt from the obligation to withhold German tax on capital gains derived from the sale or other disposition of the Public Warrants and disbursed or credited to the corporation by the German Disbursing Agent.

Individual entrepreneurs. If the Public Warrants are business assets of an individual entrepreneur, the capital gains are subject to personal income tax at progressive rates (plus the solidarity surcharge thereon) and, if the Public Warrants are attributable to a permanent establishment of a commercial business in Germany of such holder, trade tax. Arguably, the partial-income taxation method applies also to capital gains derived from the sale or other disposition of Public Warrants. In this case, only 60% of the capital gains are taxable and only 60% of the losses from the sale or other disposition and of the expenses economically connected to the sale or other disposition are deductible. There is a risk that losses resulting from the sale, other disposition or lapse of the Public Warrants may be ring-fenced and only offsettable against income from forward transactions (*Termingeschäfte*).

Trade tax can be credited in accordance with a lump-sum tax credit method against the personal income tax of the holder. Depending on the trade tax rate imposed by the local municipality and the personal tax situation of the holder, this may result in a full or partial credit of the trade tax.

A German Disbursing Agent that holds Public Warrants in a deposit account for an individual entrepreneur is exempt from the obligation to withhold German tax on capital gains derived from the sale or other disposition of the Public Warrants and disbursed or credited to the individual entrepreneur, provided that the individual entrepreneur certifies to the German Disbursing Agent on officially prescribed form that the capital gains constitute business income of a German business.

Partnerships. If the German holder is a partnership, the personal or corporate income tax is not levied at the level of the partnership but at the level of the respective partner being subject to tax in Germany. The full amount of capital gains included in a corporate partner's share in partnership profits should be subject to corporate income tax (*i.e*., the participation exemption should not apply). Capital gains included in an individual partner's share of profits are subject to personal income tax. Arguably, the partial-income taxation method applies to such capital gains. In addition, the capital gains are subject at the full amount to trade tax at the level of the partnership if the Public Warrants are attributable to a permanent establishment of a commercial business of the partnership in Germany. However, to the extent that capital gains are included in an individual partner's share in partnership profits, it is arguable that the partial-income taxation method applies also for trade tax purposes. There is a risk that losses resulting from the sale, other disposition or lapse of the Public Warrants are ring-fenced and only offsettable against income from forward transactions (*Termingeschäfte*).

An individual partner can generally credit the trade tax paid by the partnership and attributable to his share in partnership profits against his personal income tax in accordance with a lump-sum tax credit method, resulting in a full or partial credit of the trade tax depending on the trade tax rate imposed by the local municipality and the personal tax circumstances.

A German Disbursing Agent that holds Public Warrants in a deposit account for a partnership is exempt from the obligation to withhold German tax on capital gains derived from the sale or other disposition of the Public Warrants and disbursed or credited to the partnership, provided that the partnership certifies to the German Disbursing Agent on officially prescribed form that the capital gains constitute business income of a German business.

22.5.2.2 Holders of the Public Warrants Tax Resident Outside Germany

Holders (individuals or corporations) of the Public Warrants that are not tax resident in Germany but hold their Public Warrants through a permanent establishment or a fixed place of business in Germany are subject to German tax on the capital gains from the sale or other disposition of the Public Warrants. The rules described above for German holders who hold their Public Warrants as business assets apply accordingly. However, capital gains derived by a corporate holder of the Public Warrants, which is not tax resident in Germany are only exempt from withholding tax if such holder certifies to the German Disbursing Agent on officially prescribed form that the capital gains constitute business income of a German business.

22.6 Potential Change in Law / Amendment of the Solidarity Surcharge Act

As of January 1, 2021, the solidarity surcharge (*Solidäritätszuschlag*) which is an additional levy on the income tax burden of taxable persons in an amount of 5.5% has been partly abolished. Such abolition only affects individuals subject to income tax under the German Income Tax Act (*Einkommensteuergesetz*), hence corporations that are subject to corporate income tax under the German Corporate Income Tax Act (*Körperschaftsteuergesetz*) will not be affected by such abolition at all. As a result of such new law, the solidarity surcharge would only be levied if the income tax burden (*tarifliche Einkommensteuer*) exceeds an exemption limit of €16,956.00 (or €33,912.00 in case of married couples or registered civil unions (*eingetragene Lebenspartnerschaften*) filing jointly). If the taxable income of an investor exceeds such exemption limit, the solidarity surcharge rate increases continuously up to a total levy of 5.5% on the income tax burden.

However, the partial abolition of the solidarity surcharge will not affect the withholding of taxes (*Kapitalertragsteuer*). Solidarity surcharge will still be levied on the withholding tax amount and withheld accordingly. There will not be a refund of any solidarity surcharge (regardless of the aforementioned exemption limits) if the withholding tax cannot be refunded either.

Besides this, the coalition agreement between the German Christian Democratic and Christian Social Union, as well as with the German Social Democratic Party for the formation of a new German federal government provides that the Flat Tax regime shall be partially abolished for interest income as soon as the automatic information exchange on tax matters (*Automatischer Informationsaustausch in Steuerfragen*) is established. Instead, interest income shall be taxed by way of assessment on the basis of the individual taxpayer's progressive income tax rates of up to 45% (plus a 5.5% solidarity surcharge thereon, unless (partially) abolished or reduced in the future, and church tax, if applicable).

22.7 Special Treatment of Companies in the Financial and Insurance Sectors and Pension Funds

As an exception to the aforementioned rules, dividends paid to, and capital gains realized by, certain companies in the financial and insurance sector are fully taxable. Since January 1, 2017, the aforementioned exclusions of (partial) tax exemptions for corporate income tax and trade tax purposes apply to shares which, in the case of credit institutions or financial services institutions, are to be allocated to the trading portfolio (*Handelsbestand*) within the meaning of the German Commercial Code (*Handelsgesetzbuch*). As a consequence, such credit institutions or financial services institutions cannot benefit from the partial income method and are not entitled to the effective 95% exemption from corporate income tax, solidarity surcharge and trade tax. Therefore, dividend income and capital gains are fully taxable. The same applies to shares held by finance companies where (i) credit institutions or financial services institutions hold, directly or indirectly, a participation of more than 50% in the respective finance company, and (ii) the finance company must disclose the shares as current assets (*Umlaufvermögen*) as of the time they are initially recognized as business assets. Likewise, the tax exemption described earlier afforded to corporations for dividend income and capital gains from the sale of shares does not apply to shares that qualify as a capital investment in the case of life insurance and health insurance companies, or those which are held by pension funds.

However, an exemption to the foregoing, and thus a 95% effective tax exemption, applies to dividends obtained by the aforementioned companies, to which the Parent Subsidiary Directive applies.

22.8 Inheritance and Gift Tax

The transfer of shares to another person by inheritance or gift is generally only subject to German inheritance or gift tax if:

i. the decedent, donor, heir, beneficiary or other transferee maintained his domicile or habitual abode in Germany, or had its place of management or registered office in Germany at the time of the transfer, or is a German citizen who has spent no more than five consecutive years (this term is extended to ten years for German expatriates with residence in the United States) prior to the transfer outside Germany without maintaining a residence in Germany (special rules apply to certain former German citizens who neither maintain their domicile nor have their habitual abode in Germany); or

ii. the shares were held by the decedent or donor as part of business assets for which a permanent establishment was maintained in Germany or for which a permanent representative in Germany had been appointed; or

iii. the decedent or donor, either individually or collectively with related parties, held, directly or indirectly, at least 10% of the Company's registered share capital at the time of the inheritance or gift.

Currently, there is no double taxation treaty on inheritance tax and gift tax in force between Germany and Luxembourg. Special rules apply to German citizens living outside Germany and to former German citizens.

The fair value of the shares represents the tax assessment base, which generally corresponds to the stock exchange price of the Company's shares. Depending on the degree of relationship between decedent or donor and recipient, different tax-free allowances and tax rates apply.

22.9 The Proposed Financial Transactions Tax

On February 14, 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a directive for a common financial transaction tax in certain participating member states of the European Union, including Germany. Such directive could, depending on the actual circumstances, apply to certain transactions in the Company's shares, including with respect to secondary market transactions. The issuance and subscription of shares should, however, be exempt. The Commission's Proposal remains subject to negotiations between the participating member states of the European Union and it is currently unclear in what form and when the Commission's Proposal will be implemented, if at all. Recently, the German Federal Minister of Finance has submitted a proposal to introduce a financial transaction tax, which has also not yet been adopted or implemented in Germany. Prospective shareholders are advised to seek their own professional advice in relation to a future financial transaction tax.

22.10 Other Taxes

No German real estate transfer tax, VAT, stamp duty or similar taxes are currently assessed on the purchase, sale or other transfer of shares of the Company. Provided that certain requirements are met, an entrepreneur may, however, opt for the payment of VAT on transactions that are otherwise tax-exempt. Net wealth tax is currently not imposed in Germany.

23. FINANCIAL INFORMATION

Unaudited Interim Condensed Consolidated Financial Statements of

Lakestar SPAC I SE

Prepared in Accordance with IFRS on Interim Financial Reporting (IAS)

as of and for the Six Months Ended June 30, 2021

Report on review of interim condensed consolidated financial statements

To the Shareholders,

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Lakestar SPAC I SE as of 30 June 2021, which comprise the interim condensed consolidated statement of financial position as at 30 June 2021 and the related interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity, the interim condensed consolidated cash flow statement for the six-month period then ended and explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed financial statements in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting* as adopted by the European Union ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 as adopted by the European Union.

Ernst & Young
Société anonyme
Cabinet de révision agréé

Yves Even

Lakestar SPAC I SE, Luxembourg

Interim condensed consolidated statement of comprehensive income

for the six months ended 30 June

	Notes	2021 Unaudited €000
Revenue		0
Other operating expenses	5.1	(3,009)
Operating profit/(loss)		(3,009)
Finance costs	5.2	(10,316)
Finance income	5.3	3,444
Profit/(Loss) for the period		(9,881)
Other comprehensive income		0
Total comprehensive income/(loss) for the period, net of tax		(9,881)
Profit/(Loss) attributable to:		
Equity holders of the parent		(9,881)
Non-controlling interests		0
Total comprehensive income/(loss) attributable to:		
Equity holders of the parent		(9,881)
Non-controlling interests		0
Earnings per share attributable to equity holders of the parent:	7	
Basic and diluted earnings per share		(1.47)

The accompanying notes form an integral part of these consolidated financial statements.

Lakestar SPAC I SE, Luxembourg

Interim condensed consolidated statement of financial position

as at

	Notes	30 June 2021	31 December 2020
		Unaudited	**Audited**
		€000	**€000**
Assets			
Current assets			
Deferred cost	9	44	675
Cash and cash equivalents	10	3,798	763
Cash balance held in escrow account	11	277,465	0
		281,307	1,438
Total assets		281,307	1,438
Equity and liabilities			
Equity			
Issued capital	12	132	120
Other capital reserves	12	10,186	0
Accumulated deficit		(10,260)	(379)
Equity attributable to the equity holders of the parent		58	(259)
Non-controlling interests		0	0
Total equity		58	(259)
Current liabilities			
Trade and other payables	13	1,974	197
Interest-bearing loans and borrowings	12	0	1,500
Other current financial liabilities	8	279,275	0
		281,249	1,697
Total liabilities		281,249	1,697
Total equity and liabilities		281,307	1,438

The accompanying notes form an integral part of these consolidated financial statements.

Lakestar SPAC I SE, Luxembourg

Interim condensed consolidated statement of changes in equity

for the six months ended 30 June 2021

	Attributable to the equity holders of the parent			
	Issued capital (Note 12)	**Other capital reserves** (Note 12)	**Retained earnings**	**Total equity**
	€000	**€000**	**€000**	**€000**
As at 1 January 2021	**120**	**0**	**(379)**	**(259)**
Profit/(Loss) for the period	0	0	(9,881)	**(9,881)**
Other comprehensive income	0	0	0	**0**
Total comprehensive income	0	0	(9,881)	**(9,881)**
Issued class B shares	12	0	0	**12**
Issued class B warrants	0	8,000	0	**8,000**
Other contributions	0	2,186	0	**2,186**
At 30 June 2021 (unaudited)	**132**	**10,186**	**(10,260)**	**58**

The accompanying notes form an integral part of these consolidated financial statements.

Lakestar SPAC I SE, Luxembourg

Interim condensed consolidated statement of cash flows

for the six months ended 30 June

	Notes	2021 Unaudited €000
Operating activities		
Profit/(Loss) for the period		(9,881)
Adjustments to reconcile net loss to cash flows:		
Finance income		(3,444)
Finance costs		10,316
Working capital adjustments:		
Decrease in deferred costs		631
Increase in trade and other payables		1,779
Net cash flows from operating activities		(599)
Investing activities		
Net increase in cash balance held in escrow account	11	(277,465)
Net cash flows from investing activities		(277,465)
Financing activities		
Proceeds from issued class A units	12	275,000
Transaction costs class A shares	12	(6,213)
Proceeds from issued class B shares and warrants	8	12,312
Net cash flows from financing activities		281,099
Net increase in cash and cash equivalents		3,035
Cash and cash equivalents at 1 January		763
Cash and cash equivalents at 30 June	10	3,798

The accompanying notes form an integral part of these consolidated financial statements.

1. Corporate information

Lakestar SPAC I SE ("the Company" or "the parent") was incorporated on 26 November 2020 in Luxembourg as an European company (*Société Européenne* or "SE") based on the laws of the Grand Duchy of Luxembourg ("Luxembourg"). The interim condensed consolidated financial statements of the Company and its subsidiaries (collectively, "the Group") for the six months ended 30 June 2021 were authorised for issue in accordance with a resolution of the directors on 12 August 2021.

The Company is registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés*) under the number B249273 since 4 December 2020. The registered office of the Company is located at 9, rue de Bitbourg, L-1273 Luxembourg.

The Founders of the Company are an affiliate (Anxa Holding PTE Ltd., Singapore) of Klaus Hommels, the Founder and Chairman of Lakestar Advisors, (the "Sponsor"), Winners & Co. GmbH and Inga Schwarting (collectively together with the Sponsor, the "Founders").The Company's governing bodies are the Management Board, the Supervisory Board and the shareholders' meeting. The Company is managed by its Management Board under the supervision and control of the Supervisory Board. This two-tier governance structure was resolved by an extraordinary shareholders' meeting of the Company held on 22 January 2021. The Company is managed by its Management Board", composed of Stefan Winners (CEO and CFO), Inga Schwarting (CIO) and Luca Ellul (CAO).

The Supervisory Board is responsible for carrying out the permanent supervision and control of the management of the Company, without being authorized to interfere with such management. For this purpose, the Supervisory Board has an unlimited right of information regarding all operations of the Company and may inspect any of the Company's documents. It may request the Management Board to provide any information necessary for exercising its functions and may directly or indirectly proceed to all verifications, which it may deem useful in order to carry out its duties. The Supervisory Board members were appointed by an extraordinary shareholders' meeting held on 22 January 2021 and consists of Klaus Hommels (Chairperson), Raymond Bär and Dr. Dirk Altenbeck.

The Company has been established for the purpose of acquiring one operating business with principal business operations in a member state of the European Economic Area, the United Kingdom or Switzerland by way of a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transaction (the "Business Combination"). The Company will not conduct operations or generate operating revenue unless and until the Company consummates the Business Combination.

The Company intends to seek a suitable target for the Business Combination in the technology sector or technology-related sectors. The Company will have 24 months from the date of the admission to trading to consummate a Business Combination, plus an additional three months if it signs a legally binding agreement with a target within those initial 24 months. Otherwise, the Company will be liquidated and distribute all of its assets to its shareholders.

The Company has 27,500,000 redeemable Class A shares issued and outstanding as at 30 June 2021 which are traded in the Regulated Market of Frankfurt Stock Exchange under the symbol "LRS1" since 21 February 2021. Likewise, the Company's 9,166,666 Class A warrants are also traded on the Open Market of the Frankfurt Stock Exchange under the symbol "LRSW".

2. Summary of consolidation and accounting policies

2.1 Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Management Board considers that there are no material uncertainties that may cast doubt significant doubt over this assumption. The Management Board has formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2020.

These interim condensed consolidated financial statements of the Group are unaudited. They are presented in Thousands of Euros ("€000" or "k€"). The Group's operations are not affected by significant seasonal or cyclical patterns.

2.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020, except for the adoption of new standards effective as of 1 January 2021. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2021, but do not have an impact on the interim condensed consolidated financial statements of the Group.

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the interim condensed consolidated financial statements of the Group.

The Group intends to use the practical expedients in future periods if they become applicable.

2.3 Significant accounting judgements, estimates and assumptions

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Actual results and outcomes may differ from management's estimates and assumptions due to risks and uncertainties, including uncertainty in the current economic environment due to the ongoing outbreak of a novel strain of the coronavirus ("COVID-19").

In December 2019, a COVID-19 outbreak was reported in China, and, in March 2020, the World Health Organization declared it a pandemic. Since being initially reported in China, the coronavirus has spread to over 150 countries. Given the ongoing and dynamic nature of the COVID-19 crisis, it is difficult to predict the impact on the business of potential targets. The extent of such impact will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and actions taken to contain the coronavirus or its impact, among others. The ongoing COVID-19 pandemic, the increased market volatility and the potential unavailability of third-party financing caused by the COVID-19 pandemic as well as restrictions on travel and in-person meetings, which may hinder the negotiations, may also delay and/or adversely affect the Business Combination or make it more costly.

In the mid of 2021, the COVID-19 pandemic continued to impact business operations worldwide. The COVID-19 pandemic may continue to impact the business operations and the intended Business Combination processes, and there is uncertainty in the nature and degree of its continued effects over time.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Some instruments issued by the Company might be accounted for under IFRS 2 *Share-based payments* based on the following policy: The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised in as part of other operating expenses in the statement of comprehensive income, together with a corresponding increase in equity, over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of comprehensive income for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the recipient of the share-based payment. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

As at 30 June 2021, the significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in these interim condensed consolidated financial statements are:

- Going concern: The Management Board's underlying assumption to prepare the Interim condensed consolidated financial statements is based on the anticipated successful completion of the Business Combination. As required by art. 480-2 of the Luxembourg law of 10 August 1915 (as amended) the Management Board of the Group plans to present a business continuity plan to the shareholders. Further, the Founders have contributed sufficient capital to finance third party costs and other working capital requirements.
- Deferred tax asset: A deferred tax asset in respect of the tax losses incurred has not been recognised as the Management Board considers there to be significant uncertainty in terms of future taxable profit against which the Group can utilise the benefits therefrom (Note 6).
- Classification of the instruments issued by the Company: The Company has assessed the instruments issued by the Company whether they should be accounted for as share-based payments within the scope of IFRS 2 or as financial instruments within the scope of IAS 32 *Financial instruments*. This assessment involves consideration of all terms and conditions attached to the instruments and as to whether the instruments were issued by the Company for a service to the Company, potentially at a discount or subject to service or performance conditions. The Management Board concluded that class A shares and warrants should be accounted for under IAS 32, whereas class B shares and warrants are considered to fall within the scope of IFRS 2, except for class B shares and warrants issued under the Additional Sponsor Subscription, which are also accounted for as financial liabilities.
- Redeemable class A shares: The Management Board assessed the classification of redeemable class A shares in accordance with IAS 32 and concluded that the redeemable class A shares do not meet the criteria for equity treatment and must be recorded as liabilities. The class A shares have certain redemption features that are considered to be outside of the Company's control and subject to occurrence of uncertain future events. Accordingly, the Company classifies the redeemable class A shares as financial liabilities at amortised cost in accordance with IFRS 9. The transaction costs directly attributable to the issuance of the redeemable class A shares are deducted from the initial fair value and are therefore part of the effective interest rate. Refer to Note 8 for more details.

- Class A warrants: The Management Board assessed the classification of warrants in accordance with IAS 32 under which the warrants do not meet the criteria for equity treatment and must be recorded as financial liabilities. Accordingly, the Company classifies the class A warrants as liabilities at their fair value through profit and loss. The class A warrants were valued using a Modified Black-Scholes Option Pricing model at issuance. Refer to Note 8 for more details.
- Class B shares: The Management Board assessed that class B shares are considered to be share-based payments in scope of IFRS 2. These Founder shares were issued to the Founders in return for the various activities and services performed on behalf of the Company, most significantly the successful identification of a target and consummation of the Business Combination. The Founder shares were issued at nominal amount and do not carry a specified service period but would be forfeited or otherwise expire worthless if a Business Combination is not consummated. Therefore, the Founders only derive the value from the Founder shares when they are converted into class A shares upon a successful Business Combination. Consequently, the grant date of these awards does not occur until the closing date of the Business Combination. No IFRS 2 charge is recognised prior to that date since only then, the value of the award can be determined. The founder shares are considered an equity-settled share-based payment award. Also refer to Note 12.
- Class B warrants: They are determined to be equity-settled share-based payment awards in accordance with IFRS 2 on which the vesting of the class B warrants are tied to the services provided by the Founders in relation to the completion of the Business Combination. The relevant measurement date of the class B Founder warrants (except for any class B Founder warrants acquired as part of the Additional Sponsor Subscription) in accordance with IFRS 2 will occur once a target has been identified and accepted in a shareholders' meeting. As there is no service period attached to the class B Founder warrants, the expense shall be recognized upon satisfaction of all vesting conditions. Therefore, the grant date fair value of the Founder warrants will be recognized in full at the closing of the Business Combination, which is also the grant date. The price of € 1.50 paid by the Founders per class B warrant is shown under "Other capital reserves" as of 30 June 2021.
- Additional Sponsor Subscription: The sponsor subscribed to 260,000 class B shares and 86,666 class B warrants for an aggregate purchase price of € 2,600,000. The total fair value of the unit of the Additional Sponsor Subscription related class B shares and class B warrants amounts to k€ 2,600. The class B shares are initially measured at fair value minus all the transaction cost that are directly attributable to issuing the financial liability in accordance to IFRS 9.5.1.1. The fair value of the class B shares is determined as the residual amount of the fair value of the entire class B unit that is related to the additional sponsor subscription (k€ 2,600) and the fair value of the class B Founder warrants. The class B shares then are subsequently measured at amortized cost using the effective interest rate method. The class B warrants held as part of this subscription are considered derivatives which are measured at fair value through profit or loss.
- Additional Purchase Price: In addition to the Founders Capital At-Risk, the Founders paid an Additional Purchase Price for the Founder Warrants in the aggregate of k€3,200 that will be used to cover the remuneration of the members of the Management Board of the Company and due diligence cost in connection with the Business Combination. The additional purchase price shall be repaid to the Founders upon consummation of the Business Combination to the extent it has not been used. Therefore, the Additional Purchase Price is accounted for as a financial liability.

3. Private Placement and Initial Public Offering

The Company has completed its Private Placement on 21 February 2021 for the issuance of 27,500,000 class A redeemable shares with a par value of € 0.0192 and 9,166,666 class A warrants. The class A redeemable shares are admitted to trading in the Regulated Market of the Frankfurt Stock Exchange (General Standard) under the symbol "LRS1" on 22 February 2021. Likewise, the class A warrants are also traded on the Open Market of the Frankfurt Stock Exchange under the symbol "LRSW". The 27,500,000 units (the "Units"), each consisting of one share (a "Public Share" or class A share) and 1/3 warrant (a "Public Warrant" or "class A warrant"), were placed at a price of € 10.00 per unit representing a total placement volume of € 275 million.

The Shareholders of the Company, namely Anxa Holding PTE Ltd. (also referred to as Sponsor), Winners & Co. GmbH and Inga Schwarting have subscribed to 7,135,000 class B convertible shares and 5,419,999 class B warrants of the Company. The class B shares and warrants are not publicly traded securities. The Founders have agreed to a lock-up period running at least until the Business Combination, subject to customary exceptions.

For the issuance of class A shares an amount of k€ 6,213 has been directly deducted from the proceeds of the issuance attributable to these instruments for costs incurred for the listing of the class A shares.

4. Business Combination

The Company intends to seek a suitable target for the Business Combination in the technology sector or technology-related sectors. The Company will have 24 months from the date of the admission to trading to consummate a Business Combination, plus an additional three months if it signs a legally binding agreement with a target within those initial 24 months. Otherwise, the Company will be liquidated and distribute all of its assets to its shareholders and with a priority to its class A shareholders.

On 4 June 2021, the Group has entered into a non-binding letter of intent with HomeToGo GmbH, Berlin ("HomeToGo" or "HTG"), concerning a Business Combination between the Company and HomeToGo pursuant to which the Company intends to acquire or assume 100% of the outstanding equity and equity equivalents of HomeToGo. The letter of intent further includes an agreement to seek a PIPE transaction (private investment in public equity) in a to be agreed upon amount that the Company and HomeToGo intend to consummate in parallel to the envisaged Business Combination. Since the Business Combination was not closed in the six months period ended 30 June 2021, the intended Business Combination is not reflected in the condensed consolidated financial statements.

HomeToGo is a marketplace for alternative accommodations that connects millions of users searching for a perfect place to stay with tens of thousands of inventory suppliers across the globe, operating localized websites and apps in 23 countries.

For further comments please refer to the last section in these notes to financial statements regarding the events after the reporting period.

5. Other expenses

5.1 Other operating expenses

The other operating expenses of k€ 3,009 incurred in 2021 mainly include fees for tax, accounting, auditor's, directors' fees, negative interest expenses and consulting services. Directors' fees amount to k€ 245 for the reporting period. The other operating expenses also includes the transaction cost attributable to class A warrants.

The Company did not have any employees during the financial period ended 30 June 2021.

5.2 Finance costs

The finance costs comprise the following costs:

	For the six months ended 30 June 2021
	€000
Interest expenses on class A shares	(10,252)
Interest expenses on class B shares (Addional Sponsor Subscription)	(64)
Finance costs	(10,316)

The class A shares and class B shares from the Additional Sponsor Subscription only are measured at amortized cost using the effective interest rate method. The effective interest rate used to calculate the interest expenses for the class A shares is 11,63 %. Likewise, the same method has been applied for class B shares from the Additional Sponsor Subscription, resulting in interest expenses of k€ 64 for the six months period ended 30 June 2021.

5.3 Finance income

The finance income comprises the following items:

	For the six months ended 30 June 2021
	€000
Fair value gain on class A warrants	3,410
Fair value gain on class B warrants (Additional Sponsor Subscription)	33
Interest income	1
Finance income	3,444

On 17 February 2021 the Company has authorized the issuance and sale of 9,166,666 class A warrants which may be exercised to subscribe for class A shares of the Company. In accordance with IAS 32 the class A warrants have been classified as financial liability measured at fair value through profit or loss. The class A warrants have been valued at € 1.27 per warrant as per inception on 22 February 2021.

Since, based on the quoted market price, the valuation of the class A warrants decreased to € 0.90 per warrant as at 30 June 2021, the Company has realized a fair value gain on class A warrants of k€ 3,410.

Likewise, the fair value gain of class B warrants from the Additional Sponsor Subscription results for the difference between the measurement of the financial liability as of 22 February 2021 and 30 June 2021 amounting to k€ 33.

6. Income taxes

The reconciliation between actual and theoretical tax expense is as follows:

	For the six months ended 30 June 2021
	€000
Profit/(Loss) for the period after tax	(9,881)
Income tax	0
Profit/(Loss) for the period before tax	(9,881)
Theoretical tax charges, applying the tax rat of 24.94%	2,464
Losses for which no deferred tax has been created	2,464
Income tax	0

The tax rate used in reconciliation above is the Luxembourgish tax rate (24.94%) as the Company is domiciled in Luxembourg.

Deferred tax assets on tax loss-carryforwards and temporary differences have not been recognised in respect of the loss incurred within the period ended 30 June 2021 because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom. Unused tax losses of the Company can be used within a period of 17 years as per Luxembourg tax law.

7. Earnings per share

Basic earnings per share ("EPS") is calculated by dividing the profit or loss for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the profit or loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the basic and diluted EPS calculations:

	As at 30 June 2021
Loss attributable to class B equity holders of the parent:	(9,881)
Weighted average number of ordinary shares for basic and diluted EPS	6,704,861
Basic and diluted EPS	(1.47)
Number of potential further shares not considered because they are antidilutive:	
Redeemable class A shares	27,500,000
Redeemable sponsor subscription	260,000
Class A and B warrants	14,586,666
Total	42,346,666

8. Financial assets and liabilities

Financial liabilities

Set out below, is an overview of financial liabilities held by the Group as at 30 June 2021:

	As at 30 June 2021
	€000
Financial liabilities at amortised cost:	
Carrying value of class A shares	267,380
Carrying value of additional class B shares	2,351
Additional share premium class B shares	1,216
Financial liabilities at fair value through profit or loss:	
Fair value of class A warrants	8,250
Fair value of additional class B warrants	78
Financial liabilities	279,275

The Company has completed its Private Placement on 21 February 2021 for the issuance of 27,500,000 class A redeemable shares with a par value of € 0.0192 and 9,166,666 class A warrants. The 27,500,000 units (the "Units"), each consisting of one share (a "Public Share" or class A share) and 1/3 warrant (a "Public Warrant" or class A warrant), were placed at a price of € 10.00 per unit representing a total placement volume of € 275 million.

Class A shareholders may request redemption of all or a portion of their class A shares in connection with the Business Combination, subject to the conditions and procedures set forth in the Articles of Association. Class A shares will only be redeemed under the following conditions, (i) the Business Combination is approved by the general meeting of shareholders and subsequently consummated, (ii) a holder of class A shares notifies the Company of its request to redeem a portion or all of its class A shares in writing by completing a form approved by the Management Board for this purpose that will be included with the convening notice for the general meeting of shareholders and such notification is received by the Company not earlier than the publication of the notice convening the general meeting of shareholders for the approval of the Business Combination and not later than two business days prior to the date of the general meeting of shareholders convened for the purpose of approving the Business Combination, and (iii) the holder of class A shares transfers its class A shares to a trust depositary account specified by the Company in the notice convening the general meeting of shareholders.

Each class A share that is redeemed shall be redeemed in cash for a price equal to the aggregate amount on deposit in the escrow account related to the proceeds from the Private Placement of the class A shares and warrants, divided by the number of the then outstanding class A shares, subject to (i) the availability of sufficient amounts on the escrow account and sufficient distributable profits and reserves of the Company.

The amortized cost of the class A shares was derived as follows:

	As at 30 June 2021
	€000
Proceeds from public units	275,000
Fair value of class A warrants on inception	(11,660)
Assigned costs of issuance	(6,212)
Subtotal: Amount of the liability at initial recognition	257,128
Interest expense relating to class A shares	10,252
Class A shares, amortized costs	267,380

The fair value of redeemable class A shares was € 274 million based on its quoted price as at 30 June 2021.

The Additional Sponsor Subscription of class B shares ("additional class B shares") is accounted for under IAS 32 as a redeemable instrument at the option of the holder. Similar to the class A shares, these class B shares constitute puttable instruments, that would need to be classified as a financial liability at amortized cost. At inception, a liability of k€ 2,600 has been recorded which has been reduced by the negative interest expenses incurred by the Company of k€ 206. The same holds true for the additional purchase price of k€ 3,200 which has been reduced by k€ 1,984, i.e. the management fees incurred in 2021 and due diligence expenses, since the liability is reduced by that amount.

On 17 February 2021 the Company has authorized the issuance and sale of 9,166,666 class A warrants which may be exercised to subscribe for class A shares, and which are accounted for as a financial liability at fair value through profit or loss in accordance with IAS 32. From a valuation point of view, the public warrant agreement constitutes a multiple embedded derivative, where (1) a call option and (2) a redemption right compose the entire instrument. To arrive at the fair value of the entire instrument, the fair value of the redemption right is to be deducted from the fair value of the call option (without the redemption right). The value of the redemption right is dependent on the occurrence of specific events. It has been calculated that the value of the call option was € 1.27 per warrant as of 22 February 2021 and € 0.90 per warrant as at 30 June 2021, based on the quoted market price (Level 1). The calculated value of the redemption right was € 0.00 on the issuance date. Consequently, a fair value adjustment of k€ 3,410 has been recorded under the finance income for the valuation as at 30 June 2021.

Additional Sponsor Subscription class B warrants are categorized as financial liabilities at fair value through profit or loss as of the admission date of the warrant agreement. They are initially recognized at fair value and are subsequently measured at fair value through profit or loss, with any fair value gains or losses being recognized in the statement of profit or loss. The Additional Sponsor Subscription class B warrants are also valued at € 0.90 per warrant as at 30 June 2021, i.e. by reference to the quoted price of class A warrants (Level 2).

9. Deferred costs

Deferred costs of k€ 44 as at 30 June 2021 are mainly composed prepaid expenses.

10. Cash and cash equivalents

The amount of cash and cash equivalents was k€ 3,798 as at 30 June 2021. This balance does not include cash balances held in escrow of k€ 277,465.

Cash and cash equivalents consist of balances held in current accounts.

11. Cash balances held in escrow account

The Company has transferred all of the gross proceeds from the Private Placement of the units (k€ 275,000) and the Additional Sponsor Subscription (k€ 2,600) into an escrow account with Deutsche Bank Aktiengesellschaft. In case of a Business Combination, the amounts held in the escrow account will be paid out in this order of priority, (i) to redeem the public shares for which a redemption right was validly exercised, (ii) in relation to any public share for which a public shareholder has validly exercised a redemption right, the payment of any pro rata (positive) interest on, or other income generated from investment of, any amounts deposited in the escrow account, after deduction of taxes paid, (iii) to pay the fixed deferred listing commission, (iv) to pay the discretionary listing commission and (v) payment of any remainder of any amount in the escrow account to the Company.

If the Company does not consummate a Business Combination by the relevant deadline, the amounts standing to the credit of the escrow account will be distributed to the Company, and, after deduction of the unused portion, if any, of the proceeds from the Additional Sponsor Subscription, at the first priority distributed to the holders of the public shares.

The proceeds from the Additional Sponsor Subscription will be used to cover the negative interest paid on the proceeds held in the escrow account. In 2021, an amount of k€ 135 for negative interest has been paid and has consequently reduced the cash balances held in the escrow account. Therefore, the amount of cash balances held in escrow account was k€ 277.465 as at 30 June 2021.

12. Issued capital and reserves

Share capital

The share capital of the Company consists of the nominal price of € 0.0192 paid for 6,875,000 class B redeemable shares without nominal value (“Founder shares” or “class B shares”).

The 6,875,000 class B shares, excluding 260,000 class B Shares issued under the Additional Sponsor Subscription, represented by:

- 2,291,667 (excluding the 260,000 additional founder subscription shares) class B1 shares (the "Class B1 shares") without nominal value,
- 2,291,667 class B2 shares (the "Class B2 shares") without nominal value,
- 2,291,666 class B3 shares without nominal value (the "Class B3 shares").

The Founder shares were subscribed to by the Founders at a nominal price of €0.0192 per share. The Founder shares are viewed to meet the criteria of IFRS 2 as the Founder shares entitle the holder to receive equity instruments (including shares or share options) of the entity provided the specified vesting conditions, if any, are met. Further key indicators that the Founder shares are within the scope of IFRS 2 include:

- The minimal nominal subscription price of the Founder shares indicates these shares were issued at a discount as compared to the price of a class A share in which they convert into without additional monetary consideration. This also enable significant ownership interest to be retained by the Founders upon completion of a successful Business Combination.
- The Commercial rationale for issuing the instruments is the Sponsors/Founders provide perform various activities and services on behalf of the SPAC, most significantly the successful identification of a target and consummation of the Business Combination with a target.
- The class B shares do not carry a specified service period but would be forfeited or otherwise expire worthless if a Business Combination is not consummated. Therefore, the Founders only derive the value from the class B shares when they are converted into class A shares upon a successful Business Combination.

The founding Shareholders of the Company, namely Anxa Holding PTE Ltd. (also referred to as Sponsor), Winners & Co. GmbH and Inga Schwarting (together as the "Founders") have together subscribed to 7,135,000 class B shares of the Company.

Upon and following the completion of the Business Combination, the Class B shares existing at that point in time shall convert to class A shares as follows ("Promote Schedule"):

i. 1/3 on the trading day following the consummation of the Business Combination.
ii. 1/3 if, if post consummation of the Business Combination, the closing price of the class A shares for any 10 trading days within a 30 day trading period exceeds € 12.00 and;
iii. 1/3 if, post consummation of the Business Combination, the closing price of the class A shares for any 10 trading days within a 30 day trading period exceeds € 14.00.

Any class B shares that are transferred by private sales or transfers made in connection with the consummation of the Business Combination at prices no greater than the price at which the class B shares were originally purchased, will be redeemed in exchange for the issuance of class A shares upon the consummation of the Business combination, but will be subject to Founder Lock-up (as defined below).

The Founders have committed not to transfer, assign, pledge or sell any of the class B shares and class B warrants other than to Permitted Transferees (as defined in the prospectus) in accordance with the Founder Lock-Up. From the consummation of the Business Combination, the class A shares received by the Founders as a result of the conversion in accordance with the Promote Schedule, except for Excluded Shares (defined below), will become transferrable on the first anniversary of the Business Combination or earlier if, at any time, the closing price of the class A shares equals or exceeds € 12.00 for any 20 trading days within any 30 trading day period (the "Founder Lock-Up"). Excluded shares are class A shares representing half of the first tranche of shares converted in accordance with the Promote Schedule, that are transferable without restrictions by the Founders from the consummation of the Business Combination

The class B shares will only have nominal economic rights (i.e., reimbursement of their par value, at best, in case of liquidation). The class B shares are not part of the Private Placement and are not listed on a stock exchange.

Other capital reserves

The founding Shareholders of the Company have together subscribed to 5,333,333 class B warrants of the Company. These class B warrants have been sold for € 1.50 per warrant. The class B warrants are within the scope of IFRS 2 and are considered equity settled instruments as the class B shares gives the holder the right to subscribe to the entity's shares. Consequently, the class B warrants are accounted for as outlined for the class B shares.

The proceed from the issuance of the class B warrants of k€ 8,000 are shown under "Other capital reserves". The Founders and the Company have agreed to set off the principal amount (k€ 1,500) due under a loan agreement entered into between the Founders and the Company in December 2020 at the time of the incorporation of the Company in order to finance the Company's working capital requirements until a Private Placement (the "Shareholder Loan") against part of the aggregate subscription price for these Founder Warrants. The Shareholder Loan was terminated.

Additionally, the negative interest incurred by the Company of k€ 206 has been accounted for as "other contribution" under "Other capital reserves" as the corresponding liability is reduced by this amount.

Finally, the directors' fees and due diligence expenses of k€ 1,980 incurred by the Company have been accounted as "other contribution" under "Other capital reserves" as the corresponding liability is reduced by this amount.

13. Trade and other payables

Trade and other payables amount to k€ 1,974 as at 30 June 2021.

Trade and other payables are related to legal and other services received by the Group. The carrying amounts of these approximate their fair value.

14. Share-based payments

Class B shares and warrants (except for class B shares and warrants from the Additional Sponsor Subscription) are accounted for by applying IFRS 2. Please refer to judgements and the section "Issued capital and other reserves".

15. Commitments and contingencies

The Company entered into an agreement with Deutsche Bank Aktiengesellschaft, J.P. Morgan AG, and Morgan Stanley & Co. International plc, operating together as Joint Bookrunners for the Private Placement, by virtue of which the Company will be obliged to pay an aggregate fee of k€ 4,500 on the gross proceeds from the Private Placement on the completion of the Business Combination ("Deferred underwriting fee"). Additionally, the Company may further award the Joint Bookrunners an additional discretionary fee of up to k€ 3,150 on the completion of the Business Combination.

16. Related party disclosures

Parties are considered to be related if one party has the ability to control or jointly control the other party or exercise significant influence over the other party in making financial or operational decisions. Related parties also include key management personnel responsible for planning, directing and controlling the activities of the Company.

The Founders currently hold 7,135,000 convertible class B shares of the Company (the "Founder shares"), which were issued at a par value of € 0.0192 per Founder share. Upon and following the completion of the Business Combination, the Founder shares shall convert into Public shares in accordance with the following schedule: (i) 1/3 on the trading day following the consummation of the Business Combination, (ii) 1/3 if, post consummation of the Business Combination, the closing price of the Public Shares for any 10 trading days within a 30 trading day period exceeds € 12.00, and (iii) 1/3 if, post consummation of the Business Combination, the closing price of the Public Shares for any 10 trading days within a 30 trading day period exceeds € 14.00; while, notwithstanding the foregoing, any Founder shares transferred by private sales or transfers made in connection with the consummation of the Business Combination at prices no greater than the price at which the Founder shares were originally purchased, will be redeemed in exchange for the issuance of Public shares upon the consummation of the Business Combination, but will continue to be subject to the Founder Lock-Up (the "Promote Schedule"). The Founder shares will convert in accordance with the Promote Schedule into a number of Public shares such that the number of Public shares issuable to the Founders upon conversion of all Founder shares will be equal, in the aggregate, on an as-converted basis, to 20% (not taking into account the Founder shares issued to the Sponsor as part of the Additional Sponsor Subscription) of the total number of Public shares.

The Sponsor and the other Founders have committed not to transfer, assign, pledge or sell any of the Founder shares and Founder warrants other than to Permitted Transferees in accordance with the Founder Lock-Up. From the consummation of the Business Combination, the Public shares received by the Founders as a result of conversion of their Founder shares in accordance with the Promote Schedule, except for the Excluded Shares, will become transferrable on the first anniversary of the Business Combination or earlier if, at any time, the closing price of the Public shares equals or exceeds € 12.00 for any 20 trading days within any 30-trading day period. The "Excluded Shares" are a number of Public shares representing half of the first tranche of Public shares converted in accordance with the Promote Schedule that are transferable without restrictions by the Founders from the consummation of the Business Combination.

The Founders subscribed for an aggregate of 5,333,333 class B warrants at a price of € 1.50 per warrant (the "Founder warrants" or "class B warrants") for a total purchase price of k€ 8,000 in a separate Private Placement. The Founders Capital At-Risk is used to finance the Company's working capital requirements and Private Placement and listing expenses, except for the fixed deferred listing commission and the discretionary deferred listing commission, that will, if and when due and payable, be paid from the escrow account.

In addition, the Sponsor subscribed to 260,000 Founder shares and 86,666 Founder warrants, for an aggregate purchase price of k€ 2,600 (the "Additional Sponsor Subscription"). The proceeds of the Additional Sponsor Subscription will be used to cover the negative interest, if any, paid on the proceeds held in the escrow account to allow, in case of a liquidation of the Company after expiry of the Business Combination deadline or in case of redemptions of Public shares in the context of a Business Combination, for a redemption at € 10.00 per Public share up to an amount of negative interest that is equal to the proceeds from the Additional Sponsor Subscription. For any excess portion of the Additional Sponsor Subscription remaining after consummation of the Business Combination and the redemption of Public shares, the Sponsor may elect to either request repayment of the remaining cash portion of the Additional Sponsor Subscription by redeeming the corresponding number of Founder shares and Founder warrants subscribed for under the Additional Sponsor Subscription or not to request repayment of the remaining cash portion of the Additional Sponsor Subscription and to keep the Founder shares and Founder warrants subscribed for under the Additional Sponsor Subscription.

In addition to the Founders Capital At-Risk, the Founders paid an additional purchase price for the Founder warrants in the aggregate of k€ 3,200 that will be used to cover the remuneration of the members of the Management Board of the Company and due diligence cost in connection with the Business Combination. No additional Founder warrants were issued for this additional purchase price. The additional purchase price shall be repaid to the Founders upon consummation of the Business Combination to the extent it has not been used. The Founders have the option, but are not obligated to, pay an additional sum in excess of the k€ 3,200 as additional purchase price for the Founder warrants in case of unforeseen costs.

The Founder warrants have substantially the same terms as the Public warrants, except that they cannot be redeemed and they may always be exercised on a cashless basis while held by the Founders or their Permitted Transferees. The Founder warrants were not part of the Private Placement and will not be listed on a stock exchange.

The Founders and the Company have agreed to set off the principal amount (k€ 1,500) due under a loan agreement entered into between the Founders and the Company against part of the aggregate subscription price for these Founder warrants. The Shareholder Loan was consequently terminated.

Direct parent company

Based on the voting rights of the shares as of 30 June 2021, the Company does not have a direct parent Company.

Terms and conditions of transactions with related parties

There have been no guarantees provided or received for any related party receivables or payables.

The Founders and the Company have agreed to set off the principal amount (k€ 1,500) due under a loan agreement entered into between the Founders and the Company against part of the aggregate subscription price for these Founder warrants. The Shareholder Loan was consequently terminated.

Transactions with key management personnel

There are no advances or loans granted to members of the Management Board at the end of 30 June 2021. The fees paid to management amount to k€ 245.

For the class B shares and warrants please also refer to the description above and the section on “Issued capital and reserves”.

17. Events after the reporting period

On 14 July 2021, the Company and HTG among other parties, entered into a Business Combination agreement relating to the Business Combination between the Company and HTG by way of a contribution of all shares in HTG into the Company by the investors of HTG in exchange for the issuance of new public shares in the Company. The Business Combination will be consummated on 17 September 2021 subject to the approval of the shareholders’ meeting. In connection with the consummation of the Business Combination, the Company intends to issue additional class A shares with a par value of € 0.0192.

In connection with the Business Combination, the Company entered into subscription agreements with investors (the “PIPE Investors”) in a private investment in public equity transaction in the aggregate amount of € 75 million. In return for their investment, the PIPE Investors receive a total of 7,500,000 additional new Public shares in the Company.

The Company has applied for admission of the Public Shares to trading on the Regulated Market of the Frankfurt Stock Exchange (General Standard) under the symbol “HTG”.

Audited Consolidated Financial Statements of

Lakestar SPAC I SE

Prepared in Accordance with IFRS

as of and for the Year Ended December 31, 2020

Independent auditor's report

To the Shareholders of
Lakestar SPAC I SE
19, rue de Bitbourg
L-1273 Luxembourg

Opinion

We have audited the consolidated financial statements of Lakestar SPAC I SE (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the period from 26 November 2020 (date of incorporation) to 31 December 2020, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the period from 26 November 2020 (date of incorporation) to 31 December 2020 in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs are further described in the "responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report. We are also independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. 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 consolidated financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, 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 opinion. 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 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Ernst & Young
Société anonyme
Cabinet de révision agréé

(signed Michel Feider)
Michel Feider

Luxembourg, 22 January 2021

Lakestar SPAC I SE, Luxembourg

Consolidated statement of comprehensive income

for the period ended 31 December 2020

	Notes	2020 €
Revenue		-
Other operating expenses	6.1	(377,180.11)
Operating profit/(loss)		(377,180.11)
Finance costs	6.2&9	(1,397.25)
Profit/(Loss) for the period		(378,577.36)
Other comprehensive income		0.00
Total comprehensive income/(loss) for the period, net of tax		(378,577.36)
Profit/(Loss) attributable to:		
Equity holders of the parent		(378,577.36)
Non-controlling interests		0.00
Total comprehensive income/(loss) attributable to:		
Equity holders of the parent		(378,577.36)
Non-controlling interests		0.00
Earnings per share attributable to equity holders of the parent:	8	
Net earnings per share		(0.06)
Diluted earnings per share		(0.06)

The accompanying notes form an integral part of these consolidated financial statements.

Lakestar SPAC I SE, Luxembourg

Consolidated statement of financial position

as at 31 December 2020

	Notes	2020 €
Assets		
Current assets		
Deferred costs	10	674,912.92
Cash and cash equivalents	11	763,392.01
		1,438,304.93
Total assets		1,438,304.93
Equity and liabilities		
Equity		
Issued capital	12	120,000.00
Accumulated deficit		(378,577.36)
Other components of equity		0.00
Equity attributable to the equity holders of the parent		(258,577.36)
Non-controlling interests		0.00
Total equity		(258,577.36)
Current liabilities		
Trade and other payables	13	196,882.29
Interest-bearing loans and borrowings	9	1,500,000.00
		1,696,882.29
Total liabilities		1,696,882.29
Total equity and liabilities		1,438,304.93

The accompanying notes form an integral part of these consolidated financial statements.

Lakestar SPAC I SE, Luxembourg

Consolidated statement of changes in equity

for the period ended 31 December 2020

	Attributable to the equity holders of the parent		
	Share capital (Note 12)	**Accumulated deficit**	**Total equity**
	€	**€**	**€**
As at 26 November 2020	-	-	-
Issuance of new shares	120,000.00	-	120,000.00
Profit/(Loss) for the period	-	(378,577.36)	(378,577.36)
At 31 December 2020	120,000.00	(378,577.36)	(258,577.36)

The accompanying notes form an integral part of these consolidated financial statements.

Lakestar SPAC I SE, Luxembourg

Consolidated statement of cash flows

for the period ended 31 December 2020

	Notes	2020 €
Operating activities		
Profit/(Loss) for the period		(378,577.36)
Working capital changes:		
(Increase) in deferred costs		(674,912.92)
Increase in trade and other payables		196,882.29
Net cash flows from operating activities		(856,607.99)
Net cash flows from investing activities		0.00
Financing activities		
Proceeds from issuance of share capital	12	120,000.00
Proceeds from interest-bearing loans and borrowings	9	1,500,000.00
Net cash flows from financing activities		1,620,000.00
Net increase in cash and cash equivalents		763,392.01
Cash and cash equivalents at 26 November		0.00
Cash and cash equivalents at 31 December	11	763,392.01

The accompanying notes form an integral part of these consolidated financial statements.

Index to notes to the consolidated financial statements

1. Corporate information

Lakestar SPAC I SE ("the Company" or "the parent") was incorporated on 26 November 2020 in Luxembourg as an European company (*Société Européenne* or "SE") based on the laws of the Grand Duchy of Luxembourg ("Luxembourg"). The Company is registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés*) under the number B249273 since 4 December 2020.

The share capital of the Company on 26 November 2020 was set to € 120,000 and consisted of 6,250,000 class B redeemable shares without nominal value. The share capital has been fully paid up.

The registered office of the Company is located at 19, rue de Bitbourg, L-1273 Luxembourg.

The Company is managed by its management board (the Board of Directors or "Management Board"), composed of Stefan Winners (CEO and CFO), Inga Schwarting (CIO) and Marc Siepmann (CAO).

The founders of the Company are an affiliate of Klaus Hommels, the founder and chairman of Lakestar Advisors, (the "Sponsor"), Winners & Co. GmbH and Inga Schwarting (together with the Sponsor, the "Founders").

The consolidated financial statements of Lakestar SPAC I SE and its subsidiaries (collectively, "the Group") were prepared in accordance with IFRS standards as adopted by the European Union for the period ended 31 December 2020 and were authorised for issue in accordance with a resolution of the Supervisory Board on 22 January 2021. Under Luxembourg law the consolidated financial statements are subject to approval by the Shareholders.

The financial year is identical to the calendar year and includes the period from 1 January to 31 December whereas, exceptionally, the first financial period started on the date of the Company's incorporation and ended on 31 December 2020.

The Company has been established for the purpose of acquiring one operating business with principal business operations in a member state of the European Economic Area, the United Kingdom or Switzerland by way of a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transaction (the "Business Combination"). The Company will not conduct operations or generate operating revenue unless and until the Company consummates the Business Combination.

It is the intention of the Management Board that the Company will undergo an initial public offering ("IPO") and be admitted to trading on the regulated market (*Regulierter Markt*) of the Frankfurt Stock Exchange with simultaneous admission to the sub-segment thereof with additional post-admission obligations (*Prime Standard*) on 22 February 2021, the main characteristics of which will be described in the prospectus to be approved by the *Commission de Surveillance du Secteur Financier* (the "CSSF") in Luxembourg for the purpose of the listing of the shares and the warrants. The Company will also apply for introduction to trading of the Public Warrants on the open market (*Freiverkehr*) of the Frankfurt Stock Exchange.

The Company intends to seek a suitable target for the Business Combination in the technology sector or technology-related sectors. The Company will have 24 months from the date of the admission to trading to consummate a Business Combination, plus an additional three months if it signs a legally binding agreement with a target within those initial 24 months. Otherwise, the Company will be liquidated and distribute all of its assets to its shareholders.

Pursuant to Article 2 of the Articles of Association, the Company's corporate purpose is the creation, holding, development and realization of a portfolio, consisting of interests and rights of any kind and of any other form of investment in entities in Luxembourg and in foreign entities, whether such entities exist or are to be created, especially by way of subscription, acquisition by purchase, sale or exchange of securities or rights of any kind whatsoever, such as equity instruments, debt instruments, patents and licenses, as well as the administration and control of such portfolio.

The Company may further grant any form of security for the performance of any obligations of the Company or of any entity in which it holds a direct or indirect interest or right of any kind or in which the Company has invested in any other manner or which forms part of the same group of entities as the Company and lend funds or otherwise assist any entity in which it holds a direct or indirect interest or right of any kind or in which the Company has invested in any other manner or which forms part of the same group of companies as the Company.

The Company may borrow in any form and may issue any kind of notes, bonds and debentures and generally issue any debt, equity and/or hybrid securities in accordance with Luxembourg law.

The Company may carry out any commercial, industrial, financial, real estate or intellectual property activities which it may deem useful in accomplishment of these purposes.

2. Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group as at 31 December 2020 were prepared for the first time.

The consolidated financial statements have been prepared on a historical cost basis.

The consolidated financial statements have been prepared in Euros, and all amounts have been disclosed to the second decimal figure, unless stated otherwise. They have been prepared in accordance with the International Financial Reporting Standards (IFRS) published by the IASB and adopted by the European Union as of 31 December 2020.

Despite of the current negative equity balance of the Group as at 31 December 2020, the consolidated financial statements were prepared using the going concern principle, as the shareholders granted an interest-bearing loan to the Group up to € 10,000,000 to cover current expenses until 31 December 2022. As each lender may at any time, by notice in writing to the borrower and the other lenders, cancel his commitment to disburse to the borrower any unpaid portions of the loan, the Groups' going concern is dependent on the lenders willingness to continue to financially support the Group. Further, the Management Board's underlying assumption to prepare the consolidated financial statements is based on the anticipated successful completion of the Private Placement and the Business Combination. As required by art. 480-2 of the Luxembourg law of 10 August 1915 (as amended) the Management Board of the Group plans to present a business continuity plan to the shareholders.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2020.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- • Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- • Exposure, or rights, to variable returns from its involvement with the investee
- • The ability to use its power over the investee to affect its returns

Generally, there is the presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- • The contractual arrangements with the other vote holders of the investee
- • Rights arising from other contractual arrangements
- • The Group's voting rights and potential voting rights

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3 Summary of significant accounting policies

International accounting standards include IFRS, IAS (International Accounting Standards) and their interpretations (Standing Interpretations Committee) and IFRICs (International Financial Reporting Interpretations Committee).

The repository adopted by the European Commission is available on the following internet site: http://ec.europa.eu/finance/accounting/ias/index_en.htm

a) New standards, amendments and interpretations that were issued but not yet applicable in 2020 and that are most relevant to the Group

- **Amendments to IAS 1 - not yet endorsed by the EU:** Classification of Liabilities as Current or Non-current. In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively.
- **Reference to the Conceptual Framework – Amendments to IFRS 3 - not yet endorsed by the EU:** In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.

The initial application of these standards, interpretations and amendments to existing standards is planned for the period of time from when its application becomes compulsory. Currently, the Management Board anticipates that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial information of the Group.

b) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

c) Foreign currencies

These consolidated financial statements are presented in Euros (€), which is the parent's and subsidiaries functional currency and presentation currency. All financial information presented in Euros are disclosed to second decimal figures.

Transactions denominated in currencies other than the Euro are recorded at the exchange rate at the transaction date.

d) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date i.e. the date that the Group commits to purchase or sell the asset.

Financial assets: The Group classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss on the basis of both:

- The entity's business model for managing the financial assets
- The contractual cash flow characteristics of the financial asset

The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit and loss, transaction costs.

Financial assets measured at amortised cost: This is the category most relevant to the Group. A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit and loss when the asset is derecognised, modified or impaired.

The Group includes in this category cash and cash equivalents.

Financial liabilities: The financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or financial liabilities at amortised cost.

The Group's financial liabilities include trade and other payables, interest-bearing loans and borrowings.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities measured at amortised cost: This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

The Group includes in this category interest-bearing loans and borrowings and trade and other payables.

Derecognition: A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of financial assets: The Group has chosen to apply an approach similar to the simplified approach for expected credit losses ("ECL") under IFRS 9 to its financial assets. Therefore the Group recognises a loss allowance based on lifetime ECLs at each reporting date. The Group's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

e) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. The carrying amounts of these approximate their fair value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

f) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability

  Or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

g) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

h) Taxes

Income tax recognized in the statement of profit or loss and other comprehensive income includes current and deferred tax.

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss and other comprehensive income.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Deferred tax assets are tested for impairment on the basis of a tax planning derived from management business plans.

Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

- When receivables and payables are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

3. Significant accounting judgements, estimates and assumptions

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Actual results and outcomes may differ from management's estimates and assumptions due to risks and uncertainties, including uncertainty in the current economic environment due to the ongoing outbreak of a novel strain of the coronavirus ("COVID-19").

In December 2019, a COVID-19 outbreak was reported in China, and, in March 2020, the World Health Organization declared it a pandemic. Since being initially reported in China, the coronavirus has spread to over 150 countries. Given the ongoing and dynamic nature of the COVID-19 crisis, it is difficult to predict the impact on the business of potential targets. The extent of such impact will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and actions taken to contain the coronavirus or its impact, among others. The ongoing COVID-19 pandemic, the increased market volatility and the potential unavailability of third-party financing caused by the COVID-19 pandemic as well as restrictions on travel and in-person meetings, which may hinder the due diligence process and negotiations, may also delay and/or adversely affect the Business Combination or make it more costly.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are:

- Going concern: Judgement on going concern consideration.
  Despite of the current negative equity balance of the Group as at 31 December 2020, the consolidated financial statements were prepared using the going concern principle, as the shareholders granted an interest-bearing loan to the Group up to € 10,000,000 to cover current expenses until 31 December 2022. As each lender may at any time, by notice in writing to the borrower and the other lenders, cancel his commitment to disburse to the borrower any unpaid portions of the loan, the Groups' going concern is dependent on the lenders willingness to continue to financially support the Group. Further, the Management Board's underlying assumption to prepare the consolidated financial statements is based on the anticipated successful completion of the Private Placement and the Business Combination. As required by art. 480-2 of the Luxembourg law of 10 August 1915 (as amended) the Management Board of the Group plans to present a business continuity plan to the shareholders.
- Impairment of deferred costs: According to the Management Board's underlying assumption of a successful admission to the regulated market of the Frankfurt Stock Exchange, the related amounts incurred as transaction costs are reported as deferred costs. These amounts will be offset against the corresponding equity increase. If the listing is not completed, deferred costs will have to be impaired and to be recognised in consolidated statement of comprehensive income (Note 10).

- Deferred tax asset: A deferred tax asset in respect of the tax losses incurred has not been recognised as the Management Board estimates uncertainty in terms of future taxable profit against which the Group can utilise the benefits therefrom (Note 7).

4. Group information

Subsidiaries

The Group has been newly established in 2020. The wholly owned subsidiaries of the Company are: LS I Advisors GmbH & Co. KG, Munich, Germany ("LS I Advisors KG"), a German limited partnership managed by the Company's wholly owned subsidiary, LS I Advisors Verwaltungs-GmbH, Munich, Germany ("LS I Advisors GmbH"), which is the general partner of LS I Advisors KG.

The consolidated financial statements of the Group include the parent, LS I Advisors KG and LS I Advisors GmbH.

The parent company

The immediate and ultimate parent company of the Company is ANXA Holding PTE Ltd., Singapore, with a shareholding of 95.2%, an affiliate of Klaus Hommels, the founder and chairman of Lakestar Advisors.

Also, Winners & Co. GmbH, a German limited liability Company, and Inga Schwarting each have a shareholding of 2.4% in the Company.

Segment information

The Group is currently organised as one reportable segment. The Group has been deemed to form one reportable segment as the parent and its subsidiaries have been established together for the purpose acquiring one operating business i.e. the Business Combination (Note 1).

5. Acquisition of subsidiaries

Acquisitions in 2020

The Company will conduct substantially all of its operations through its wholly owned and newly acquired subsidiary LS I Advisors KG, a German limited partnership managed by the Company's wholly owned subsidiary, LS I Advisors GmbH, which is the general partner of LS I Advisors KG.

The acquired companies are companies with no business. Consequently, the acquisitions have been accounted as acquisitions of assets that do not constitute a business combination.

The Company acquired both companies for an amount of € 30,500 which included cash balances of € 25,500 (thereof € 25,000 LS I Advisors GmbH and € 500 LS I Advisors KG) and acquisition related costs of € 5,000. The acquisition related costs have been recognized in the consolidated statement of profit or loss and other comprehensive income.

The purchase price for both acquisitions has been fully paid.

6. Other expenses

6.1 Other operating expenses

The other operating expenses of € 377,180.11 incurred in 2020 mainly include fees for tax, accounting, auditor's and consulting services.

The Company did not have any employees during the financial period ended 31 December 2020.

6.2 Finance costs

The finance costs resulted from accrued interest for the drawn part of the loan facility (Note 9).

7. Income taxes

The reconciliation between actual and theoretical tax expense is as follows:

	2020
	€
Profit/(Loss) for the period after tax	(378,577.36)
Income tax	0.00
Profit/(Loss) for the period before tax	(378,577.36)
Theoretical tax charges, applying the tax rate of 24.94%	94,417.19
Losses for which no deferred tax asset has been recognized	94,417.19
Income tax	0.00

The tax rate used in reconciliation above is the Luxembourgish tax rate (24.94%) as the Company is domiciled in Luxembourg. Deferred tax assets have not been recognised in respect of the loss incurred within the period ended 31 December 2020 because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom. Unused tax losses of the Company can be used within a period of 17 years as per Luxembourg tax law.

8. Earnings per share

Basic earnings per share ("EPS") is calculated by dividing the profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

Currently, no other diluting instruments have been issued. Therefore, basic EPS equals diluted EPS as at 31 December 2020.

9. Financial assets and liabilities

Financial liabilities: Interest-bearing loans and borrowings

The Company as the borrower concluded a loan agreement with its shareholders as the lenders ("shareholder loan"). It was agreed for the loan to be utilized for the purpose of financing third party costs and other working capital requirements until the intended IPO. A loan amount of up to € 10,000,000 has been granted to the Company with a maturity date on 31 December 2022. ANXA Holding Pte. Ltd. is obliged to grant 95.2% and each Winners & Co. GmbH and Inga Schwarting shall be obliged to grant 2.4% of the loan.

Each lender may at any time, by notice in writing to the borrower and the other Lenders, cancel his commitment to disburse to the borrower any unpaid portions of the loan.

Interest shall accrue at the rate of 2.00% per annum on the outstanding principal amount of the loan and shall continue to accrue until the loan is fully repaid.

As at 31 December 2020, an amount of € 1,500,000 of the loan has been drawn by the Company. The undrawn loan facility as at 31 December 2020 amounts to € 8,500,000. An amount of € 1,397.25 has been accrued for unpaid interest for the drawn shareholder loan as at 31 December 2020.

Prior to or upon the completion of the IPO, the Parties intend to convert the shareholder loan into warrants to acquire shares in the Company.

10. Deferred costs

Deferred costs of € 674,912.92 as at 31 December 2020 are composed of costs incurred by the Company for the public offering which will be offset against the corresponding equity increase after the completion of the IPO.

11. Cash and cash equivalents

The amount of cash and cash equivalents was € 763,392.01 as at 31 December 2020.

12. Issued capital and reserves

Share capital

The subscribed share capital amounts to € 120,000 consisting of 6,250,000 class B redeemable shares without nominal value. The Company may also issue class A shares. The class B redeemable shares are redeemable at the option of the Company.

There are 6,250,000 shares outstanding as at 31 December 2020 which are currently held by the Founders of the Company ("Founder Shares"). It is planned that the Founder Shares will convert into a number of Public Shares such that the number of Public Shares issuable upon conversion of all Founder Shares will be equal, in the aggregate, on an as-converted basis, to 20% of the total number of Public Shares issued and outstanding as a result of the completion of the Private Placement, once converted.

Authorised capital

The authorized capital, excluding the issued share capital, of the Company is set at € 1,000,000 divided into 52,631,578 class A shares without nominal value.

Legal reserves

The Company is required to allocate a minimum of 5% of its annual net income to a legal reserve, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

13. Trade and other payables

Trade and other payables amount to € 196,882.29 as at 31 December 2020.

Trade and other payables are related to legal and other services received by the Group. The carrying amounts of these approximate their fair value.

14. Financial risk management objectives and policies

The Group consists of newly formed companies that have conducted no operations and currently generated no revenue. They do not have any foreign currency transactions. Hence currently the Group does not face foreign currency risks nor any interest rate risks as the financial instruments of the Group bear a fixed interest rate.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. If the Private Placement contemplated by the Group is completed, 100% of the gross proceeds of this Private Placement will be deposited in a secured deposit account. The amount held in the secured deposit account will only be released in connection with the completion of the Business Combination or the Group's liquidation. Following the completion of the Private Placement, the Management Board believes that the funds available to the Group outside of the secured deposit account, together with the available shareholder loan will be sufficient to pay costs and expenses which are incurred by the Group prior to the completion of the Business Combination.

Capital management

The Management Board policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. In order to meet the capital management objective described above, the Group intends to raise funds through a private placement reserved to certain qualified investors inside and outside of Germany, and to have the market shares and market warrants to be issued in such private placement admitted to listing and trading on the regulated market segment of Frankfurt Stock Exchange in the near future. The above-mentioned financial instruments to be issued as part of this Private Placement will represent what the entity will manage as capital.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is currently exposed to credit risk from its financing activities, including deposits with banks and financial institutions. No specific counterparty risk is being assessed as cash and cash equivalents are mostly deposited with a BBB+ (Fitch) or A1 (Moody's) rated bank.

15. Related parties disclosures

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Direct parent company

The founders of the Company are ANXA Holding PTE Ltd., Singapore, an affiliate of Klaus Hommels, the founder and chairman of Lakestar Advisors GmbH, Zurich, Switzerland (the "Sponsor"), Winners & Co. GmbH and Inga Schwarting (together with the Sponsor, the "Founders"). As of 31 December 2020, the Sponsor holds 95.2% of the Company's share capital, Winners & Co. GmbH holds 2.4% of the Company's share capital and Inga Schwarting also holds 2.4% of the Company's share capital.

Terms and conditions of transactions with related parties

There have been no guarantees provided or received for any related party receivables or payables.

Commitments with related parties

Regarding the shareholder loan please refer to Note 9.

Transactions with key management personnel

There are no advances or loans granted to members of the Management Board at the end of December 31, 2020.

Regarding the equity interest in the Company please refer to the information provided under "Direct parent company" above. Regarding the shareholder loan agreement please refer to Note 9.

16. Commitments and contingencies

The Group has no commitments and contingencies as at period end.

17. Events after the reporting period

In the beginning of 2021, the COVID-19 pandemic continued to impact business operations worldwide. The COVID-19 pandemic may continue to impact the business operations and the intended IPO and Business Combination processes, and there is uncertainty in the nature and degree of its continued effects over time.

Luxembourg, 22 January 2021

Stefan Winners
Member of the Management Board
Chief Executive Officer and
Chief Financial Officer

Inga Schwarting
Member of the Management Board
Chief Investment Officer

Marc Siepmann
Member of the Management Board
Chief Administration Officer

Unaudited Condensed Consolidated Interim Financial Statements

of HomeToGo GmbH

Prepared in Accordance with IFRS on Interim Financial Reporting (IAS)

as of and for the Six Months Ended June 30, 2021

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HomeToGo GmbH, Berlin

Interim Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

		For the six months ended June 30,	
(in € thousands, except share and per share data)	**Note**	**2021 (unaudited)**	**2020 (unaudited)**
Revenue	9	30,032	23,055
Cost of revenues		(1,831)	(1,291)
Gross profit		28,201	21,764
Product development and operations		(8,787)	(7,705)
Marketing and sales	10	(53,357)	(27,924)
General and administrative	11	(15,221)	(5,553)
Other expenses		(38)	(293)
Other income		1,142	467
Profit (loss) from operations		(48,060)	(19,245)
Finance expenses		(14,521)	(3,704)
Profit (loss) before tax		(62,581)	(22,949)
Income taxes		121	613
Net income (loss)		(62,460)	(22,335)
Total comprehensive income (loss)		(62,460)	(22,335)
Basic and diluted earnings (loss) per share (in €)		**(670.00)**	**(239.59)**
Weighted average ordinary shares outstanding (basic and diluted)		**93,223**	**93,223**

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

HomeToGo GmbH, Berlin

Interim Condensed Consolidated Statements of Financial Position

(in € thousands)	Note	June 30, 2021 (unaudited)	December 31, 2020
Assets			
Non- current assets			
Intangible assets	7	62,087	41,570
Property, plant and equipment		15,744	16,413
Trade and other receivables (non-current)		1,414	1,414
Income tax receivables (non-current)		78	34
Other financial assets (non-current)		1,504	1,485
Other assets (non-current)		202	68
Total non-current assets		**81,030**	**60,984**
Current assets			
Trade and other receivables (current)	12	11,723	5,647
Income tax receivables (current)		108	139
Other financial assets (current)		1,981	549
Other assets (current)		1,530	1,246
Cash and cash equivalents		64,087	36,237
Total current assets		**79,429**	**43,819**
Total assets		**160,459**	**104,803**
Equity and liabilities			
Equity			
Subscribed capital		93	93
Capital reserves		113,280	113,280
Share-based payments reserve	16	33,221	22,148
Retained Earnings		(175,115)	(112,656)
Total shareholder´s equity		**(28,521)**	**22,865**
Borrowings (non-current)	13	10,010	3,557
Convertible loans (non-current)	14	80,432	33,132
Other financial liabilities (non-current)	14	58,387	26,139
Provisions (non-current)		441	558
Other liabilities (non-current)		1,038	1,105
Income tax liabilities (non-current)		22	17
Deferred tax liabilities		3,657	2,236
Non-current liabilities		**153,986**	**66,745**
Borrowings (current)	13	3,726	2,114
Trade and other payables (current)	15	15,408	4,233
Other financial liabilities (current)	7	6,500	1,574
Provisions (current)		1,040	1,100
Other liabilities (current)		8,246	6,156
Income tax liabilities (current)		73	16
Current liabilities		**34,994**	**15,193**
Total liabilities		**188,980**	**81,938**
Total shareholder´s equity and liabilities		**160,459**	**104,803**

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

HomeToGo GmbH, Berlin

Interim Condensed Consolidated Statements of Changes in Equity

(in € thousands)	Subscribed capital	Capital reserves	Share-based payments reserve	Retained Earnings	Total shareholders' equity
Balance as of January 1, 2020	**93**	**113,280**	**10,959**	**(88,852)**	**35,480**
Net income (loss)				(22,335)	(22,335)
Total comprehensive income (loss)	**-**	**-**	**-**	**(22,335)**	**(22,335)**
Share-based compensation			5,300		5,300
Balance as of June 30, 2020 (unaudited)	**93**	**113,280**	**16,259**	**(111,186)**	**18,445**
Balance as of January 1, 2021	**93**	**113,280**	**22,148**	**(112,656)**	**22,865**
Net income (loss)				(62,460)	(62,460)
Total comprehensive income (loss)	**-**	**-**	**-**	**(62,460)**	**(62,460)**
Share-based compensation			11,073		11,073
Balance as of June 30, 2021 (unaudited)	**93**	**113,280**	**33,221**	**(175,115)**	**(28,521)**

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

HomeToGo GmbH, Berlin

Interim Condensed Consolidated Statements of Cash Flows

(in € thousands)	Note	For the six months ended June 30, 2021	2020
Profit (loss) before income tax		**(62,581)**	**(22,949)**
Adjustments for:			
Depreciation and amortization		2,062	1,558
Non-cash employee benefits expense - share-based payments	16	11,073	5,300
Finance result, net		14,521	3,704
Net exchange differences		(68)	(115)
Change in operating assets and liabilities			
(Increase) / Decrease in trade and other receivables		(5,834)	(1,753)
(Increase) / Decrease in other financial assets		(1,394)	(970)
(Increase) / Decrease in other assets		(301)	383
Increase / (Decrease) in trade and other payables		10,852	905
Increase / (Decrease) in other financial liabilities		(287)	(290)
Increase / (Decrease) in other liabilities		(299)	757
Increase / (Decrease) in provisions		(185)	(273)
Cash generated from operations		**(32,441)**	**(13,744)**
Interest and other finance cost paid (-)		(427)	(167)
Income taxes (paid) / received		(61)	33
Net cash used in operating activities		**(32,930)**	**(13,878)**
Payment for acquisition of subsidiary, net of cash acquired	7	(13,235)	-
Payments for property, plant and equipment		(94)	(71)
Payments for internally generated intangible assets		(720)	(530)
Payments for financial assets at amortized costs		(5)	-
Proceeds from sale of property, plant and equipment		1	-
Net cash used in investing activities		**(14,054)**	**(601)**
Proceeds from borrowings and convertible loans	13/14	75,795	18,770
Repayments of borrowings		(803)	(750)
Principal elements of lease payments		(470)	(432)
Net cash provided by financing activities		**74,522**	**17,588**
Net increase in cash and cash equivalents		**27,538**	**3,110**
Cash and cash equivalents at the beginning of the period		**36,237**	**10,972**
Effects of exchange rate changes on cash and cash equivalents		312	416
Cash and cash equivalents at end of the period		**64,087**	**14,498**

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

HomeToGo GmbH

Selected notes to the Interim Condensed Consolidated Financial Statements

1. Corporate Information

The HomeToGo Group ("HTG" or "Group"), comprises the parent entity HomeToGo GmbH, Berlin, Germany (the "Company"), and its direct and indirect subsidiaries. The Company is registered in the commercial register of the Local Court Berlin-Charlottenburg under number HRB 155381 B. The Company's address is Pappelallee 78/79, 10437, Berlin, Germany.

The business activities of HTG include the operation of an international marketplace for alternative accommodations that connects millions of users searching for a place to stay with thousands of inventory suppliers across the globe, resulting in the world's most comprehensive inventory coverage in the alternative accommodation space. As of May 2021, HTG's portfolio comprised more than 14 million aggregated accommodation offers provided by over 30,000 online travel agencies, tour operators, property managers and other inventory suppliers ("Partners") worldwide. HTG operates its business through localized websites and apps in 23 countries. The marketplace seamlessly integrates a vast inventory in one simple search and enables users to book accommodations from divers Partners, either on the Partner's external accommodation websites or directly on the HTG marketplace platform. The interim condensed consolidated financial statements of HTG were authorized for issue by the Managing Directors on August 11, 2021.

2. Basis of preparation

The accompanying interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standard IAS 34 "Interim Financial Reporting" as adopted by the European Union ("EU"). Since the interim condensed consolidated financial statements do not include all the information and disclosures required in annual financial statements, they should be read in conjunction with the consolidated financial statements for the financial year ended December 31, 2020, which have been prepared in accordance with IFRS and interpretations issued by the International Financial Reporting Standards Interpretations Committee ("IFRIC") as adopted by and to be applied in the EU.

HTG´s financial year ends on December 31. All intercompany transactions are eliminated during the preparation of the consolidated financial statements.

The condensed consolidated interim financial statements have been prepared on a historical cost basis, unless otherwise stated. The condensed consolidated interim financial statements are presented in Euro ("€"), which is the functional currency of the Company and all subsidiaries of HTG apart from HOMETOGO INTERNATIONAL, INC whose functional currency is USD. All amounts are rounded to the nearest thousand, except when otherwise indicated. Due to rounding, differences may arise when individual amounts or percentages are added together.

The condensed consolidated interim financial statements are prepared under the assumption that the Group will continue as a going concern. Management believes that HTG has adequate resources to continue operations for the foreseeable future.

A number of new standards and amendments (A) are effective from January 1, 2021 and April 1, 2021, but they did not have a material effect on the Group's financial statements.

New or revised standard	Effective date
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (A) *Interest Rate Benchmark Reform – Phase 2*	January 1, 2021
IFRS 4 (A) *Insurance Contracts - deferral of IFRS 9*	January 1, 2021
IFRS 16 (A) *Leases: COVID-19 -Related Rent Concessions beyond 30 June 2021*	April 1, 2021

A number of new standards and amendments to standards are effective for annual periods beginning after January 1, 2021 and earlier application is permitted; however, the Group has not early adopted any of the forthcoming new or amended standards in preparing these condensed consolidated interim financial statements.

3. Scope of consolidation

During the periods presented, the principles of consolidation remained unchanged compared to the consolidated financial statements as of and for the financial year ended December 31, 2020.

Besides the Company, the following subsidiaries are included in the scope of consolidation as of June 30, 2021:

Subsidiary	Location	Percentage of ownership
Casamundo GmbH	Berlin, Germany	100%
UAB HomeToGo Technologies	Kaunas, Lithuania	100%
UAB HomeToGo Technologies Vilnius	Vilnius, Lithuania	100%
Mertus 288. GmbH	Berlin, Germany	100%
HS Holiday Search GmbH	Berlin, Germany	100%
Feries S.r.l.	Milan, Italy	100%
Escapada Rural S.L.	Barcelona, Spain	100%
HOMETOGO INTERNATIONAL, INC.	Wilmington, Delaware/USA	100%
Smoobu GmbH	Berlin, Germany	100%
Mapify UG (haftungsbeschränkt)	Kassel, Germany	100 %

On January 1, 2021, Wimdu META GmbH merged into Casamundo GmbH and Travel META GmbH merged into HS Holiday Search GmbH. The mergers were conducted in order to further simplify the group structure.

On March 1, 2021, HTG acquired 100% of the issued shares in Smoobu GmbH in a business combination. The operating results and assets and liabilities of the acquired company are consolidated from March 1, 2021. Refer to Note 7 for additional information.

On March 31, 2021, HOMETOGO INTERNATIONAL, INC. was incorporated and is fully consolidated from March 31, 2021.

On May 31, 2021, Mapify UG (haftungsbeschränkt) was acquired and is fully consolidated from the acquisition date. Refer to Note 7 for additional information.

4. Summary of significant accounting policies

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Group’s consolidated financial statements as of and for the financial year ended December 31, 2020, apart for the following:

Income taxes

Income tax expense is recognized based on management's best estimate of the weighted average effective annual income tax rate expected for the financial year. The estimated average annual tax rate used for the six months ended June 30, 2021 is -0.19 %, compared to -2.67 % for the six months ended June 30, 2020.

Government grant

The benefit of government-subsidized loans with below-market rate of interest, which were awarded unconditionally, are recognized as government grants and measured as the difference between the initial carrying value of the loan and the proceeds received. The benefit is fully recognized as deferred income in 'other receivables' when the loan becomes available and is recognized as a reduction to finance expense over the period of the loan agreement. The loan itself is measured at amortized cost less attributable transaction costs.

Critical accounting judgments and key estimates and assumptions

The preparation of HTG's condensed consolidated interim financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying note disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and underlying assumptions are subject to continuous review.

In preparing the condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the financial year ended December 31, 2020.

5. Seasonality

The Group experiences seasonal fluctuations in the demand for its services because of seasonal patterns in bookings and travel. For example, absent the effect of the COVID-19 pandemic in 2020 and 2021, which has disrupted the Group's usual seasonality trends, clicks and consequently CPC and CPL revenues are generally highest in the first two quarters as travelers plan and book their spring, summer and winter holiday travel, whereas CPA revenues are generally highest in the third quarter when the most check-ins occur, the point at which such revenues are recognized. The Group's revenue typically decreases in the fourth quarter. As the Group typically invoices once per month with customary payment terms and since its partners pay CPA commission mainly after check-in or check-out, cash flow from operating activities increases in the fourth quarter. As such, the Group's cash flow varies seasonally with a slight delay to its revenue and is significantly affected by the timing of its performance marketing spending.

However, it is difficult to forecast the seasonality for future periods, given the uncertainty around the duration of the impact from COVID-19 and the nature and timing of any sustained recovery.

Except for the expenses for performance marketing, the Group's costs are relatively fixed across fiscal quarters or variable in line with the volume of transactions. Expenses for performance marketing depend on the level of additional non-organic traffic which the Group aims to generate for the platform. In general, no immediate correlation exists between expenses for performance marketing and revenue as most of the Group's revenue is recognized from CPA contracts, under which revenue is recognized at the check-in or check-out date, both of which occur at a later point in time compared to the marketing spend generating the associated booking. Refer to the consolidated financial statements for the financial year ended December 31, 2020, for additional information on the timing of the Group's revenue recognition.

See Notes 10 and 11 for further discussion of changes in individual expense categories during the six months ended June 30, 2021.

6. COVID-19 pandemic

During first half-year of 2021 travel restrictions were in place for most countries worldwide. The increased share of domestic destinations from 2020 remained. According s of first half-year 2019, the domestic share in the European markets was around 54%, while, in first half-year 2021, the share increased to 81% since most consumers preferred to stay within their home country to avoid crossing borders and potential travel restrictions. The lifting of travel restrictions towards the end of first half-year 2021 for most of the European destinations saw a direct increase of international travels. The share of domestic travels remained higher in the six months ended June 30, 2021 than observed in 2019.

The Group did not experience any significant impairment losses on receivables outside the normal course of business or impairment losses on intangible assets or liquidity shortages. COVID-19 was a triggering event according to IAS 36 in the financial year 2020 and an impairment test for goodwill was performed for that year with a significant headroom. The underlying forecasts for the impairment test already considered the impact COVID-19 has on the business. Since then, despite the remaining travel restrictions in the first half-year 2021, bookings have increased, and the performance of the Group improved. Therefore, COVID-19 was not considered a triggering event according to IAS 36 during the six months ended June 30, 2021.

Although travel restrictions were lifted in most European destinations towards the end of first half-year 2021 and vaccines are being widely distributed, there remains uncertainty with reference to the duration of the COVID-19 pandemic and the effect of new COVID-19 variants on a potential resurgence of the COVID-19 pandemic. HTG is continuously monitoring the development of the COVID-19 pandemic. As of the date of issuance of these condensed consolidated interim financial statements HTG's management assumes that due to the COVID-19 pandemic.

7. Business Combination and other acquisitions

Smoobu GmbH

On March 1, 2021, HS Holiday Search GmbH, a wholly-owned subsidiary of HTG, acquired 100% of the shares of Smoobu GmbH ("Smoobu") for € 18.5 million in cash. The purchase price of € 18.5 million consists of a fixed price in the amount of € 19.0 million in cash less working capital adjustments of € 0.5 million. Of the purchase price, €13.5 million was paid by the closing date and deferred consideration of €5.0 million is not due until March 2022 and bears no interest.

Smoobu is a provider of all-in-one vacation rental management software. It was acquired as part of the Software as a Service ("SaaS") strategy to enhance the whole supply-side with technology solutions. In addition, the subscription model contributes to the group with a positive EBITDA.

As of June 30, 2021, the purchase price allocation is preliminary for provisions, tax liabilities, rights-of-use assets, leasing liabilities and newly identified intangible assets. It requires identification and valuation of the identifiable assets acquired and the liabilities assumed at the acquisition date, and, as of June 30, 2021, it does not include final information on the assumptions used to determine the value of intangibles and deferred taxes as well as the effect that discovery of a potential breach of certain guarantees may have on adjustment of the amount of deferred consideration ultimately required to be paid to the sellers.

	Preliminary Fair Value in € thousand
Cash	299
Intangible assets: trademarks	1,849
Intangible assets: customer relationships	2,328
Intangible assets: software	2,428
Trade receivables	241
Other assets	163
Net deferred tax liability	(1,592)
Other liabilities	(1,689)
Net identifiable assets acquired	4,027
Add: goodwill	14,507
Net assets acquired	**18,534**

A total deferred tax liability of € 1.5 million was recognized based on the local tax rate of 30.2% and net of deferred tax assets for tax losses carried forward of € 245 thousand, which are not yet expired due to the transaction. No additional liabilities were identified. The goodwill recognized as part of the business combination relates to platform synergy effects and the entity's market position within the subscription business. It will not be deductible for tax purposes.

The fair value of acquired trade receivables is € 241 thousand and equals the gross contractual amount for trade receivables due less loss allowance.

Acquisition-related costs of € 269 thousand are included in General and administrative expenses in the consolidated statement of profit or loss and other comprehensive income and in operating cash flows in the consolidated statement of cash flows.

The acquired business contributed revenues of € 1.2 million and net profit of € 9.0 thousand to HTG for the period from March 1, 2021 to June 30, 2021. If the acquisition had occurred on January 1, 2021, consolidated pro-forma revenue and net loss for the Group for the six months ended June 30, 2021 would have been € 30.6 million and € 62.8 million respectively. These amounts have been calculated using the subsidiary's results and adjusting them for:

- differences in the accounting policies between the group and the subsidiary, and
- the additional depreciation and amortization that would have been charged assuming the fair value adjustments to intangible assets had applied from January 1, 2021, together with the consequential tax effects.

	Smoobu March 2021 in € thousand
Fair value of consideration transferred	18,534
Net assets	(525)
Additional intangible assets identified	6,144
Deferred tax liabilities	(1,592)
Goodwill	14,507

	Smoobu March 2021 in € thousand
Cash paid	13,534
Deferred consideration	5,000
Total purchase consideration	18,534
Cash and cash equivalents acquired	299

As of June 30, 2021, the deferred consideration was not due yet (due in March 2022) and has not been paid and is recognized within current other financial liabilities at June 30, 2021.

Overall, the Group’s goodwill increased by € 14.3 million from € 25.7 million at December 31, 2020 to € 40.0 million at June 30, 2021.

Mapify

Mapify UG (haftungbeschränkt) (“Mapify”) was active in operating a community-backed travel website and was in the process of winding down. HTG agreed to issue to the sellers 63 virtual shares from the Company's Virtual option plans at a strike price of €3,783. The virtual shares are granted and fully vested immediately and represent the only consideration for Mapify. No employees were taken over. Furthermore, no established processes were continued. The transaction does not qualify as a business combination. IFRS 3 is therefore not applicable and the cost of an intangible asset or services acquired for shares is measured in accordance with IFRS 2 and classified as equity settled. The identified service is marketing and influencer content from the Mapify community. Since the business of Mapify only generated immaterial revenues, the acquired trademark has no value and thus is not recognized as an intangible asset. The grant date fair value of the granted and fully vested virtual shares amount to € 172 thousand and is recognized under marketing and sales expenses.

8. Segment and geographic information

In line with the management approach, the operating segment was identified on the basis of HTG’s internal reporting and how the CODM assesses the performance of the business. On this basis, HTG is identified as a single operating company and therefore the consolidated financial information represents the segment reporting. There have been no changes to the segment reporting and management reporting during the reporting period.

Assets are not allocated to the business segment for internal reporting purposes.

9. Revenue

	For the six months ended June 30,	
(in € thousands)	**2021**	**2020**
Revenue recognized at a point in time		
CPA	18,927	14,228
CPC and CPL	7,025	5,095
Other	271	475
Revenue recognized over time		
Subscriptions	3,809	3,257
	30,032	**23,055**

Our CPA revenues increased over proportionally during the reporting period compared to our CPC and CPL revenues that reflects the continued shift from CPC to CPA deals with our Partners.

10. Marketing and sales

(in € thousands)	For the six months ended June 30, 2021	2020
Performance marketing	47,564	22,897
Personnel related expenses	2,243	1,998
Depreciation and amortization	1,180	1,167
Share-based compensation	1,704	1,617
Other	666	245
	53,357	**27,924**

The Group's marketing and sales expenses comprise performance marketing, personnel-related expenses, depreciation and amortization, share-based compensation, and other expenses. Marketing and sales expenses increased during the first half-year 2021, as compared to the same period of 2020, due to an increase in expenses for performance marketing after the lifting of travel restrictions towards the end of first half-year 2021. Marketing and sales expenses had been decreased during the comparative period in 2020 due to the outbreak of the COVID-19 pandemic.

11. General and administrative

(in € thousands)	For the six months ended June 30, 2021	2020
Personnel-related expenses	2,205	2,041
Depreciation and amortization	201	115
Consulting expenses	2,602	159
Licence expenses	161	105
Expenses for third-party services	733	573
Share-based compensation	7,584	1,982
Other	1,735	578
	15,221	**5,553**

General and administrative expenses consist of personnel-related expenses, depreciation and amortization, consulting expenses, license expenses, expenses for third-party-services, share-based compensation and other expenses. General and administrative expenses increased during the first half-year 2021, as compared to the same period of 2020, mainly due to an increase in share-based compensation. Furthermore, there was an increase in consulting expenses in relation to the preparation of the planned transaction with the special purpose acquisition company Lakestar SPAC I SE ("SPAC"). Refer to Notes 16 and 19 for further explanations and overviews in relation to the share-based compensation and the planned SPAC transaction.

12. Trade and other receivables

Current trade and other receivables (current) have increased in the reporting period due to increased trade receivables resulting from the seasonal increase in bookings in the months immediately preceding June 30, 2021 compared to those immediately preceding December 31, 2020 during which this seasonal effect did not occur and which was additionally depressed due to travel restrictions from the COVID-19 pandemic.

13. Borrowings

A government-subsidized loan of € 10 million with a fixed interest rate from Deutsche Bank was drawn on February 24, 2021. The loan has a subsidy value of €1.3 million which has been recognized as deferred income within other receivables since the grant is unconditional. The deferred income is realized over the term of the loan by reducing the related finance expense. As of June 30, 2021, the subsidized loan amounted to € 8.8 million and the deferred income to € 1.2 million.

Like other loans issued in prior year, the subsidized loan is subject to financial covenants for which no breach occurred as of the date these financial statements were authorized for issue.

14. Convertible loans

As of December 31, 2020, HTG had € 33.1 million in subordinated convertible loans outstanding. HTG issued additional subordinated convertible loans in total of € 66.2 million between March 12, 2021 and April 14, 2021 and all amounts were received by June 4, 2021. The loans are convertible into shares of HTG upon the occurrence of certain events, or repayable on July 31, 2022. Transaction costs of € 380 thousand have been recognized against the financial liability component.

The convertible loans contain several embedded derivatives in the form of a conversion right at the end of maturity or in the context of a financing round as well as further prepayment features. The several embedded derivatives are presented as a single instrument due to their interdependence and are separated from the host contract and recorded within other financial liabilities (non-current). The final exercise price of the conversion right depends on the outcome of certain events. Therefore, the conversion price is variable at the statement of financial position date.

	June 30, 2021	
In € thousand	Financial liability	Derivative financial liability
Face value of loan issued	**(104,643)**	
Initial value	(72,213)	(31,940)
Amortization effects by applying the effective interest method	(10,081)	-
Valuation effect derivative	-	(9,371)
Income / Expense from contractual modifications	1,862	(3,653)
Carrying amount	**(80,432)**	**(44,963)**

	December 31, 2020	
In € thousand	Financial liability	Derivative financial liability
Face value of loan issued	**(38,437)**	
Initial value	(31,348)	(6,979)
Amortization effects by applying the effective interest method	(3,646)	-
Valuation effect derivative	-	(1,834)
Income / Expense from contractual modifications	1,862	(3,653)
Carrying amount	**(33,132)**	**(12,465)**

15. Trade and other payables

Current trade payables have increased in the reporting period due to an increase in accruals mainly related to performance marketing expenses.

16. Share-based payments

New C-Level Incentive Program

General

On July 14, 2021 the Company has signed a business combination agreement ("BCA") with the SPAC. Refer to Note 19 for further information on the BCA. For the future C-level management of the SPAC entity (being the new legal parent entity after closing), 8,600 VSOPs were awarded in June 2021 as part of the SPAC deal/BCA negotiations and approved by the Advisory Board in July 2021.

Vesting and performance conditions

The allotments are based substantially on the terms of the Founder Program in 2019. The VSOPs are subject to graded vesting over four years. The vesting start date is prior to the grant date since the VSOPs are considered as remuneration for the work performed on the SPAC.

In case of a SPAC-transaction, no accelerated vesting with respect to the 50% of the unvested virtual options applies. With respect to such remaining (i.e. unvested) virtual options that only vest after the SPAC-transaction, a payment claim is payable to the beneficiary, provided that he or she is still employed by the Company at that point in time. The due date for the first tranche of the Stay-on Payment is 360 days after SPAC-transaction for all other Stay-on Payments one month after lapse of the respective calendar year. In addition, 60% of the virtual options shall be allotted without hurdle, 20% if the closing price of the public shares of Lakestar SPAC I SE exceeds EUR 12.00 and another 20% if the closing price of the public shares of Lakestar SPAC I SE exceeds EUR 14.00, in each case for any 10 trading days within any 30 trading day period in XETRA trading.

In case of no SPAC-transaction, an adequate hurdle for the exit valuation will be discussed and determined by the Advisory Board and the beneficiaries in good faith.

Classification and accounting

The new VSOPs will be accounted according to the existing Founder Program in 2019 with the difference that accelerated vesting does not apply and the new different hurdle rates are considered by using a Monte Carlo simulation in the fair value determination.

Furthermore, the Advisory Board approval in July, after the reporting date as of 30 June 2021, has to be considered, since the board approval in July is formally required and determines the grant date. However, an expense is recognized as employee services are received; so, if employees have already begun providing services, an expense is recognized in respect of a share-based payment arrangement in advance of the grant date. In this situation, the grant date fair value of the equity instruments should be estimated (for example, by reference to the fair value of the equity instruments at the balance sheet date). An expense will be based on an estimated amount until the grant date has been established. At that point, the entity should revise the earlier estimates, so that the amounts recognized for services received in respect of the grant are based on the grant date fair value of the equity instruments.

The future C-level management received all relevant information about the new awards (basically the terms and conditions described above) during the SPAC deal negotiations. Therefore, the relevant date for the fair value calculation is 30 June 2021 (the next statement of financial position date; see above), which is applied to the vested shares from 1 April 2021 until 30 June 2021.

Smoobu – Virtual participation awards

General

As part of the acquisition of Smoobu, HTG granted new virtual participation awards to the founders and managing directors of Smoobu, which are outside the scope of the IFRS 3 purchase consideration (Note 7) because of the continued employment requirements. Unvested options are forfeited upon employment termination and, therefore, the new virtual participations are consideration for post-combination services.

The beneficiaries were granted options to acquire a certain number of future shares in the Company. Through such options, the beneficiaries will participate in HTG's future growth and increase in value. The awards can be classified into two components: 'stay on options' and 'earn-out options'.

Both option types are virtual share rights which carry a contractual right to payment of a certain cash amount. An option may be exercised only in respect of vested option shares and only in the context of a defined liquidity event. Liquidity Event shall mean i) a share sale with more than 50 % of the shares, ii) a liquidation, iii) an initial public offering (the "IPO") or iv) an asset sale of more than 50 % of the assets or an equivalent profit distribution from an asset sale. HTG has the option to settle the payment claim in common shares in case of an IPO, which is the most probable scenario through the SPAC transaction.

Vesting and performance conditions

The stay on option shares and the earn-out option shares are subject to vesting conditions. All option shares vest monthly on a linear basis over two years starting from March 1,2021, i.e. until the lapse of March 1, 2023. Accelerated vesting is applied to all option shares in the case of a Liquidity Event during that period. The unvested option shares lapse if the beneficiary terminates his service agreement. In case a Beneficiary ceases to provide his services before the lapse of March 1, 2023, he will have to repay to the Company a cash amount corresponding to the accelerated VSOPs that would have been unvested at that point in time. Therefore, graded vesting is applied. Furthermore, the earn-out option shares are subject to non-market performance conditions such as non-financial KPI's and a defined positive cash flow of the entity.

Classification and accounting

Both option types are in scope of IFRS 2, because even the earn-out options only come into existence if the contract will not be terminated by the beneficiary before the lapse of the earn out period and are therefore linked to future service conditions of the beneficiaries. Management estimates that the IPO exit according to the contract is the most probable exit scenario. Since the Company in that case is entitled to fulfill the payment claim through shares in the Company and the assessment of the Company's past practice and ability to settle in equity results in the award being classified as equity settled. The fair value is determined at grant date and the share-based payments expenses are recognized over the service period. Non-market performance conditions are assessed as part of the number of shares expected to vest.

With respect to share-based compensation expenses resulting from other transactions please refer to Note 7 ("Mapify acquisition").

The total expenses in relation to all existing share-based compensation are allocated as follows:

	For the six months ended June 30,	
(in € thousands)	**2021**	**2020**
Product development and operations	1,785	1,700
Marketing and sales	1,704	1,617
General and administrative	7,585	1,983
	11,073	**5,300**

17. Related party transactions

The HTG's related parties are comprised of a significant shareholder of the HTG, the managing directors, the advisory board, the close members of the family of these persons and controlled entities by these persons.

Entities with significant influence over the Group

The largest shareholder of the group has significant influence over the Group and thereby constitutes a related company according to IAS 24. This shareholder participated in the new convertible loan in 2021 with € 3.0 million. Refer to Note 14 for additional information regarding the convertible loan agreements.

Key management personnel of the Group

The managing directors as well as the advisory board of the Group constitute the key management personnel and, therefore, are related persons according to IAS 24 for HTG.

Expenses for compensation of the key management personnel are summarized in the table below.

	For the six months ended June 30,	
(in € thousands)	**2021**	**2020**
Short-term employee benefits	225	204
Share-based payments	2,934	925
	3,158	1,129

The Group has not granted any loans, guarantees, or other commitments to or on behalf of any of the related persons. Other than the remuneration disclosed above the following transactions occurred with entities controlled by key management personnel.

UAB NFQ Technologies ("NFQ"), a software company registered in the Republic of Lithuania, has been identified as a related party according to IAS 24. During the reporting period, an agreement with NFQ existed for the provision of certain software development services, office space and other services by NFQ to entities of HTG for cash consideration. Other services mainly include the provision of payroll, accounting, and car rental services. Below listed amounts resulted from related party transactions with NFQ during the reporting period:

	For the six months ended June 30,	
(in € thousands)	**2021**	**2020**
Product development and operations expenses	2,488	2,203
Other Services	81	66
Office Rent	113	102
Payables towards NFQ	9	47

18. Financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. The carrying amounts of cash and cash equivalents, trade and other receivable as well as trade payables is approximately their fair value due to their short-term maturities. For all other financial assets and liabilities, no changes have occurred that would have had a material effect on the fair value of these instruments since their initial recognition with exception of the convertible loans.

Financial instruments as of June 30, 2021 are classified as follows:

	As of June 30, 2021				
(in € thousands)	**Carrying amount**	**No category in accordance with IFRS 9**	**Category in accordance with IFRS 9**	**Fair value**	**Fair value level**
Non-current assets					
Other receivables	1,414		Amortized cost		
Other financial assets	1,504		Amortized cost		
thereof deposits	1,504				
Current assets					
Trade and other receivables	11,723		Amortized cost		
thereof trade receivables	11,193				
thereof other receivables	530				
Cash and cash equivalents	64,087		Amortized cost		
Other financial assets	1,981		Amortized cost		
thereof deposits	1,911				
thereof other financial assets	70				
Non-current liabilities					
Convertible Loans	80,432		Amortized cost	74,095	
Borrowings	10,010		Amortized cost		
Other financial liabilities	58,387				
thereof lease liabilities	13,318	x	N/A		
thereof other liabilities	106		Amortized cost		
thereof derivatives	44,963		FVTPL	44,963	Level 3
Current liabilities					
Borrowings	3,726		Amortized cost		
Trade and other payables	15,408		Amortized cost		
thereof trade payables	15,407				
thereof other payables	1				
Other financial liabilities	6,500				
thereof lease liabilities	1,336	x	N/A		
thereof other liabilities	5,164	x	Amortized cost		

Financial instruments as of December 31, 2020 are classified as follows:

	As of December 31, 2020			
(in € thousands)	**Carrying amount**	**Category in accordance with IFRS 9**	**Fair value**	**Fair value level**
Non-current assets				
Other receivables	1,414	Amortized cost		
Other financial assets	1,485	Amortized cost		
thereof deposits	1,485			
Current assets				
Trade and other receivables	5,647	Amortized cost		
thereof trade receivables	5,142			
thereof other receivables	505			
Cash and cash equivalents	36,237	Amortized cost		
Other financial assets	549	Amortized cost		
thereof deposits	361			
thereof other financial assets	188			
Non-current liabilities				
Convertible Loans	33,132	Amortized cost	33,295	
Borrowings	3,557	Amortized cost		
Other financial liabilities	26,139			
thereof lease liabilities	13,665	N/A		
thereof other liabilities	9	Amortized cost		
thereof derivatives	12,465	FVTPL	12,465	Level 3
Current liabilities				
Borrowings	2,114	Amortized cost		
Trade payables	4,233	Amortized cost		
Other financial liabilities	1,574			
thereof lease liabilities	1,464	N/A		
thereof other liabilities	110	Amortized cost		

Where quoted prices in an active market do not exist, HTG uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The valuation technique used incorporates all factors that market participants would consider in pricing such a transaction, e.g. the fair values disclosed in the notes for the host contract of convertible loans are determined by using credit-risk specific discount factors.

The following paragraph shows the valuation technique used in measuring Level 3 fair values at June 30, 2021 and December 31, 2020 for financial instruments measured at fair value in the statement of financial position (derivative financial liability for conversion right) as well as the significant unobservable inputs used:

- Valuation techniques: The valuation of the embedded derivative is performed by using an option price model. More specifically, the valuation was performed using binomial trees for HTG's share price (€ 8,238, see below for sensitivities) and refinancing rate to come up to a fair value of the conversion right.

- Significant unobservable inputs: The option price model for the embedded derivative uses different inputs. The most significant unobservable input is the refinancing rate of HTG. Further inputs for the valuation model are the company value and the volatility of equity. Both inputs have a lower impact on the fair value of the entire embedded derivative.

The following tables show a reconciliation for Level 3 fair values.

In € thousand	Embedded Derivative	Contingent Consideration
Opening balance Jan 1, 2020	**(315)**	**(1,647)**
Acquisitions	-	1,647
Issuance of convertible loans	(6,679)	-
Losses recognized in finance costs	(5,471)	-
Closing balance Dec 31, 2020	**(12,465)**	**-**
Opening balance Jan 1, 2021	**(12,465)**	**-**
Issuance of convertible loans	(24,961)	-
Losses recognized in finance costs	(7,538)	-
Closing balance Jun 30, 2021	**(44,963)**	-

Based on a share price of € 8,238, reasonably possible changes to the share price as of June 30, 2021, holding other inputs constant, would have the following effects on the fair value of the embedded derivative:

In € thousand	Potentially positive earnings effect	Potentially negative earnings effect
Relative change in the input factor	**8,760**	**(8,550)**
Share price	**+10%**	**-10%**

There were no transfers between the different levels of the fair value hierarchy during the periods presented. HTG's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the end of the reporting period.

19. Subsequent events

On July 14, 2021, the Company signed a BCA with Lakestar SPAC I SE, a European company (société européenne) incorporated under the laws of the Grand Duchy of Luxembourg and registered in the Luxembourg Trade and Companies' Register (Registre du commerce et des sociétés, Luxembourg) under B 249273 with registered office at 9, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg, ("Lakestar SPAC"). The closing of the transaction is among other closing conditions, including the approval by the extraordinary general meeting of the stockholders of Lakestar SPAC which is expected to be held in mid of September 2021.

Berlin, August 11, 2021
HomeToGo GmbH

Dr. Patrick Andrä
Co-Founder & MD (CEO)

Wolfgang Heigl
Co-Founder & MD

Audited Consolidated Financial Statements

of HomeToGo GmbH

Prepared in Accordance with IFRS

as of and for the Years Ended

December 31, 2020, December 31, 2019 and December 31, 2018

English-language translation of the German-language independent auditor's report (Bestätigungsvermerk des unabhängigen Abschlussprüfers)

Independent auditor’s report

To HomeToGo GmbH

Opinion

We have audited the consolidated financial statements of HomeToGo GmbH, Berlin, and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position as at 31 December 2020, 31 December 2019, 31 December 2018, consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the consolidated financial statements, including a summary of significant accounting policies, for the fiscal years from 1 January to 31 December 2020, from 1 January to 31 December 2019, from 1 January to 31 December 2018.

In our opinion, on the basis of the knowledge obtained in the audit, the accompanying consolidated financial statements comply, in all material respects, with the International Financial Reporting Standards (IFRSs) as adopted by the EU, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2020, 31 December 2019, 31 December 2018, and of its financial performance for the fiscal years from 1 January to 31 December 2020, from 1 January to 31 December 2019, from 1 January to 31 December 2018.

Pursuant to Sec. 322 (3) Sentence 1 HGB (“Handelsgesetzbuch”: German Commercial Code), we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements.

Basis for the opinion

We conducted our audit of the consolidated financial statements in accordance with Sec. 317 HGB 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 consolidated financial statements" section of our auditor’s report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Responsibilities of the management and the supervisory board for the consolidated financial statements

The management is responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing the Group’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 unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Group’s financial reporting process for the preparation of the consolidated financial statements.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion on the consolidated financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 317 HGB 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 consolidated financial statements.

We exercise professional judgment and maintain professional scepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the consolidated financial statements 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 opinion. 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 consolidated financial statements 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 this system.
- Evaluate the appropriateness of accounting policies used by the management and the reasonableness of estimates made by the management and related disclosures.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our respective opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with 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.

Note on supplementary audit

We issue this auditor's report on the changed consolidated financial statements based on the audit concluded on 22 June 2021 and our supplementary audit concluded on 2 July 2021 in accordance with professional standards, which relates to changes to the related party disclosures in the notes to the consolidated financial statements. For more information on the presentation of the changes by the management in the changed notes to the consolidated financial statements, please see note 1 and note 31.

Berlin, 22 June 2021 / limited to the changes mentioned in the note on the supplementary audit: 2 July 2021

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Bilz Wirtschaftsprüfer [German Public Auditor]	Nasirifar Wirtschaftsprüfer [German Public Auditor]

HomeToGo GmbH, Berlin—CONSOLIDATED FINANCIAL STATEMENTS

HomeToGo GmbH, Berlin

Consolidated Statements of Profit or Loss and Other Comprehensive Income

(Amounts in € thousands, except share and per share data)

(in € thousands)	**Note**	**Year ended December 31,**		
		2018	**2019**	**2020**
Revenue	**9**	51,015	69,540	65,855
Cost of revenues	**10**	(1,920)	(4,001)	(2,792)
Gross profit		49,095	65,539	63,063
Product development and operations	**11**	(7,668)	(12,854)	(15,275)
Marketing and sales	**12**	(67,718)	(69,380)	(52,235)
General and administrative	**13**	(3,780)	(8,858)	(13,092)
Other expenses	**14**	(175)	(181)	(735)
Other income	**14**	425	692	1,058
Profit (loss) from operations		(29,822)	(25,042)	(17,216)
Finance income		53	176	-
Finance expenses		(26)	(4,737)	(7,906)
Financial result, net	**15**	28	(4,561)	(7,906)
Profit (loss) before tax		(29,794)	(29,603)	(25,122)
Income taxes	**16**	797	230	1,316
Net income (loss)		(28,996)	(29,373)	(23,806)
Total comprehensive income (loss)		(28,996)	(29,373)	(23,806)
Basic and diluted earnings (loss) per share	**17**	**(0.34)**	**(0.32)**	**(0.26)**
Weighted average ordinary shares outstanding (basic and diluted)		**85,578**	**93,223**	**93,223**

The accompanying notes are an integral part of these consolidated financial statements.

HomeToGo GmbH, Berlin

Consolidated Statements of Financial Position

(Amounts in € thousands)

(in € thousands)	Note	January 1, 2018	December 31, 2018	December 31, 2019	December 31, 2020
Assets					
Non- current assets					
Intangible assets	**18**	499	26,517	42,179	41,570
Property, plant and equipment	**19**	169	1,866	2,652	16,413
Other receivables (non-current)	**20**	-	-	-	1,414
Income tax receivables (non-current)		-	34	34	34
Other financial assets (non-current)	**21**	1,170	3,239	1,491	1,485
Other assets (non-current)	**22**	-	163	74	68
Deferred tax assets	**29**	-	-	-	-
Total non-current assets		**1,838**	**31,818**	**46,430**	**60,984**
Current assets					
Trade and other receivables (current)	**20**	3,190	5,681	5,386	5,647
Income tax receivables (current)		-	364	261	139
Other financial assets (current)	**21**	-	141	408	549
Other assets (current)	**22**	2,754	3,766	1,383	1,246
Cash and cash equivalents		15,202	42,745	10,972	36,237
Total current assets		**21,146**	**52,697**	**18,410**	**43,819**
Total assets		**22,984**	**84,515**	**64,839**	**104,803**
Equity and liabilities					
Equity					
Subscribed capital		82	93	93	93
Capital reserves		48,417	113,280	113,280	113,280
Share-based payments reserve		573	6,027	10,959	22,148
Retained Earnings		(30,483)	(59,480)	(88,852)	(112,656)
Total shareholder´s equity	**23**	**18,589**	**59,920**	**35,480**	**22,865**
Borrowings (non-current)	**24**	-	-	-	3,557
Convertible loans (non-current)	**25**	-	-	1,697	33,132
Trade payables (non-current)		7	-	-	-
Other financial liabilities (non-current)	**27**	1	890	1,735	26,139
Provisions (non-current)	**26**	-	282	441	558
Other liabilities (non-current)	**28**	93	285	278	1,105
Income tax liabilities (non-current)		-	2	5	17
Deferred tax liabilities	**29**	-	3,313	3,592	2,236
Non-current liabilities		**101**	**4,772**	**7,748**	**66,745**
Borrowings (current)	**24**	-	-	-	2,114
Trade payables (current)		2,056	4,527	5,294	4,233
Other financial liabilities (current)	**27**	18	7,709	2,835	1,574
Provisions (current)	**26**	4	203	35	1,100
Other liabilities (current)	**28**	2,215	7,339	13,220	6,156
Income tax liabilities (current)		-	46	228	16
Current liabilities		**4,294**	**19,823**	**21,611**	**15,193**
Total liabilities		**4,395**	**24,595**	**29,359**	**81,938**
Total shareholder´s equity and liabilities		**22,984**	**84,515**	**64,839**	**104,803**

The accompanying notes are an integral part of these consolidated financial statements.

HomeToGo GmbH, Berlin

Consolidated Statements of Changes in Equity

(Amounts in € thousands)

(in € thousands)	Note	Subscribed capital	Capital reserves	Share-based payments reserve	Retained Earnings	Total shareholders' equity
Balance as of January 1, 2018		**82**	**48,417**	**573**	**(30,483)**	**18,589**
Net income (loss)					(28,996)	(28,996)
Total comprehensive income (loss)		-	-	-	(28,996)	(28,996)
Share issuance	**23**	11	65,105			65,116
Share issuance transaction costs	**23**		(242)			(242)
Share-based compensation	**30**			5,454		5,454
Balance as of December 31, 2018		**93**	**113,280**	**6,027**	**(59,480)**	**59,920**
Balance as of January 1, 2019		**93**	**113,280**	**6,027**	**(59,480)**	**59,920**
Net income (loss)					(29,373)	(29,373)
Total comprehensive income (loss)		-	-	-	(29,373)	(29,373)
Share-based compensation	**30**			4,932		4,932
Balance as of December 31, 2019		**93**	**113,280**	**10,959**	**(88,852)**	**35,480**
Balance as of January 1, 2020		**93**	**113,280**	**10,959**	**(88,852)**	**35,480**
Net income (loss)					(23,806)	(23,806)
Total comprehensive income (loss)		-	-	-	(23,806)	(23,806)
Share-based compensation	**30**			11,189		11,189
Balance as of December 31, 2020		**93**	**113,280**	**22,148**	**(112,656)**	**22,865**

The accompanying notes are an integral part of these consolidated financial statements.

HomeToGo GmbH, Berlin

Consolidated Statements of Cash Flows

(Amounts in € thousands)

(in € thousands)	Note	Year ended December 31, 2018	2019	2020
Profit (loss) before income tax		**(29,794)**	**(29,603)**	**(25,122)**
Adjustments for:				
Depreciation and amortization		1,230	4,128	3,607
Non-cash employee benefits expense - share-based payments	**30**	554	4,932	11,189
Non-cash share-based payments for services and goods other than employee benefits (Tripping)	**6**	4,714	-	-
Net (gain) / loss on sale of non-current assets		-	19	-
Finance costs - net	**15**	(28)	4,561	7,906
Net exchange differences		(296)	274	(33)
Change in operating assets and liabilities				
(Increase) / Decrease in trade and other receivables		(1,386)	419	(1,676)
(Increase) / Decrease in other financial assets		(454)	(1,388)	(135)
(Increase) / Decrease in other assets		(339)	2,483	143
Increase / (Decrease) in trade and other payables		1,440	(150)	(1,061)
Increase / (Decrease) in other financial liabilities		70	19	(229)
Increase / (Decrease) in other liabilities		4,860	4,090	(6,236)
Increase / (Decrease) in provisions		(256)	(10)	1,182
Cash generated from operations		**(19,687)**	**(10,226)**	**(10,465)**
Interest and other finance cost paid (-)		(11)	(85)	(680)
Income taxes (paid) / received		(225)	212	(163)
Net cash used in operating activities		**(19,923)**	**(10,099)**	**(11,309)**
Payment for acquisition of subsidiary, net of cash acquired	**6**	(14,538)	(19,746)	(1,647)
Payments for property, plant and equipment	**19**	(180)	(402)	(1,551)
Payments for intangible assets	**18**	(887)	(42)	(100)
Payments for internally generated intangible assets	**18**	(68)	(854)	(1,369)
Payments for financial assets at amortized costs		(1,696)	(1,601)	-
Proceeds from sale of property, plant and equipment		-	45	18
Net cash used in investing activities		**(17,368)**	**(22,599)**	**(4,649)**
Proceeds from borrowings and convertible loans	**24/25**	-	1,985	43,512
Proceeds from issuance of shares		64,874	-	-
Repayments of borrowings	**24**	-	-	(1,500)
Principal elements of lease payments		(116)	(721)	(563)
Net cash provided by financing activities		**64,758**	**1,264**	**41,449**
Net increase (decrease) in cash and cash equivalents		**27,467**	**(31,435)**	**25,490**
Cash and cash equivalents at the beginning of the period		**15,202**	**42,745**	**10,972**
Effects of exchange rate changes on cash and cash equivalents		76	(338)	(226)
Cash and cash equivalents at the end of the period		**42,745**	**10,972**	**36,237**

The accompanying notes are an integral part of these consolidated financial statements.

HomeToGo GmbH, Berlin

Notes to the Consolidated Financial Statements

(Amounts in € thousands, except stated otherwise)

1. Corporate Information

The HomeToGo Group ("HTG" or "Group"), comprises the parent entity HomeToGo GmbH, Berlin, Germany (the "Company"), and its direct and indirect subsidiaries. The Company is registered in the commercial register of the Local Court Berlin-Charlottenburg under number HRB 155381 B. The Company's address is Pappelallee 78/79, 10437, Berlin, Germany.

The business activities of HTG include the operation of an international marketplace for alternative accommodations that connects millions of users searching for a place to stay with thousands of inventory suppliers across the globe, resulting in the world's most comprehensive inventory coverage in the alternative accommodation space. As of May 2021, HTG's portfolio comprised more than 14 million aggregated accommodation offers provided by over 30,000 online travel agencies, tour operators, property managers and other inventory suppliers ("Partners") worldwide. HTG operates its business through localized websites and apps in 23 countries. The marketplace seamlessly integrates a vast inventory in one simple search and enables users to book accommodations from diverse Partners, either on the Partner's external accommodation websites or directly on the HomeToGo marketplace platform. The consolidated financial statements of HTG were initially authorized for issue by the Managing Directors on June 22, 2021. Subsequently, the disclosures regarding the related party transactions (Note 31) were amended by an additional disclosure for the participation of the largest shareholder of the Group in the convertible loans closed in 2019 and 2020. Furthermore, the amounts for the employee short-term benefits for key management personnel were amended for all three fiscal years. Finally, the consolidated financial statements of HTG were authorized for issue by the Managing Directors on July 2, 2021.

2. Basis of preparation

The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the interpretations issued by the International Financial Reporting Standards Interpretations Committee ("IFRIC") as adopted by and to be applied in the European Union.

These consolidated financial statements present the Group's first IFRS financial statements which were prepared according to the rules of IFRS 1 (*First-time Adoption of International Financial Reporting Standards*) with a corresponding opening balance sheet as of January 1, 2018 (date of transition). The accounting principles set out below, unless stated otherwise, have been applied consistently for all periods presented in the consolidated financial statements. See Note 33 for further details on the impact of the first-time adoption.

HTG's financial year ends December 31. All intercompany transactions are eliminated during the preparation of the consolidated financial statements.

The consolidated financial statements have been prepared on a historical cost basis, unless otherwise stated. The consolidated financial statements are presented in Euro ("€"), which is the functional currency of the Company and all subsidiaries of HTG. All values are rounded to the nearest thousand, except when otherwise indicated. Due to rounding, differences may arise when individual amounts or percentages are added together.

The consolidated financial statements are prepared under the assumption that the Group will continue as a going concern. Management believes that HTG has adequate resources to continue operations for the foreseeable future.

3. Scope of consolidation

The consolidated financial statements include the balances and results of the Company and its wholly owned subsidiaries. Subsidiaries are entities directly or indirectly controlled by the Company. The Company controls an entity when it is exposed to, or has the right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control commences until the date on which control ceases.

Besides the Company, the following subsidiaries are included in the scope of consolidation as of December 31, 2020:

Subsidiary	Location	Percentage of ownership
Casamundo GmbH	Berlin, Germany	100%
Wimdu META GmbH	Berlin, Germany	100%
UAB HomeToGo Technologies	Kaunas, Lithuania	100%
UAB HomeToGo Technologies Vilnius	Vilnius, Lithuania	100%
Mertus 288. GmbH	Berlin, Germany	100%
HS Holiday Search GmbH	Berlin, Germany	100%
Feries S.r.l.	Milan, Italy	100%
Escapada Rural S.L.	Barcelona, Spain	100%
Travel META GmbH	Frankfurt a.M, Germany	100%

In 2018, the subsidiaries UAB HomeToGo Technologies Vilnius (March 12, 2018) as well as the Tripping GmbH (former Tripping Holding UG (haftungsbeschränkt), June 14, 2018) were founded as direct subsidiaries of the Company. The acquisition of all shares of Feries S.r.L by HS Holiday Search GmbH was completed on September 5, 2018, as part of a business combination as well as all shares of Casamundo GmbH by the Company as on October 1, 2018, also as part of a business combination. Furthermore, the Company acquired all shares of the shell Company Wimdu META GmbH to realize an asset deal on September 30, 2018.

On December 31, 2019 HS Holiday Search GmbH acquired all shares of Escapada Rural S.L. in a business combination. Effective as of January 1, 2020 Tripping GmbH was merged into Casamundo GmbH.

Besides this, the scope of consolidation remained consistent during 2018, 2019 and 2020.

4. Summary of significant accounting policies

a) Current versus non-current classification

HTG classifies assets and liabilities by maturity. They are classified as current in the consolidated statement of financial position if they mature within one year. Deferred tax liabilities and assets are consistently presented as non-current in the consolidated statement of financial position.

b) Foreign currency translation

HTG's consolidated financial statements are presented in Euro, which is the functional and presentation currency of the Company and its subsidiaries. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. Functional currency is defined as the currency of the primary economic environment in which each entity operates.

Any transactions denominated in foreign currencies are translated at the exchange rates prevailing on the date of transaction. Balance sheet items denominated in foreign currencies are translated at the closing rate for each reporting period, with resulting translation differences recognized within the consolidated statement of profit or loss and comprehensive income.

c) Profit or loss structure

HTG uses a cost of revenue structure to present its revenues and expenses by function. Reference is made to section 9 and the following for further explanations of the content in the different profit or loss line items.

d) Revenue recognition

HTG applied IFRS 15 *Revenue from Contracts with customers* using the modified retrospective transition method as of the date of transition to IFRS, i.e. as of January 1, 2018. The standard establishes principles for reporting information to users of financial statements, about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Management applies the five-step model according to IFRS 15 when determining the timing and amount of revenue recognition.

HTG operates a marketplace for alternative accommodations that connects millions of travelers searching for a perfect place to stay with thousands of inventory suppliers across the globe. HTG generates revenue through the following main revenue types:

- Cost per Action ("CPA"): CPA is the largest revenue type, whereby HTG receives a percentage-based commission for successful on- or offsite booking referrals, which facilitate a stay. Depending on the contractual terms with the respective partner, the revenue for HTG is either calculated as percentage of the commission or as percentage of the booking value (sometimes called revenue share).
- Cost per Click ("CPC") and Cost per Lead ("CPL"): HTG receives a fixed commission based on every successful referral click or referral inquiry (lead).
- Prepaid subscriptions and inquiries are related to subscription-based revenue from partners who can use the platform for listing of their rental objects over a determined period and are generated mainly by the foreign entities in Italy and Spain.

CPA transactions are commission-based where the Partner compensate HTG for facilitating bookings resulting in a stay of the traveler. HTG is acting as an agent in either scenario. The Company considers its Partners, in particular online travel agencies ("OTAs"), or the rental property owners and managers to be its customers. Only the CPA contracts and the specific bookings taken together would constitute a contract under IFRS 15. Typically, these bookings are cancellable at any time. The contracts with the OTA partners stipulate that HTG only earns CPA for bookings that facilitate a stay. Furthermore, for the majority of contracts the payment claim of HTG only comes into existence once the check-in of the traveler has occurred. HTG also engages in a multitude of post-booking activities that facilitate the check-in (hence the stay of the traveler), e.g. customer support for the traveler. These activities are not distinct from each other and are not separate performance obligations. It is therefore management's judgement to define the single performance obligation of the Group's CPA transactions as 'successful booking' which facilitates a stay. Therefore, the revenues for CPA transactions are recognized at a point in time with the check-in date of the traveler when HTG's performance obligation is satisfied. Payments received from OTA partners for bookings where check-in has not passed yet are recognized as contract liabilities.

For CPC or CPL transactions, HTG receives a fixed commission based on every successful inquiry or referral click. As opposed to CPA transactions, each click or inquiry initiated by the traveler through the HTG platform with referral to the partner website is considered a distinct promised service. HTG has an enforceable payment claim based on the monthly click volume and is not subject to cancellation or similar risks. Therefore, the 'simple referral' through CPC meets the criteria of a performance obligation which is satisfied at a point in time i.e. with the click through the partner website. HTG recognizes the revenue for CPC at the corresponding click date.

In HTG's subscription contracts (mainly the business of the foreign subsidiaries), property managers or owners pay in advance for online advertising services related to the listing of their properties for rent over a fixed period, which is usually one year. As the performance obligation is the listing service and is provided to the property manager over the life of the listing period, the subscription revenue is recognized on a straight-line basis over the listing period. Amounts received as prepayment are recognized as contract liabilities.

Variable consideration might occur in the form of performance-based bonuses with respect to revenue based on bonus agreements that can be agreed for CPL and CPA transactions. HTG includes variable consideration estimated in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

e) Intangible assets and goodwill

Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. The useful life of intangible assets is assessed as either finite or indefinite. Refer to Note 18 for further details regarding the carrying amount of HTG's intangible asset balances under IFRS 1 and to Note 6 with respect to information on goodwill and intangible assets resulting from business combinations.

Intangible assets with a finite useful life

Intangible assets with a finite useful life consist of licenses, trademarks and domains, customer relationships, order backlog and internally generated software.

Development costs that are directly attributable to the design, coding and testing of identifiable software modules controlled by the Group are recognized as intangible assets where the following criteria are met: It is technically feasible to complete the software so that it will be available for use, management intends to complete the software and use or sell it, there is an ability to use or sell the software, it can be demonstrated how the software will generate probable future economic benefits, adequate technical, financial and other resources to complete the development and to use or sell the software are available, and the expenditure attributable to the software during its development can be reliably measured. Directly attributable costs that are capitalized as part of the software include employee costs and other directly attributable costs. Software maintenance costs are recognized as an expense as incurred.

Intangible assets with a finite life are amortized over their estimated useful economic life on a straight-line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method of intangible assets with a finite useful life are reviewed at least annually, with any changes treated as changes in accounting estimates. Changes in the expected useful life or the expected pattern of consumption of the assets' future economic benefits are considered when assessing the amortization method and useful life of the asset.

The estimated useful lives were as follows.

Asset type	**Estimated useful life**
Software and licenses	3 to 5 years
Trademarks	3 to 15 years
Customer relationship	10 years
Order backlog	1 year
Internally generated software	3 to 7 years
Goodwill	indefinite

Goodwill

HTG's goodwill originated from the acquisitions of Feries, Casamundo and Escapada Rural in 2018 and 2019 and represents the difference between the purchase price and the net identifiable assets acquired at fair value. Refer to Note 6 for further details.

Goodwill is not amortized but reviewed for impairment at least annually. Refer to accounting policy on business combination and goodwill in section q).

f) Property, plant and equipment

Property, plant and equipment is stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes any expenditures that are directly attributable to the acquisition of the asset, including costs incurred to prepare the asset for its intended use.

Property, plant and equipment is depreciated on a straight-line basis over each asset's expected useful life. Depreciation methods, useful lives and residual values are reviewed at least annually and adjusted prospectively, if appropriate.

HTG applies the following useful lives when estimating depreciation of property and equipment:

Asset type	Estimated useful life
Leasehold improvements	2 to 15 years
Other equipment and office equipment	2 to 13 years

Leasehold improvements are amortized over the shorter of the underlying lease or the expected useful life of the asset.

All repair and maintenance costs are expensed when incurred.

HTG assesses property, plant and equipment for impairment whenever there is an indication of potential impairment.

g) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. HTG assesses at the inception of the contract whether the contract is or contains a lease.

HTG's leases consist of real estate, car leasing and distinct server leases. Lease terms are negotiated on an individual basis and may contain a range of different terms and conditions. Lease contracts may be negotiated for fixed period or include extension options.

To determine the lease terms, all facts and circumstances which offer economic incentives to exercise extension options are included. If it is reasonably certain that a lease term will be extended, the related extension option is included. The lease terms include fixed payments as well as variable payments that depend on an index or rate.

Management of HTG reviews the contractual und current market conditions individually when determining whether an extension option is reasonably certain to be exercised.

The lease liability is measured at the date of commencement of the lease as the present value of the expected lease payments. To determine the present value, HTG discounts the remaining lease payments with the incremental borrowing rate of the lessee. The incremental borrowing rate is the interest rate that HTG would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset as the underlying lease agreement in a similar economic environment. HTG applied incremental borrowing rates between 2.06% and 7.17% for the periods presented.

Right-of-use assets are measured at cost at the date of commencement of the lease. The cost is comprised of the initial lease liability measurement and any lease payments made before the commencement date, less any lease incentives received and estimated cost of dismantling and removing the underlying asset incurred by the lessee.

Right-of-use assets are presented in the balance sheet as part of property, plant and equipment.

After the commencement date, HTG measures right-of-use assets at cost less accumulated depreciation and any accumulated impairment losses.

For subsequent measurement, the carrying amount of the lease liability is increased to reflect the interest on the lease liability and reduced to reflect the lease payments made. The finance expenses associated with the lease term are recognized in the consolidated statement of profit or loss and other comprehensive income over the lease term.

No impairment losses have been identified on HTG's right-of-use assets in 2020, 2019 and 2018.

HTG elected to apply an exemption for low value leases and short-term leases in accordance with IFRS 16. Low value leases are leases with contract amounts below EUR 5 thousand. Short-term leases relate to lease agreements with a lease term of less than 12 months. Lease payments associated with low value leases and short-term leases are expensed on a straight-line basis over the lease term. Accordingly, no right-of-use assets or lease liabilities are recognized for low value and short-term leases.

h) Impairment of non-financial assets

HTG assesses whether an asset may be impaired at each reporting date. If any indication of impairment exists, or when annual impairment testing for such an asset is required, HTG estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. HTG does not use the fair value less costs of disposal method when assessing the recoverable amount of its non-financial assets.

HTG bases its impairment calculation on detailed budgets and forecasted cash flows. Impairment losses are recognized in the consolidated statement of profit or loss and other comprehensive income in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or has decreased.
If such indication exists, HTG estimates the asset's or CGU's recoverable amount.

i) Financial instruments - Initial recognition and subsequent events

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and HTG's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, HTG initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which HTG has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

HTG's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss.

Financial assets at amortized cost (debt instruments)

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

All of HTG's financial assets are measured at amortized cost and include trade and other receivables and other financial assets.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e., removed from HTG's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired

Or

- HTG has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) HTG has transferred substantially all the risks and rewards of the asset, or (b) HTG has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When HTG has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, HTG continues to recognize the transferred asset to the extent of its continuing involvement. In that case, HTG also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that HTG has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that HTG could be required to repay.

Impairment

HTG recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss, if the exposure is material. For trade receivables, HTG applies a simplified approach in calculating ECLs. Therefore, HTG does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date if the exposure is material. HTG has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, HTG may also consider a financial asset to be in default when internal or external information indicates that HTG is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by HTG. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and other payables, net of directly attributable transaction costs.

HTG's financial liabilities include trade and other payables, as well as loans and borrowings including bank overdrafts.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortized cost

This is the category most relevant to HTG. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date in the principal or, in its absence, the most advantageous market to which HTG has access at that date. The fair value of a liability reflects its non-performance risk.

A number of HTG's accounting policies and disclosures require the measurement of fair value for both financial liabilities. HTG measures the fair value of an instrument using the quoted price in an active market for that instrument, if such price is available. A market is regarded as ''active'' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then HTG uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all factors that market participants would take into account in pricing a transaction.

In connection with management judgement about the fair value measurement, the Group involves an independent external valuation expert, who uses appropriate valuation techniques, and determines the fair value of assets and liabilities.

Based on the input parameters used for valuation the fair values have to be assigned to one of the following levels of the fair value hierarchy:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets and liabilities,
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

j) Convertible loans and embedded derivatives

Convertible loans are subject to split accounting. The loan is initially measured at their fair value and subsequently at amortized cost using the effective interest rate method, or at the reporting date fair value with the change being reflected through profit or loss.

The fair value of the embedded derivatives in HTG's convertible loans is deducted from the issuance proceeds of the loan and treated as a financial liability at initial recognition. The difference between the fair value of the entire instrument and the fair value of the embedded derivative is the fair value of the host contract of the loan (without conversion right). Transaction costs are deducted from the fair value of the host contract. The host contract of the loan is subsequently measured at amortized cost until extinguished on conversion or maturity of the loan. The embedded derivative is recognized as a derivative financial liability and subsequently measured at fair value through profit or loss.

k) Provisions

HTG recognizes provisions when it has a present obligation, legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management´s best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The increase in provision due to the passage of time and unwinding of the discount rate is recognized as finance expenses.

l) Income taxes

Current income taxes

Current income tax is the expected tax payable or receivable based on the taxable income or loss for the period and the tax laws that have been enacted or substantively enacted as of the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. In case of uncertainties related to income taxes, they are accounted for in accordance with IFRIC 23 and IAS 12 based on the best estimate of those uncertainties.

HTG establishes tax liabilities on the basis of expected tax payments. Liabilities for trade taxes, corporate taxes and similar taxes on income are determined based on the taxable income of the consolidated entities less any prepayments made. Calculation of tax liabilities is based on the recent tax rates applicable in the tax jurisdiction of HTG.

Deferred taxes

Deferred taxes are recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income and are accounted for using the balance sheet-liability method.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which deductible temporary differences can be utilized.

However, deferred tax liabilities are not recognized if the temporary difference arises from goodwill. Furthermore, deferred tax assets and deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither taxable income, nor the accounting profit.

Current and deferred tax is charged or credited in the consolidated statement of profit or loss and other comprehensive income, except when it relates to items charged or credited directly to equity, in which case the current or deferred tax is also recognized directly in equity.

Deferred tax assets and liabilities are calculated using tax rates expected to be in place in the period of realization of the associated asset or liability, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period in the respective jurisdiction.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered.

m) Earnings (Loss) per share

HTG Group presents earnings (loss) per share data for its ordinary shares. Basic earnings (loss) per share is calculated by dividing the net income of the period by the weighted average number of ordinary shares outstanding during the period. HTG Group only issued ordinary shares according to IAS 33, all of which are outstanding, because all share classes are subject to the same dividend entitlement with regard to the earnings for the period. The potential ordinary shares were not taken into account, because the effect on loss per share would have been antidilutive. The weighted average number of shares is calculated from the number of shares in circulation at the beginning of the period adjusted by the number of shares issues during the period and multiplied by a time-weighting factor. The time-weighting factor reflects the ratio of the number of days on which shares were issued and the total number of days of the period.

n) Segment reporting

An operating segment is a component of HTG that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available and used by the Chief Operating Decision Maker ("CODM") to make decisions around resource allocation and review operating results of HTG. HTG identified its Managing Director and CEO of the Company as the CODM and operates under only one operating segment and therefore the consolidated financial information represents the segment reporting.

o) Share-based compensation

The Group granted remuneration in the form of share-based payments, whereby management and employees render services as consideration for equity instruments of the Group (equity-settled transactions).

The measurement of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model in accordance with IFRS 2. Costs are recognized within profit or loss together with a corresponding increase in equity (share-based payment reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of HTG's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions. No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. When the terms of an equity-settled award are modified, the minimum expense recognized is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the grant date fair value of the award is credited immediately through profit or loss.

The Group sometimes engages in share-based payment transactions to acquire goods or services from parties other than employees. The goods or services received in exchange for shares should be measured at fair value of those goods or services. It is presumed that the fair value of goods or services can be measured reliably in the case of transactions with parties other than employees. If this presumption is rebutted, the fair value is measured indirectly by reference to the fair value of the equity instruments granted as consideration. Employee services or unidentifiable goods or services are measured indirectly at the date on which the equity instruments are granted. The fair value is not subsequently re-measured after the grant date.

p) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. The Group has chosen to present grants related to an expense item as other operating income in the statement of profit or loss and other comprehensive income.

q) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value. Acquisition-related costs are expensed as incurred and included in General and administrative expenses.

The Group determines if a transaction is to be accounted for as a business combination, using the concentration test and by determining that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognized in the statement of profit or loss in accordance with IFRS 9.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the group of cash-generating units. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments. HTG comprises one segment with three CGUs. HTG GmbH and its non-operating subsidiaries are one CGU until 2018 before incorporating the business combinations. Hereafter the HTG management identifies the acquired businesses Feries and Escapada Rural as separate CGUs for the purpose of testing assets, other than goodwill, for impairment. Casamundo became part of the existing HTG CGU. Goodwill is tested for impairment on the basis of the three combined CGUs since this is the lowest level at which management captures information for internal management reporting purposes about the benefits of goodwill.

Impairment losses relating to goodwill cannot be reversed in future periods.

Where goodwill has been allocated to a cash-generating unit or group of cash-generating units and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating units retained.

r) COVID-19 pandemic

On March 11, 2020, the WHO declared the spread of the coronavirus to be a pandemic, resulting in ongoing government measures regarding travel restrictions, which HTG deemed to be a triggering event according to IAS 36 as of 31st December 2020. HTG has seen a slight decrease in revenue in financial year 2020 due to the global travel restrictions related to the COVID-19 pandemic that was delaying the progressing of growth of the Group. However, despite the restrictions, there was no widespread impact on the Company's business as HTG was able to directly reduce variable costs resulting especially from performance marketing expenses that represent the biggest cost bucket of HTG. Short-time working allowances were used to some extent and the group used its share-based payment program to grant further virtual options with the same terms and conditions, except that a vesting term of 6 months at an exercise price of 1€ to reimburse wage sacrifices of the employees. Thus, larger restructuring measurements could be avoided by the Group.

There were also no significant impairment losses on receivables outside the normal course of business or impairment losses on intangible assets or liquidity shortages. There was no impairment of goodwill or other assets as a result of the impairment test.

HTG is continuously monitoring the development of the COVID-19 pandemic. As at the date of issuance of these consolidated financial statements HTG's management assumes that, due to the COVID-19 pandemic triggering structural changes in travelling, the pandemic will have a positive effect on HTG's business.

5. New and revised standards

a) New and revised standards and interpretations applied for the first time

HTG has applied all IFRS Standards applicable as of December 31, 2020 according to IFRS 1 retrospectively and consistently for all periods presented, to the extent these have an impact on the consolidated financial statements. Refer to Note 34 for further information.

b) New and revised standards issued, but not yet effective

At the date of authorization of these financial statements, HTG has not applied the following new and revised IFRS standards that have been issued, but are not yet effective:

New or revised standard	**Effective date**
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (A) *Interest Rate Benchmark Reform – Phase 2*	January 1, 2021
IFRS 4 (A) *Insurance Contracts - deferral of IFRS 9*	January 1, 2021
IFRS 17 *Insurance Contracts*	January 1, 2023
IAS 1 (A) *Presentation of Financial Statements: Classification of Liabilities as Current or Non-current*	January 1, 2023
IFRS 3 (A) *Business Combinations*	January 1, 2022
IAS 16 (A) *Property, Plant and Equipment*	January 1, 2022
IAS 37 (A) *Provisions, Contingent Liabilities and Contingent Assets*	January 1, 2022
Annual Improvements 2018-2020	January 1, 2022
IAS 1 (A) *Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies*	January 1, 2023
IAS 8 (A) *Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates*	January 1, 2023
IFRS 16 (A) *Leases: COVID-19 -Related Rent Concessions beyond 30 June 2021*	April 1, 2021
IAS 12 (A) *Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	January 1, 2023

(A) Amendment

From the standards listed above the only amendments expected to have an impact on the reported assets and liabilities and net income of HTG are the one listed below.

The IAS 12 (A) could have an impact on the recognition of deferred tax liabilities and assets from rights of use assets and lease liabilities in the future. So far, the exemption for the initial recognition of a deferred tax resulting from the recognition of a rights of use asset and lease liability according to IAS 12.15 has been availed, which will not be possible anymore.

IFRS 16 (A) for COVID-19-related rent concessions could have an impact in the future since HTG Group holds several office leases which might be subject to future concessions. The given concessions would be treated as variable payments and deducted from expenses and lease liability.

The impact on the consolidated financial statements from the amendments to IAS 1 is not considered to be material.

6. Business Combinations and other acquisitions

The three acquisitions described below were meant to grow the business in its entirety by making the product offer more comprehensive and hence to make it more attractive for users to book via HTG. In addition, HTG was keen on reaping the benefits of combined technologies. The goodwill arose from the value attributed by HTG to the assembled workforce in each business and the benefit of combining the back office functions and technology of HTG with those functions and technology already carried out by the acquired companies. After the implementation of the acquisitions almost all pricing, purchasing, marketing, advertising and human resource decisions are made centrally.

Feries

On September 1, 2018 HS Holiday Search GmbH acquired 100% of the shares of Feries S.r.l. ("Feries") for € 14.3 million in cash.

The total consideration transferred of € 14.3 million consists of the first tranche of € 7 million payable on the closing date and the second tranche of € 7 million payable no later than 12 months following the closing date. Additionally, an adjustment for Feries' net cash was agreed, resulting in a net adjustment of €251k. The first tranche was paid in September 2018 as mentioned above, the second tranche without interest on top on February 27, 2019. The second tranche is a deferred consideration under IFRS 3. Due to the short-term between acquisition date and pay date of the second tranche no discounting was required.

Feries is an Italian limited company which operates a vacation rental marketplace consisting of the two well-established brands Agriturismo and CaseVacanza with additional property inventory. It comprises mainly subscription business and a small share of CPA revenues. It was acquired to increase the Group's platform traffic from an expanded international market reach while positively impacting HTG's EBITDA margin.

Final purchase price allocation:

	Fair Value in thousand €
Cash	358
Intangible assets: trademarks	1,898
Intangible assets: customer contracts	3,875
Intangible assets: order backlog	216
Other assets	305
Trade Payables	(390)
Provisions	(283)
Deferred tax liability	(1,437)
Other liabilities	(770)
Net identifiable assets acquired	3,772
Add: goodwill	10,479
Net assets acquired	**14,251**

Feries recognized the following newly identified assets:

- Trademark € 1.9 million, the valuation is based on the relief from royalty method based on management´s forecast with a royalty rate of 4.8%, tax rate of 24.0% and WACC of 14.7%.
- Customer relationships € 3.9 million, the valuation is based on the multi-period excess earnings method (EBITDA approach) based on management's forecast and an extrapolation using a terminal growth rate of 2.0%, contributory asset charges of 5,3%, attrition rate of 30%, tax rate of 24.0% and WACC of 14.7%.
- Order backlog for CPA revenues € 216 thousand, the valuation is based on the multi-period excess earnings method (EBITDA approach) based on holiday home booking reservations already booked in 2018, but revenue to be recognized at the later check-in date with a contributory asset charges of 5.3%, attrition rate of 5.0%, tax rate of 24.0% and WACC of 13.7%.

No additional liabilities were identified. A total deferred tax liability of € 1.4 thousand was recognized based on the local tax rate of 24.0%. Goodwill relates to platform synergy effects and Feries' market position within the vacation rental business.

No trade receivables were acquired.

Acquisition-related costs of € 8 thousand are included in General and administrative expenses in the consolidated statement of profit or loss and other comprehensive income and in operating cash flows in the consolidated statement of cash flows.

The acquired business contributed revenues of € 423 thousand and a net loss of € 552 thousand to HTG for the period from September 1, 2018 to December 31, 2018. If the acquisition had occurred on January 1, 2018, consolidated pro-forma revenue and a net loss for the year ended December 31, 2018 would have been € 4.710 thousand and € 10 thousand respectively. These amounts have been calculated using the subsidiary's results and adjusting them for:

- differences in the accounting policies between the group and the subsidiary, and
- the additional depreciation and amortization that would have been charged assuming the fair value adjustments to intangible assets had applied from January 1, 2018, together with the consequential tax effects.

Casamundo

On October 1, 2018 the Company acquired 100% of the shares in Casamundo GmbH ("Casamundo") for € 8.8 million in cash.

A preliminary purchase price of € 8 million was paid initially. An adjustment for cash, working capital and financial debt of € 805 thousand was agreed upon and paid on top, resulting in a total consideration transferred of € 8.8 million.

Casamundo is a German limited company and a well-established brand, which runs a booking platform for holiday homes and apartments in the US and Europe with inventory from independent holiday homeowners and managers, as well as online travel agents. Casamundo mainly generates revenue from the cost per acquisition model, recognized at check in date. The primary reasons for the acquisition of Casamundo relate to the entity's existing market position within the vacation rental business and thus, leading to additional traffic for the HTG platform. Besides Casamundo has deep expertise in customer service.

	Fair Value in thousand €
Cash	1,160
Trade Receivables	1,082
Intangible assets: trademarks	2,772
Intangible assets: customer contracts	2,336
Intangible assets: order backlog	1,033
Software and Licenses	105
Internally generated software	473
Other assets	946
Trade Payables	(489)
Net deferred tax liability	(2,044)
Other liabilities	(681)
Net identifiable assets acquired	6,693
Add: goodwill	2,112
Net assets acquired	**8,805**

Casamundo recognized the following newly identified assets:

- Trademark € 2.8 million, the valuation is based on the relief from royalty method based on management's forecast with a royalty rate of 4.8%, tax rate of 32.3% and WACC of 24.1%.
- Customer relationships € 2.3 million, the valuation is based on the multi-period excess earnings method (EBITDA approach) based on management's forecast and an extrapolation using a terminal growth rate of 2.0%, contributory asset charges of 6.7%, attrition rate of 40.0%, tax rate of 32.3% and WACC of 24.1%.
- Order backlog for CPA revenues € 1.0 million, the valuation is based on the multi-period excess earnings approach (EBITDA) based on holiday home booking reservations already booked in 2018, but revenue to be recognized at the later check-in date with a contributory asset charges of 6.7%, attrition rate of 5.0%, tax rate of 32.3% and WACC of 23.0%.

No additional liabilities were identified. A total deferred tax liability of € 1.9 million was recognized based on the local tax rate of 32.28%. Goodwill is attributable to platform synergy effects and the entity's market position within the vacation rental business.

The fair value of acquired trade receivables is € 1 million and equals the gross contractual amount for trade receivables due less loss allowance.

Acquisition-related costs of € 68 thousand are included in General and administrative expenses in the consolidated statement of profit or loss and other comprehensive income and in operating cash flows in the consolidated statement of cash flows.

The acquired business contributed revenues of € 1.4 million and net loss of € 819 thousand to HTG for the period from October 1, 2018 to December 31, 2018. If the acquisition had occurred on January 1, 2018, consolidated pro-forma revenue and net profit for the year ended December 31, 2018 would have been € 13.9 million and € 430 thousand respectively. These amounts have been calculated using the subsidiary's results and adjusting them for:

- differences in the accounting policies between the group and the subsidiary, and
- the additional depreciation and amortization that would have been charged assuming the fair value adjustments to intangible assets had applied from January 1, 2018, together with the consequential tax effects.

Escapada

On December 31, 2019 HS Holiday Search GmbH acquired 100% of Escapada Rural S.L. ("Escapada") for € 15.5 million in cash.

The total consideration transferred amounts to € 15.5 million and consisted of the following:

- € 12.4 million closing payment paid by the closing date i.e. December 31, 2019
- € 1.5 million paid into an escrow account. The cash remains there for four years for guarantee purposes, however the account belongs to the former shareholders.
- Post-closing adjustments to the € 13.9 million above were made based on adjustments in Escapada's accounts for the net financial position, working capital and transaction expenses in the amount of € 147 thousand.
- € 1.5 million as contingent purchase price, if the organic traffic of the first 6 months of 2020 is at least 75% of the first 6 months of 2019. If this is not achieved, the unpaid traffic for the same period is compared. If this is not achieved, the organic traffic of the first 8 months in 2019 and 2020 are compared. The contingent consideration is due within ten days from the corresponding determination date i.e. July 2020. At the point of acquisition, the expectation was that the 75% of 'Organic Traffic' in the first 6 months would be achieved with a very high likelihood, which was indeed the case in 2020. Therefore, the full € 1.5 million were considered in the transferred consideration. The payment was finally completed on July 7, 2020. Due to the short-term between acquisition date and pay date of the second tranche, no discounting of the contingent consideration was required.

Escapada is a Spanish limited company and a well-established brand, which manages and runs an online booking platform for holiday homes in Spain and in Europe and offers advertisement services. Its business model is mainly subscription based whereby holiday homeowners pay for their subscription in advance. Escapada was acquired as part of the overall international expansion advancement for an increased website traffic of the Group's platform services and due to the positive EBITDA contribution based on the subscription model.

	Fair Value in thousand €
Cash	1,154
Trade Receivables	125
Intangible assets: trademarks	872
Intangible assets: customer contracts	3,893
Other assets	67
Trade Payables	(917)
Net deferred tax liability	(685)
Other liabilities	(2,024)
Net identifiable assets acquired	2,485
Add: goodwill	13,062
Net assets acquired	**15,547**

Escapada recognized the following newly identified assets:

- Trademark € 872 thousand, the valuation is based on the relief from royalty method based on management´s forecast with a royalty rate of 4.8%, tax rate of 25.0% and WACC of 35.8%.
- Customer relationships € 3.9 million, the valuation is based on the multi-period excess earnings method (EBITDA approach) based on management's forecast and an extrapolation using a terminal growth rate of 2.0%, contributory asset charges of 6.1%, attrition rate of 20.0%, tax rate of 25.0% and WACC of 35.8%.

No additional liabilities were identified. A total deferred tax liability of € 0.7 million was recognized based on the local tax rate of 25%. The goodwill recognized as part of the business combination relates to platform synergy effects and the entity's market position within the vacation rental business.

The fair value of acquired trade receivables is € 125 thousand and equals the gross contractual amount for trade receivables due less loss allowance.

Acquisition-related costs of € 8 thousand are included in General and administrative expenses in the consolidated statement of profit or loss and other comprehensive income and in operating cash flows in the consolidated statement of cash flows.

The acquired business contributed no revenues and no net profit to HTG due to the acquisition date being December 31, 2019.

	Feries September 1, 2018 in € thousand	**Casamundo September 30, 2018 in € thousand**	**Total 2018**	**Escapada December 31, 2019 in € thousand**
Fair value of consideration transferred	14,251	8,805	23,056	15,547
Net assets (other than additional intangibles identified)	(780)	2,674	1,894	(1,089)
Additional intangible assets identified	5,989	5,933	11,923	4,766
Additional deferred tax liabilities	(1,437)	(1,915)	(3,352)	(1,191)
Goodwill	10,479	2,112	12,592	13,062

The goodwill for each acquisition arose from the value attributed by HTG to the assembled workforce in each business and the benefit of combining the back office functions and technology of HTG with those functions and technology already carried out by the acquired companies. It will not be deductible for tax purposes.

	Feries September 1, 2018 in € thousand	**Casamundo September 30, 2018 in € thousand**	**Total 2018**	**Escapada December 31, 2019 in € thousand**
Cash paid	14,251	8,805	23,056	14,047
Contingent consideration	-	-	-	1,500
Total purchase consideration	14,251	8,805	23,056	15,547
Cash and cash equivalents acquired	358	1,160	1,517	1,154

Wimdu

On September 30, 2018 HTG acquired the shell company Wimdu META GmbH ("Wimdu") to realize an asset deal. Wimdu GmbH, the seller, held and operated the internet portal 'Wimdu', which is available under several domains. Wimdu GmbH intended to wind down its business by December 31, 2018 and sold the portal front end and the related intellectual property to Wimdu META GmbH, on September 30, 2018. The front end "Wimdu" was subsequently integrated with HTG's platform with full switch to HTG whitelabel for several domains being successfully redirected to HTG domains.

The transaction does not qualify as a business combination. IFRS 3 is therefore not applicable, and the transaction is accounted for as a separate acquisition of an intangible asset (trademark and domains) without resulting goodwill. The intangible asset amounts to € 1.2 million including subsequent related acquisition costs and is amortized over its useful life. As part of the agreement, HTG took over the legal costs for disputes between Wimdu GmbH and its former employees of up to € 400 thousand. A provision was created for this amount and included in the value of the intangible asset.

Tripping

Until October 31, 2018 Tripping International, Inc. was active in operating an online vacation metasearch website, tripping.com. Since August 31, 2018 Tripping has been in the process of winding-up its operations. HTG agreed to issue to the seller new shares in the Company against payment of such new shares' nominal amounts by the seller and assignment of all shares in Tripping International, Inc. to the purchasing subsidiary Tripping GmbH (former Tripping Holding UG (haftungsbeschränkt) in the following "Tripping"). Since Tripping International, Inc. was already under liquidation no employees were taken over. Furthermore, no established processes were continued. The only identified asset left consists of one domain.

The transaction does not qualify as a business combination. IFRS 3 is therefore not applicable. As consideration for the acquisition the Company issued 927 new shares, whereby only the nominal amount of 1 € per share was paid in cash, as well as earn out shares, which are exercisable if certain conditions such as a hurdle for the Company valuation of HTG and a defined exit event (e.g. an IPO) are fulfilled. The number of earn out shares is variable and depends on the specified share price at the time of the exit event. The cost of an intangible asset acquired for shares is measured under IFRS 2. Furthermore, HTG cannot identify a specific consideration received besides the acquired trademark/domain. For example, no service conditions were imposed. But the identifiable consideration in the form of one domain with a fair value of € 200 thousand is significantly less than the total fair value of the equity instruments granted in the amount of € 4.8 million (being the total of the fair value of the new shares granted in the amount of € 4.3 million as well as the earn out shares in the amount of € 0.5 million). Hence, economically, the Company was paying a premium to reinforce their market power. HTG therefore measures the remaining unidentified goods or services received by reference to the fair value of the equity instruments granted (being the delta of € 4.6 million). The fair value of the new shares was derived from a close financing round with shares of the same class and the same rights (C3/Fall 2018; see equity section). The company valuation hurdle for the earn out shares classifies as a market performance condition and the exit event classifies as non-vesting condition. Both are reflected in the grant date fair value of the earn out shares. The valuation was conducted with the Black Scholes model. The share-based compensation expense is recognized under Marketing and sales expenses in 2018 with a corresponding credit entry in equity under the share-based payments reserve (‘equity settled’).

7. Critical accounting judgments and key estimates and assumptions

The preparation of HTG’s consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying note disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and underlying assumptions are subject to continuous review.

Below is a summary of the critical measurement processes and the key assumptions used by management in applying accounting policies with regard to the future, and which could have significant effects on carrying amounts stated in the consolidated financial statements, or for which there is a risk that significant adjustments may be made to the carrying amount of assets and liabilities in subsequent years.

a) Critical accounting judgements

Government Grant

In 2020 HTG received governments grants recognized as income for investment in new employments. The granting of subsidies is subject to the condition that investments are made in permanent jobs and that the payroll exceeds a certain amount in the grant period from August 19, 2019 to February 18, 2023. The management of HTG assumes that the conditions of reaching a certain level of personnel-related expenses are and will be met with reasonable assurance. Therefore, HTG recognized the full receivable amounting to € 1,9 million under the grant in 2020.

Tripping

As part of the acquisition of Tripping earn-out shares are considered to be in scope of ‘IFRS 2 – Share-based payments’ and cannot be classified as financial instrument in relation to the convertible loan agreement in 2018 or the subsequent financing round, because the substance of the agreement leads to the conclusion that these earn-outs are part of the consideration for the acquisition of Tripping.

Internally generated intangible assets

For individual software modules, management sometimes applies judgement to determine the point in time where research can be separated from development activities. In connection with management judgement about the future economic benefit of software modules, the Group uses assumptions regarding the future performance of the software modules concerned and their implications on the Group's business activities.

b) Key estimates and assumptions

Incremental borrowing rate

The incremental borrowing rate for lease accounting is determined based on interest rates from various external financial data adjusted to reflect the terms of the lease and the nature of the leased asset. For additional information with respect to extension options refer to Note 4.

Impairment of goodwill and trademark

At least annually, or when circumstances indicate a potential impairment event may have occurred, HTG assesses whether its goodwill is impaired. The CGUs which resulted from the business combinations were also tested for impairment with the COVID-19 pandemic being a triggering event. Key assumptions used in HTG's impairment assessments of these assets include forecasted cash flows of the business, estimated discount rate, and future growth rates. Management uses internal and external data to forecast these key assumptions. Refer to Note 18.

Litigation

HTG Group has built a provision for a litigation that could not be settled by the date the consolidated financial statements of HTG Group were authorized for issue. The provision is measured using the calculated expected value of a performed scenario analysis by weighing the possible scenarios with their probability. Due to the inherent uncertainty of a litigation the possible financial risk might be higher than the expected value. Refer to Note 26.

Fair value determination for share-based payment arrangements and derivative financial liabilities

Share-based payment arrangements

The Group has adopted an equity-settled share-based compensation plan, pursuant to which certain participants are granted virtual shares of the Company. The grants made under this plan are accounted for in accordance with the policy as stated in Note 30. The total amount to be expensed is determined by reference to the fair value of the options granted, which is subject to estimates over time. The fair value is measured at the date of grant using an Option Pricing model as further explained in Note 30. Due to the lack of quoted market prices, the Group has determined the fair value for the measurement of the equity-settled transactions at the grant date with assistance of an external appraiser, considering certain assumptions relating to the volatility of stock price, the determination of an appropriate risk-free interest rate and expected dividends.

Embedded derivatives

Embedded derivatives resulting from the split accounting of convertible loans are measured at fair value, with changes in those fair values being recognized in profit or loss. In order to value these various instruments, the Company makes assumptions and estimates concerning variables such as discount rates, probability of a qualifying event taking place and the fair value of the Company's shares which includes assumptions in future cash flows, discount rates, expected volatility and risk-free rate. The assumptions of future outcomes, and other sources of estimation uncertainty concerning the determination of key inputs to the valuation models, are based on management's best assessment using the knowledge available, management's historical experiences as well as other factors that are considered to be relevant. The estimates and assumptions are reviewed on an ongoing basis.

8. Segment and geographic information

In line with the management approach, the operating segment was identified on the basis of HTG’s internal reporting and how the CODM assesses the performance of the business. On this basis, HTG identifies as a single operating and therefore the consolidated financial information represents the segment reporting.

Assets are not allocated to the business segment for internal reporting purposes.

Several single customers accounted for more than 10% of HTG’s revenues:

	Year ended December 31,		
(in € thousands)	**2018**	**2019**	**2020**
Customer 1	9,368	12,583	9,092
Customer 2	11,869	12,237	9,065
Customer 3	12,281	16,849	23,498
	33,518	41,669	41,655

Revenues from external customers can be attributed to the entity's country of domicile in the amount of € 20.3 million, 2019: € 26.8 million, 2018: € 14.7 million and to all foreign countries in total € 45.5 million, 2019: € 42.7 million, 2018: € 36.3 million.

Non-current assets other than financial instruments and deferred tax assets located in the entity's country of domicile amounting to € 24.4 million, 2019: € 10.2 million, 2018: € 12.2 million and in all foreign countries amounting to € 33.6 million, 2019: € 34.8 million, 2018: € 16.3 million.

9. Revenue

HTG recognizes its revenues as follows:

For CPA and CPC revenues typically, the payment occurs shortly after the performance obligation is satisfied. However, in 2018 and 2019 a few customers paid in advance leading to a certain amount of fees which are presented under contract liabilities. Subscription revenues are generally collected before the performance obligation is satisfied over time leading to a higher balance of contract liabilities, which is subsequently released over the performance period.

	Year ended December 31,		
(in € thousands)	**2018**	**2019**	**2020**
Revenue recognized at a point in time			
CPA	29,961	46,392	48,695
CPC and CPL	19,209	17,470	10,154
Other	1,523	1,813	654
Revenue recognized over time			
Subscriptions	321	3,865	6,352
	51,015	**69,540**	**65,855**

Revenues recognized in the financial years 2018, 2019 and 2020 from contract liabilities was € 1.9 million, € 6.3 million and € 11.9 million, respectively. Substantially all amounts recognized from contract liabilities are realized as revenue within the subsequent year. Refer to Note 28 for further information on contract liabilities. No information is provided about remaining performance obligations as of December 31, 2020, December 31, 2019, December 31, 2018 or January 1, 2018 since all performance obligations are originally expected to be satisfied within one year or less, as allowed by IFRS 15.121.

HTG holds trade receivables from contracts with partners as of December 31, 2020 of € 5.2 million, December 31, 2019 of € 5.4 million, as at December 31, 2018 of € 5.7 million and as at January 1, 2018 of € 3.2 million. These have been impaired individually by € 480 thousand, 2019: € 52 thousand, 2018: € 6 thousand.

In 2020, revenue decreased primarily due to a decrease of global travel activity due to the Covid-19 pandemic. The 2019 increase in revenue is explained by the overall expansion of the Group's business and partly driven by the acquisition of new subsidiaries.

10. Cost of revenues

	Year ended December 31,		
(in € thousands)	**2018**	**2019**	**2020**
Hosting and domains	**1,285**	**2,291**	**2,154**
Depreciation and amortization	**530**	**1,516**	**285**
Other	**105**	**194**	**353**
	1,920	**4,001**	**2,792**

Hosting and domains comprise the expenses for server hosting services and the expenses for domain subscriptions. Depreciation and amortization contains the amortization of the internally generated intangible assets and order backlogs recognized as part of the purchase price allocation from the acquisition of Casamundo (€ 1,033 thousand) and Feries (€ 216 thousand) in 2018.

11. Product development and operations

	Year ended December 31,		
(in € thousands)	**2018**	**2019**	**2020**
Personnel-related expenses	**3,554**	**6,485**	**6,747**
Depreciation and amortization	**118**	**458**	**721**
Licence expenses	**-**	**446**	**581**
Software expenses	**3,275**	**4,169**	**4,056**
Share-based compensation	**71**	**811**	**3,170**
Other	**650**	**485**	**-**
	7,668	**12,854**	**15,275**

Personnel-related expenses for product development and operations comprise expenses for the workforce for development and maintenance of the platform and system infrastructure as well as customer service. Depreciation and amortization relate to the respective assets attributed to this workforce.

12. Marketing and sales

	Year ended December 31,		
(in € thousands)	**2018**	**2019**	**2020**
Performance marketing	**58,286**	**59,160**	**40,517**
Personnel-related expenses	**2,827**	**5,021**	**4,202**
Depreciation and amortization	**482**	**1,760**	**2,111**
Share-based compensation	**4,763**	**2,008**	**4,623**
Other	**1,360**	**1,431**	**782**
	67,718	**69,380**	**52,235**

Performance marketing relates to paid marketing services, search engine marketing (“SEM”), content marketing and other forms of inbound marketing as well as on- and off-site search engine optimization. Performance marketing activities are scaled to bringing demand to the Group’s booking platforms and converting website visitors to users who make bookings. The significant decrease in 2020 in performance marketing expenses was impacted by the COVID-19 pandemic and reduction in global travel activities.

13. General and administrative

	Year ended December 31,		
(in € thousands)	**2018**	**2019**	**2020**
Personnel-related expenses	**2,044**	**4,062**	**4,613**
Depreciation and amortization	**99**	**394**	**491**
Consulting expenses	**188**	**383**	**1,643**
Licence expenses	**50**	**329**	**178**
Expenses for third-party-services	**95**	**616**	**1,155**
Share-based compensation	**434**	**2,114**	**3,395**
Other	**870**	**960**	**1,617**
	3,780	**8,858**	**13,092**

14. Other income and expenses

Other income includes foreign exchange gains of € 395 thousand, 2019: € 533 thousand, 2018: € 143 thousand and government grant related income in 2020 of € 416 thousand.

There are future conditions or other contingencies attached to the expense related grants. HTG did not benefit directly from any other forms of government assistance.

Other expenses include foreign exchange losses of € 689 thousand, 2019: € 121 thousand, 2018: € 133 thousand.

15. Financial result, net

(in € thousands)	2018	2019	2020
	Year ended December 31,		
Interest income	53	174	-
Other	-	2	-
	53	**176**	**-**
Finance expenses			
Interest expenses	-	17	2,000
Expenses from fair value measurement of derivative liabilities	-	15	5,471
Interest expenses on leases	11	85	311
Write-off	-	4,603	-
Other	15	17	124
	26	**4,737**	**7,906**
Financial result, net	**28**	**(4,561)**	**(7,906)**

The write off in 2019 on financial assets relates to the impairment of a loan to a start up business for growth financing. Refer to Note 31 for further information.

Both, expenses from fair value measurement relating to the embedded derivative and interest expenses in relation to the convertible loan are non-cash items. Refer to Note 25 for a breakdown of those expenses.

16. Income taxes

During the financial year 2020, 2019 and 2018, HTG's tax rate was 30.175%, consisting of the German corporate tax rate of 15.0%, a 5.5% solidarity surcharge on the corporate tax rate, and a trade tax rate of 14.35%.

(in thousands €)	2018	2019	2020
	Year ended December 31,		
Current tax	607	(177)	(40)
Deferred tax	190	407	1,356
Income tax income	797	230	1,316

The following table shows the reconciliation between the expected and the reported income tax expense:

	Year ended December 31,		
(in thousands €)	**2018**	**2019**	**2020**
Loss before tax	**(29,794)**	**(29,603)**	**(25,122)**
Tax at the expected group tax rate (30.175%)	8,990	8,933	7,581
Tax effects of:			
Deviations from group tax rate 30.175%	(62)	(8)	40
Non-deductible expenses	(69)	(24)	(92)
Permanent differences	-	(1,528)	(113)
Employee option plan	(1,590)	(1,488)	(3,376)
Non-recognition of DTA on current year tax losses	(5,507)	(4,763)	(3,612)
Non-recognition of DTA on temporary differences	(962)	(866)	939
IRE Leasing	(10)	(30)	(61)
Other tax effects	7	4	10
Total income tax expense	**797**	**230**	**1,316**
Effective total income tax rate (%)	**-2.68%**	**-0.78%**	**-5.24%**

17. Earnings (loss) per share

Basic earnings per share:

	Year ended December 31,		
	2018	**2019**	**2020**
Net income (loss) for the period (in thousands €)	**(28,996)**	**(29,373)**	**(23,806)**
Weighted average number of ordinary shares issued	85,578	93,223	93,223
Total basic and diluted earnings per share attributable to the ordinary equity holders of the Company (in thousands €)	**(0.34)**	**(0.32)**	**(0.26)**

For the calculation of diluted earnings per share, the share-based payment schemes and other contracts which can be settled in ordinary shares or cash were taken into account. In accordance with IAS 33.58, settlement in ordinary shares was assumed for contracts where the Company has the option to settle in cash or in ordinary shares. The potential ordinary shares were not taken into account, because the effect on loss per share would have been antidilutive. As a result, basic earnings per share corresponds to diluted earnings per share.

Number of potential ordinary shares:

	As of December 31,		
(in € thousands)	**2018**	**2019**	**2020**
Convertible loan	-	179,856	337,900
Share-based programs	11,780	17,286	21,612
	11,780	**197,142**	**359,512**

18. Intangible assets and goodwill

(in € thousands)	Good-will	Trade-marks and domains	Soft-ware and licenses	Internally generated software	Customer relation-ships	Order Back log	Intan-gible assets
Cost							
As of January 1, 2018	**-**	**-**	**239**	**1,716**	**-**	**-**	**1,955**
Additions	-	-	87	-	-	-	87
Additions from internal development				68			68
Changes in scope of consolidation	12,591	6,183	81	473	6,212	1,249	26,789
As of December 31, 2018	**12,591**	**6,183**	**407**	**2,257**	**6,212**	**1,249**	**28,898**
Accumulated amortization and impairment							
As of January 1, 2018	**-**	**-**	**46**	**1,409**	**-**	**-**	**1,455**
Amortization charge of the reporting period	-	188	29	184	195	330	926
As of December 31, 2018	**-**	**188**	**76**	**1,592**	**195**	**330**	**2,381**
Carrying amount							
As of January 1, 2018	**-**	**-**	**193**	**307**	**-**	**-**	**499**
As of December 31, 2018	**12,591**	**5,994**	**331**	**665**	**6,017**	**919**	**26,517**
Cost							
As of January 1, 2019	**12,591**	**6,183**	**407**	**2,257**	**6,212**	**1,249**	**28,898**
Additions	-	-	42		-	-	42
Additions from internal development				854			854
Disposals	-	-	-	180	-	-	180
Changes in scope of consolidation	13,063	873	-	-	3,893	-	17,830
As of December 31, 2019	**25,654**	**7,056**	**448**	**2,931**	**10,105**	**1,249**	**47,444**
Accumulated amortization and impairment							
As of January 1, 2019	**-**	**188**	**76**	**1,592**	**195**	**330**	**2,381**
Amortization charge of the year	-	724	16	597	796	919	3,051
Disposals	-	-	-	168	-	-	168
As of December 31, 2019	**-**	**912**	**92**	**2,021**	**990**	**1,249**	**5,264**
Carrying amount							
As of January 1, 2019	**12,591**	**5,994**	**331**	**665**	**6,017**	**919**	**26,517**
As of December 31, 2019	**25,654**	**6,144**	**357**	**910**	**9,115**	**-**	**42,179**
Cost							
As of January 1, 2020	**25,654**	**7,056**	**448**	**2,931**	**10,105**	**1,249**	**47,444**
Additions	-	-	100		-	-	100
Additions from internal development				1,369			1,369
Disposals	-	23	-	-	-	-	23
As of December 31, 2020	**25,654**	**7,033**	**548**	**4,300**	**10,105**	**1,249**	**48,890**
Accumulated amortization and impairment							
As of January 1, 2020	**-**	**912**	**92**	**2,021**	**990**	**1,249**	**5,264**
Amortization charge of the year	-	786	17	285	990	-	2,078
Disposals	-	23	-	-	-	-	23
As of December 31, 2020	**-**	**1,675**	**109**	**2,306**	**1,980**	**1,249**	**7,319**
Carrying amount							
As of January 1, 2020	**25,654**	**6,144**	**357**	**910**	**9,115**	**-**	**42,179**
As of December 31, 2020	**25,654**	**5,358**	**439**	**1,994**	**8,125**	**-**	**41,570**

Amortization in relation to trademarks and domains and customer relationships are presented within marketing sales expenses, while order backlog and internally generated software amortization is presented within cost of revenues.

Material intangible assets comprise of trademarks from Feries of € 1.4 million (2019: € 1.6 million, 2018: € 1.9 million), Casamundo of € 2.1 million (2019: € 2.4 million, 2018: € 2.7 million) and Escapada of € 0.7 million (2019: € 0.8 million), as well as customer relationships from Feries of € 2.9 million (2019: € 3.4 million, 2018: € 3.9 million), Casamundo of € 1.6 million (2019: € 1.8 million, 2018: € 2.3 million) and Escapada of € 3.5 million (2019: € 3.9 million). The intangible assets were identified as part of the business combination during the reporting period. Both, customer relationships and trademarks from all three acquisitions have a remaining amortization period of 8-9 years as of December 31, 2020. Refer to Note 6 for further information.

The recoverable amount of the group of CGUs is determined based on the value in use. The key assumptions for determining the value in use are those regarding the cash flows, discount rates and growth rates. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

The future cash flows were estimated with the underlying assumption that the COVID-19 pandemic opened up an increased market potential for vacation rentals as more traveler used vacation rental for the first time to avoid hotel accommodations. These travelers saw the benefits of vacation rental and thus, there is the assumption for a sustainable positive trend in the upcoming years. In addition, the pandemic has provided an additional market potential for Working from Home (WFH) away or "workation". Travelers are enabled by their employers to extend their holidays and to work for example a week ahead of the actual holidays or a week after. Thus, traveler staying in a holiday area for three weeks instead of two weeks. In addition, management sees travelers becoming longer term rental customers, i.e. staying over the winter abroad instead of e.g. Germany. Before the pandemic this was not an option for the majority of the employees. These effects, combined with the Group's ambitious measures to grow the business as an OTA, are driving a more optimistic business plan post COVID-19 and therefore higher revenues and EBITDA. On that basis, the Group expects significant double-digit growth over the next years. The cash flow projections are based on a detailed business plan for 5 years. Due to the high growth stage of the Company, the business plan was prolonged by four further planning years (based on yearly assumptions regarding the net sales and margin development) to reflect a step-by-step declining growth of the Company until the terminal value.

Management estimates discount rates as a pre-tax measure estimated based on the historical industry average weighted-average cost of capital. The WACC takes into account cost of equity and cost of debt, weighted according to the portion of debt and equity in the Company's target capital structure. The cost of equity and cost of debt are derived from the expected return an investor would require for an equity investment or debt investment with similar risk. Segment-specific risk is incorporated by applying a beta factor. The beta factor is evaluated annually based on publicly available market data of comparable companies. Adjustments to the discount rate are made to reflect a pre-tax discount rate. The additional basis was a market risk premium and the risk-free interest rate.

The growth rates are based on industry growth forecasts. Management has considered the upper end of commonly applied growth rates to be appropriate given the development stage of HTG and the planned growth for the upcoming years.

	Financial Year	
(in € thousands)	**2019**	**2020**
Discount rate (pre-tax)	**12.8%**	**14.8%**
Growth rate	**2.0%**	**2.0%**

During the periods presented, no impairment was recognized. No change in a key assumption considered possible by management would cause the carrying amount to exceed the recoverable amount. Even if the Free Cashflow would decrease by 80 % this would not result in any impairment.

19. Property, plant and equipment

(in € thousands)	Right-of-Use-Real Estate	Right-of-Use-Asset Car Leasing	Leasehold improvements	Other equipment, factory and office equipment	Total property, plant and equipment
Cost					
As of January 1, 2018	**-**	**-**	**26**	**250**	**276**
Additions	760	-	136	95	991
Disposals	-	-	-	71	71
Additions from business combinations	847	18	21	167	1,054
As of December 31, 2018	**1,607**	**18**	**183**	**441**	**2,250**
Accumulated depreciation and impairment					
As of January 1, 2018	**-**	**-**	**6**	**101**	**107**
Depreciation charge of the reporting period	147	3	43	111	304
Disposals				26	26
As of December 31, 2018	**147**	**3**	**49**	**185**	**384**
Carrying amount					
As of January 1, 2018	**-**	**-**	**19**	**149**	**169**
As of December 31, 2018	**1,460**	**15**	**134**	**256**	**1,866**
Cost					
As of January 1, 2019	**1,607**	**18**	**183**	**441**	**2,250**
Additions	842	-	137	265	1,243
Disposals	-	-	-	45	45
Additions from business combinations	629	-	11	14	654
As of December 31, 2019	**3,078**	**18**	**331**	**675**	**4,102**
Accumulated depreciation and impairment					
As of January 1, 2019	**147**	**3**	**49**	**185**	**384**
Depreciation charge of the year	808	11	83	176	1,078
Disposals	-	-	-	12	12
As of December 31, 2019	**955**	**14**	**132**	**350**	**1,450**
Carrying amount					
As of January 1, 2019	**1,460**	**15**	**134**	**256**	**1,866**
As of December 31, 2019	**2,123**	**5**	**199**	**326**	**2,652**
Cost					
As of January 1, 2020	**3,078**	**18**	**331**	**675**	**4,102**
Additions	13,435	-	1,773	149	15,357
Disposals	1	-	-	175	176
As of December 31, 2020	**16,512**	**18**	**2,104**	**649**	**19,284**
Accumulated depreciation and impairment					
As of January 1, 2020	**955**	**14**	**132**	**350**	**1,450**
Depreciation charge of the year	1,266	5	101	158	1,529
Disposals	-	-	-	109	109
As of December 31, 2020	**2,221**	**18**	**232**	**399**	**2,870**
Carrying amount					
As of January 1, 2020	**2,123**	**5**	**199**	**326**	**2,652**
As of December 31, 2020	**14,291**	**-**	**1,872**	**250**	**16,413**

Expenses on leases accounted for under the low value exemption amounted to € 14 thousand in the financial year 2020 (2019: € 12 thousand, 2018: € 4 thousand) and short-term lease exemption amounted to € 16 thousand in the financial year 2020 (2019: € 1 thousand, 2018: € 0.6 thousand).

The total cash outflow for leases amounted to € 905 thousand in 2020 (2019: € 820 thousand, 2018: € 133 thousand). It includes the payment of the principal amounts, interest and short-term and low value leases.

Leasing activity during the reporting periods presented is comprised of office buildings and cars. The most significant contract, which commenced in 2020, is the office building in Berlin, also resulting in significant dismantling obligations.

Extension options are assumed to be reasonably certain to be exercised for all leases and are therefore considered within the calculation of the rights-of-use assets and lease liabilities.

20. Trade and other receivables (current and non-current)

Current trade and other receivables consist of:

(in € thousands)	January 1, 2018	December 31, 2018	December 31, 2019	December 31, 2020
Trade receivables	3,181	5,680	5,383	5,142
Other receivables	9	1	3	505
	3,190	**5,681**	**5,386**	**5,647**

Non-current other receivables consist of:

(in € thousands)	January 1, 2018	December 31, 2018	December 31, 2019	December 31, 2020
Other receivables	-	-	-	1,414
	-	**-**	**-**	**1,414**

Current and non-current other receivables in financial year 2020 include receivables from government grants of € 1.9 million.

21. Other financial assets (current and non-current)

Other current financial assets consist of:

(in € thousands)	January 1, 2018	December 31, 2018	December 31, 2019	December 31, 2020
Deposits	-	-	406	361
Other	-	141	2	188
	-	**141**	**408**	**549**

Other non-current financial assets consist of:

(in € thousands)	January 1, 2018	December 31, 2018	December 31, 2019	December 31, 2020
Deposits	32	326	1,491	1,485
Loan	1,138	2,913	-	-
	1,170	**3,239**	**1,491**	**1,485**

Until December 31, 2019 several loan tranches were issued to a start up business for growth financing. The total loan was fully written of due to an insolvency filing of the borrower in December 2019. Refer to Note 31 for further information.

22. Other assets (current and non-current)

Other current assets consist of:

(in € thousands)	January 1, 2018	December 31, 2018	December 31, 2019	December 31, 2020
Other non-financial assets	0	86	47	24
Other tax receivables	509	848	361	379
Prepaid expenses	2,245	2,832	975	843
	2,754	**3,766**	**1,383**	**1,246**

Other non-current assets consist of:

(in € thousands)	January 1, 2018	December 31, 2018	December 31, 2019	December 31, 2020
Other tax receivables	-	125	38	53
Prepaid expenses	-	38	36	15
	-	**163**	**74**	**68**

23. Shareholder's equity

The different shareholder classes can be summarized as follows:

	Common Shares	Series A Shares	Series B Shares	Series C Shares	Series C1 Shares	Series C2 Shares	Series C3 Shares	Series C3/Fall 2018 Shares
As of January 1, 2018	**36,736**	**15,488**	**13,618**	**10,030**	**645**	**5,160**		
Issued for cash							**7,837**	
Issued for cash with premium in kind								**2,782**
Issued for payment in kind								**927**
As of December 31, 2018	**36,736**	**15,488**	**13,618**	**10,030**	**645**	**5,160**	**7,837**	**3,709**
As of December 31, 2019	**36,736**	**15,488**	**13,618**	**10,030**	**645**	**5,160**	**7,837**	**3,709**
As of December 31, 2020	**36,736**	**15,488**	**13,618**	**10,030**	**645**	**5,160**	**7,837**	**3,709**

Common shares and Series A through Series C3/Fall 2018 shares are non-par value shares and have been fully paid since 2018. Holders of these shares are entitled to the same dividends rights as declared from time to time and are entitled to one vote per share at general meetings of the Company. In general, disposal of shares requires the Company's approval.

On December 1, 2017 the financing round for the Series C2 was closed and 5,160 new registered ordinary shares were issued and entered into the commercial register of the Local Court Berlin-Charlottenburg on December 22, 2017. The capital premium contribution of € 20 million was fully received in January 2018 and recognized less attributable transaction costs of € 60 thousand.

The Series C3 financing round was closed on July 17, 2018 which led to a further issuance of 7,837 newly registered ordinary shares for a capital premium contribution of € 32 million less transaction costs of € 242 thousand. The contribution was fully paid by August 31, 2018.

On October 4, 2018 HTG entered into a convertible loan agreement in the amount of $ 15 million. The same agreement stipulated the terms and conditions for the acquisition of Tripping Inc. whereby the seller was an affiliate of the convertible loan investor. HTG agreed to issue to the seller new non-par value shares in the Company for the payment of those new shares' nominal value of €1 each and the assignment of all shares in Tripping International, Inc., which consisted substantially of its trademark and domain, to Tripping GmbH (former Tripping Holding UG (haftungsbeschränkt)), a 100% subsidiary of the Company. The transaction was finalized with the signing of the contribution agreement on November 8, 2018 and the convertible loan was converted only a few days later on December 5, 2018. In total 3,709 new ordinary shares were issued as Series C3/Fall 2018 shares. Thereof, 2.782 Series C3/Fall shares were issued for the loan conversion as cash with premium in kind of € 13.1 million, which were fully paid by December 5, 2018, and 927 Series C3/Fall shares were issued for payment in kind for the Tripping Inc. acquisition. Furthermore, additional earnout shares were granted to the seller of Tripping as described in note 6. The Company is exposed to the exercise of these earn-out shares, with the number being variable depending on the Company valuation and the occurrence of a certain financing round or an exit event. The total principal amount to which the seller is entitled to by these earn-out shares is capped contractually to shares worth € 8.8 million.

Proceeds entitlement of share classes in Liquidity Event

If proceeds obtained by the Company in a liquidity event or exit event are distributed to the shareholders or in case of a liquidation of the Company, the holders of the Series A through Series C3/Fall 2018 shares receive a dividend and liquidation preference in comparison to the common shares, whereas each share class has an individual liquidation preference. Liquidity Events are thereby a sale of 50% or more of the interest in HTG in a single transaction or a series of related transactions, the transfer 50% or more of all assets of the group in a single transaction or a series of related transactions and the liquidation of the Company or HTG. The distribution of proceeds from these cases for each shareholder would be determined according to a multi-stage distribution mechanism. In each stage the respective amount to be distributed to a certain share class and its allocation among the holders of the respective shares of that class is determined by the payments made by the holders of the respective share class in the past into the share capital and the capital reserves or the purchase price paid to the holders of the respective share class. If the (remaining) proceeds to be distributed on the respective stages are not sufficient to cover the entire total investment, the remaining proceeds are distributed pro rata between the holders of the eligible share classes. The Stages are as follows:

Stage	Eligible Share Class
1	Series C3/Fall 2018
2	Series C, Series C1, Series C2, Series C3
3	Series B, Series A
4	Series C3/Fall 2018, Series C, Series C1, Series C2, Series C3, Series B, Series A, Common Shares

The distribution of the proceeds to shareholders are subject to a share class individual cap. In the event of any type of distribution made with respect to shares in the Company not being a distribution of proceeds from a Liquidity Event, such distribution shall reduce the amount of proceeds distributed on Stages 1 to 4 in a subsequent Liquidity Event accordingly.

In the event of an initial public offering or admission to a stock exchange, all shares should be reallocated amongst the shareholders so that the value of shares, based on the issue or first quoted price, equal the amount which would have been distributed according to the distribution mechanism as if all shares would have been sold.

Capital reserves

Subscribed capital and capital reserves include received capital through the issuance of shares for cash or premium in kind. See above for share issuances during the presented periods.

Retained earnings

Retained earnings include the accumulated losses attributable to the shareholders.

Share based payments reserve

The share-based payments reserve is dedicated for share-based payment transactions. See above for information on the Tripping transaction and Note 30 for the Company’s granted virtual options. The Company does not reclassify amounts for vested awards to other equity items.

24. Borrowings

As of December 31, 2020 HTG recognizes a fixed rate bank loan for HTG GmbH in the amount of € 4.5 million granted by Deutsche Bank. Furthermore, Feries and Escapada entered into several loan agreements which amounts to € 400 thousand (Feries) and € 801 thousand (Escapada).

25. Convertible loans

HTG issued subordinated convertible loans for € 14 million on December 19, 2019 (“CLA 1”), of which € 2 million were paid out in 2019 and € 12 million in 2020, and € 24.4 million on August 7, 2020 (“CLA 2”). The loans are convertible into shares of HTG upon the occurrence of certain events, or repayable on July 31, 2022. The convertible loans contain several embedded derivatives in the form of a conversion right at the end of maturity or in the context of a financing round as well as further prepayment features. The several embedded derivatives are presented as a single instrument due to their interdependency and are separated from the host contract. The final exercise price of the conversion right depends on the outcome of certain events. Therefore, the conversion price is variable at the balance sheet date.

	December 31, 2020	
In € thousand	Financial liability	Derivative financial liability
Face value of loan issued	**(38,437)**	
Initial value	(31,348)	(6,979)
Amortization effects by applying the effective interest method	(3,646)	
Valuation effect derivative		(1,834)
Income / Expense from contractual modifications	1,862	(3,653)
Carrying amount	**(33,132)**	**(12,465)**

	December 31, 2019	
In € thousand	Financial liability	Derivative financial liability
Face value of loan issued	**(2,000)**	
Initial value	(1,685)	(300)
Amortization effects by applying the effective interest method	(12)	
Valuation effect derivative		(15)
Carrying amount	**(1,697)**	**(315)**

With the signing of the CLA 2 agreement, the maturity date for CLA 1 has been prolonged to the same maturity date of July 31, 2022. This resulted in a modification of the CLA 1 agreement and a full derecognition of the convertible loan and embedded derivative. CLA 1 was revalued at fair value and recognized as at August 7, 2020. The effect from the modification amounted to € 1.8 million.

26. Provisions (current and non-current)

	2018		
	Dismantling	**Other**	**Total**
(in € thousands)			
Beginning of financial year	**-**	**93**	**93**
Additions	52	440	492
Acquired through business combination	60	39	99
Utilizations	-	(200)	(200)
End of financial year	**112**	**373**	**485**
Thereof: non-current	**112**	**170**	**282**

	2019		
	Dismantling	**Other**	**Total**
(in € thousands)			
Beginning of financial year	**112**	**373**	**485**
Additions	-	172	172
Releases	-	(1)	(1)
Utilizations	-	(180)	(180)
End of financial year	**112**	**364**	**476**
Thereof: non-current	**112**	**329**	**441**

	2020		
	Dismantling	**Other**	**Total**
(in € thousands)			
Beginning of financial year	**112**	**362**	**474**
Additions	371	866	1,237
Releases	-	(6)	(6)
Utilizations	-	(48)	(48)
End of financial year	**483**	**1,175**	**1,658**
Thereof: non-current	**431**	**127**	**558**

The provision for dismantling relates to HTGs dismantling provisions for leasehold improvements. Other provisions include an onerous contract provision of € 305 thousand for a lease of an office which is not being used and could not be sublet as of December 31, 2020.

As of December 31, 2020 a provision of € 795 thousand was recognized under other provisions for a legal dispute. Since the investigations and proceedings have not yet been completed, the complexity of the individual influencing factors, the ongoing consultations with the authorities and other latent legal risks, which are factored into the estimation of the provision, are subject to significant estimations risks. In accordance with IAS 37.92, no further disclosures are made on estimates of the financial impact or on uncertainties regarding the amount or timing of amounts of provisions and contingent liabilities in connection with the legal dispute in order not to prejudice the outcome of the proceedings and the interests of the Group.

27. Other financial liabilities (current and non-current)

Other current financial liabilities consist of:

(in € thousands)	January 1, 2018	December 31, 2018	December 31, 2019	December 31, 2020
Lease liabilities	-	669	862	1,464
Other financial liabilities	18	7,040	1,973	110
	18	**7,709**	**2,835**	**1,574**

Other financial liabilities include € 7 million of deferred consideration in relation to the Feries acquisition in 2018. In 2019 the position includes € 1.6 million of contingent consideration in relation to the Escapada acquisition. Refer to Note 6 for information on the transactions and to Note 32 for the fair value measurement of the contingent consideration.

Other non-current financial liabilities consist of:

(in € thousands)	January 1, 2018	December 31, 2018	December 31, 2019	December 31, 2020
Lease liabilities	-	840	1,396	13,665
Derivatives	-	-	315	12,465
Other	1	50	24	9
	1	**890**	**1,735**	**26,139**

28. Other liabilities (current and non-current)

Other current liabilities consist of:

(in € thousands)	January 1, 2018	December 31, 2018	December 31, 2019	December 31, 2020
Personnel-related liabilities	144	750	613	955
Other tax liabilities	58	90	71	276
Other non-financial liabilities	118	227	628	2,017
Contract liabilities	1,895	6,272	11,908	2,908
	2,215	**7,339**	**13,220**	**6,156**

Other non-current liabilities consist of:

(in € thousands)	January 1, 2018	December 31, 2018	December 31, 2019	December 31, 2020
Personnel-related liabilities	93	285	278	304
Other non-financial liabilities	-	-	-	801
	93	**285**	**278**	**1,105**

Other non-financial liabilities mainly relate to the deferred government grant.

29. Deferred taxes

The change in deferred tax liabilities, net was recognized as income tax expense (income) or through acquisition of subsidiaries during 2018, 2019 and 2020. The unrecognized deferred tax assets amount to € 23.4 million (2019: € 20.7 million; 2018: € 15.5 million) and are mainly attributable to € 21.7 million (2019: € 18.1 million; 2018: € 13.8 million) unused tax losses and € 1.6 million (2019: € 2.6 million; 2018: €1.7 million) unrecognized temporary differences. There is no expiry date for the cumulative tax losses.

The total amount of temporary differences associated with investments in subsidiaries, branches and associates and interests in joint ventures for which deferred tax liabilities have not been recognized amount to € 149 thousand (2019: € 11 thousand; 2018: € 0).

(in thousands €)	January 1, 2018	December 31, 2018	December 31, 2019	December 31, 2020
Deferred tax liabilities, net				
Beginning of fiscal year	**-**	**-**	**(3,314)**	**(3,592)**
Recognized through profit or loss	-	190	407	1,356
Recognized through acquisition of subsidiaries	-	(3,503)	(685)	-
End of fiscal year	**-**	**(3,313)**	**(3,592)**	**(2,236)**

Deferred tax assets and liabilities are recognized for the following types of temporary differences and tax loss carryforwards. No deferred taxes were recognized, if the initial recognition exemption is applicable such as for the Wimdu transaction or leases.

	As of January 1,		As of December 31,					
	2018		2018		2019		2020	
	Deferred tax		Deferred tax		Deferred tax		Deferred tax	
(in thousands €)	**Assets**	**Liabilities**	**Assets**	**Liabilities**	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Intangible assets	-	(93)	-	(3.374)	-	(4.051)	-	(3.962)
Convertible loan	-	-	-	-	-	(4)	207	-
Contract Liability	93	-	61	-	724	-	394	-
Borrowings	-	-	-	-	-	(1.389)	-	(1.389)
Provisions	-	-	-	-	58	-	355	-
Tax losses	-	-	-	-	1.069	-	2.158	-
Total Gross	**93**	**(93)**	**61**	**(3.374)**	**1.851**	**(5.443)**	**3.115**	**(5.351)**
thereof non-current	93	(93)	61	(3.374)	1.851	(5.443)	3.115	(5.351)
Offsetting	**(93)**	**93**	**(61)**	**61**	**(1.851)**	**1.851**	**(3.115)**	**3.115**
Total after offsetting	**-**	**-**	**-**	**(3.313)**	**-**	**(3.592)**	**-**	**(2.236)**

30. Share-based payments

Virtual Option Plans - General

The Company has implemented several similar share-based payment programs, i.e. separate share-based payment agreements in 2014, a Virtual Option Plan in 2016, a Founder Program in 2019 and a Key Management Program in 2019. Pursuant to the Programs, current and future members of the Company as well as other beneficiaries, who participate in the Programs according to the terms and conditions, are eligible to participate in the future growth of the Company by receiving cash payments or non-cash consideration by the Company subject to certain exit related events defined thereunder. The Programs do not provide for straight equity but virtual options which relate to an increase in the Company's enterprise value. In the case of certain exit events such as an IPO the

Company has the option to settle the payment claim in shares of the Company. Since the programs are substantially comparable according to IFRS 2.45, the following disclosures are presented on aggregate for the different programs.

Terms and conditions

Each issued virtual option shall grant the respective beneficiary the right to economically participate from an exit event taking into account any prior payment of any Liquidation Preferences pursuant to the Shareholders' Agreement. Therefore, upon the occurrence of an exit event the virtual options transform into a payment claim of a beneficiary against the Company for payment of a certain monetary amount in cash or granting of a non-cash consideration. The beneficiaries are not obliged to pay a fee for the granting of the virtual options but the virtual options are granted with a certain exercise price. The exercise price is specified in the individual allotment letters with the beneficiary.

The following events are considered an exit event in the option terms: the sale and transfer of more than 50% of all shares of the Company ("Share Deal Exit"), the sale and transfer of more than 50% of all tangible and intangible assets ("Asset Deal Exit") or the listing of the Company on a stock exchange ("IPO Exit") and in some cases also the liquidation of the Company ("Liquidation"). In the case of an Asset Deal Exit or Share Deal Exit the Company is entitled to fulfill the payment claim in whole or in part by transfer of non-cash performances that the Company received as consideration in course of the exit event, in lieu of paying a cash amount. In case of an IPO Exit the Company is entitled or even obligated to fulfill the payment claim through shares in the Company in lieu of paying a cash amount. In those instances where the Company has a choice of settlement in shares, there is no stated intent or policy to settle in cash.

The respective vesting schedules and leaver conditions vary and are specified individually. The vesting period for the virtual options is three and four years and the vesting shall begin on the allotment day. Some beneficiaries have a one-year cliff and after the cliff day the virtual options are vested for every completed quarter of the year of the following three years. Other granted virtual options shall vest in equal monthly instalments over four years on a linear basis. Also, different accelerated vesting and non-vesting conditions are agreed individually. Some grants are subject to accelerated vesting in case of an IPO/exit event before the vesting period some are partially (e.g. 50 %) subject to accelerated vesting and some grants do not have an accelerating vesting condition and will continue to vest after the exit event. Good leaver and bad leaver events leading to expiry for some, or all of the vested options are also defined differently, whereas in case of a termination by the employee the expiry conditions range from full expiry to 33 % expiry.

Some grants are furthermore subject to specific hurdle rates, or the exercise price is subject to an adjustment mechanism depending on the exit valuation.

Classification and accounting

Management estimates that the IPO exit is the most probable exit scenario as of all relevant valuation dates. Since the Company in that case is entitled to fulfill the payment claim through shares in the Company and the assessment of the Company's intent, past practice and ability to settle in equity results in all programs being classified as equity settled. The fair value is determined at grant date and the share-based payments expenses are recognized over the service period.

Vesting conditions are treated as graded or linear vesting or both depending on the individual terms and conditions summarized above. Market performance conditions are assessed as part of the fair value measurement at grant.

Fair value measurement

The fair value at grant date is determined by HTG using the following two methods. First, the common share price was derived from an option pricing model using interpolation between the previous and the latest transaction or financing round as of the grant date. In 2019 and 2020, where no financing rounds took place, the Company's fair value was based on a discounted cashflow valuation approach instead. Secondly, the fair value of the virtual option as of grant date per individual beneficiary was calculated by applying the Black Scholes model based on the resulting input from the option pricing model for the underlying common share prices.

The fair value was measured based on the following significant parameters: a weighted average share price of € 3.1 thousand (2019: € 2.3 thousand, 2018: € 1.3 thousand), a volatility of 34.8% (2019: 32.5%, 2018: 34.7%), a weighted average of exercise price of € 2.1 thousand (2019: € 1.8 thousand, 2018: € 1.2 thousand), a risk-free interest rates between -0.1% and 2.0% and a dividend yield of 0.0% (all periods). The expected volatility was derived from the historical volatility of peer group companies. The expected date of the IPO, September 30, 2022 or September 30, 2024 (for grants before 2018) was taken as the relevant date for deriving the number of shares to be received by the respective beneficiary in case of accelerated vesting conditions and for calculating the remaining term. The actual exercise of the options can only take place after the expiry of the respective waiting period i.e. usually the lock up period related to the event. The weighted average term of the virtual shares outstanding is 3.3 years (2019: 3.5 years, 2018: 3.8 years). The valuation resulted in a weighted average fair value of € 1,430 per virtual share (2019: € 885, 2018: € 510 thousand).

Reconciliation of virtual options

	2018	
(in € thousands)	Number of virtual options	Weighted Average of exercise prices
Outstanding as of January 1	2,778	357
granted during the year	7,862	1,510
forfeited during the year	96	683
Outstanding as of December 31	**10,544**	**1,213**

	2019	
(in € thousands)	Number of virtual options	Weighted Average of exercise prices
Outstanding as of January 1	10,544	1,213
granted during the year	5,594	2,968
forfeited during the year	88	1,321
Outstanding as of December 31	**16,050**	**1,824**

	2020	
(in € thousands)	Number of virtual options	Weighted Average of exercise prices
Outstanding as of January 1	16,050	1,824
granted during the year	4,386	3,003
forfeited during the year	60	1,092
Outstanding as of December 31	**20,376**	**2,080**

None of the instruments granted are currently exercisable.

The total expense in relation to share-based payment awards of virtual options amounts to € 11.2 million, 2019: € 4.9 million, 2018: € 0.6 million. With respect to share-based payment expenses resulting from other transactions please refer to Note 6 (“Tripping acquisition”).

31. Related party transactions

The HTG's related parties are comprised of a significant shareholder of HTG, the managing directors, the supervisory board, the close members of the family of these persons and controlled entities by these persons as well as an immaterial and liquidated entity which was jointly controlled by HTG.

Entities with significant influence over the Group

The largest shareholder of the Group does have significant influence over the Group and thereby constitutes a related company according to IAS 24.

At the end of 2017 the shareholder agreement for the financing round Series C2 was signed and the share capital paid for the issuance of shares. The capital contribution was fully paid beginning of 2018. The largest shareholder subscribed to further shares and therefore made a further capital contribution of € 12.3 million and made him the largest shareholder with significant influence over the group. Furthermore, this shareholder participated in the CLA 1 (2019) with € 4.0 million and the CLA 2 (2020) with € 4.2 million. Refer to note 25 for further details regarding the convertible loan agreements.

Key management personnel of the Group

The managing directors as well as the supervisory board of the Group constitute the key management personnel and therefore related persons according to IAS 24 for the HTG.

Expenses for compensation of the key management personnel are summarized in the table below.

	Year ended December 31,		
(in € thousands)	**2018**	**2019**	**2020**
Short-term employee benefits	334	416	413
Share-based payments	371	1,640	1,730
	705	**2,056**	**2,143**

Share-based payments expenses for key management personnel solely arise from the Virtual Option Plans described under section 'Share-based payments' above. For the terms and conditions refer to Note 30.

The Group has not granted any loans, guarantees, or other commitments to or on behalf of any of the related persons. Other than the remuneration disclosed above the following transactions occurred with entities controlled by key management personnel:

UAB NFQ Technologies ("NFQ"), a software company registered in the Republic of Lithuania, has been identified as a related party according to IAS 24. During the reporting period, an agreement with NFQ was intact on the provision of certain software development services, office space and other services by NFQ to entities of the HTG for cash consideration. Other services mainly include the provision of payroll, accounting and car rental services. The business transactions under the scope of the agreement occurred under market conditions. Below listed amounts resulted from related party transactions with NFQ during the reporting period:

	Year ended December 31,		
(in € thousands)	**2018**	**2019**	**2020**
Product development and operations expenses	2,706	4,342	4,469
Other Services	164	156	131
Office Rent	227	237	204
Payables towards NFQ	-	65	19

In 2015, with the Series A - Investment and Shareholders' Agreement, vesting conditions were set for certain HomeToGo GmbH shares already held by founding shareholders who hold key management positions. The vesting period for those shares was set at 36 months starting in February 2015 with a monthly vesting until February 2018. If the founder qualifies as a "Bad Leaver" in the vesting period, the founder has to offer to sell all or part of the unvested shares to the Group or the remaining shareholders (if a sale to the Group is not possible due to statutory restrictions) of HomeToGo GmbH for a consideration of 1 € per share. The agreement incentivized the founders to remain in their position with the Company through participation in the change in fair value of their shares in HomeToGo GmbH. In February 2018, the shares became fully vested and the bad leaver term thereby lapsed. This scheme is considered to be in scope of 'IFRS 2 – Share-based payments', but no additional benefits were granted to the beneficiaries. Therefore, no expenses were recognized.

Other related parties

Everystay is assessed as a joined control interest, based on terms and conditions in the financing provided to that entity which require unanimous consent for a significant number of business decisions. In 2016 a loan agreement was entered into with Everystay Holding UG ("Everystay") whereby HTG provided Everystay with a loan of GBP 1.5 million for four years with an interest rate of 2.5%. The loan amount was subsequently increased by GBP 2 million in 2018 and GBP 600 thousand in 2019. The carrying value of the loan was € 4.6 million in 2019 and € 3 million in 2018. The loan was fully written off in 2019 (see Note 15) and the agreement terminated on December 1, 2020 after Everystay filed for liquidation.

32. Financial instruments

The table below shows the net gains and losses of financial instruments per measurement categories defined by IFRS 9:

	Year ended December 31,		
(in € thousands)	**2018**	**2019**	**2020**
Financial assets measured at Amortized cost (AC)	47	(4,530)	(480)
Financial liabilities measured at Amortized cost (AC)	(14)	(34)	(2,125)
Financial assets and financial liabilities measured at fair value through profit or loss (FVTPL)	-	(15)	(5,471)

Total interest expenses including amortization from the effective interest method on financial liabilities that are measured at amortized cost for the year was € 2.0 million (2019: € 17 thousand, 2018: € 0).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. The table excludes fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount reasonably approximates fair value. The carrying amounts of cash and cash equivalents, trade and other receivables as well as trade payables is approximately their fair value due to their short-term maturities. For all other financial assets and liabilities, no changes have occurred that would have had a material effect on the fair value of these instruments since their initial recognition.

Financial instruments as of January 1, 2018:

(in € thousands)	Year ended January 1, 2018 Carrying amount	Category in accordance with IFRS 9	Fair value	Fair value level
Non-current asstes				
Other financial assets	1,170	Amortised cost		
thereof deposits	32			
thereof other financial assets	1,138			
Current assets				
Trade and other receivables	3,190	Amortised cost		
thereof trade receivables	3,181			
thereof other receivables	8			
Cash and cash equivalents	15,202	Amortised cost		
Non-current liabilities				
Other financial liabilities	1	Amortised cost		
Current liabilities				
Trade and payables	2,056	Amortised cost		
Other financial liabilities	18	Amortised cost		

Financial instruments as of December 31, 2018 is as follows:

(in € thousands)	Year ended December 31, 2018 Carrying amount	Category in accordance with IFRS 9	Fair value	Fair value level
Non-current asstes				
Other financial assets	3,239	Amortised cost		
thereof deposits	326			
thereof other financial assets	2,913			
Current assets				
Trade and other receivables	5,681	Amortised cost		
thereof trade receivables	5,680			
thereof other receivables	1			
Cash and cash equivalents	42,745	Amortised cost		
Other financial assets	141	Amortised cost		
Non-current liabilities				
Other financial liabilities	890			
thereof lease liabilities	840	N/A		
thereof other liabilities	50	Amortised cost		
Current liabilities				
Trade payables	4,527	Amortised cost		
Other financial liabilities	7,709			
thereof lease liabilities	669	N/A		
thereof other liabilities	7,040	Amortised cost		

Financial instruments as of December 31, 2019 is as follows:

(in € thousands)	Year ended December 31, 2019 Carrying amount	Category in accordance with IFRS 9	Fair value	Fair value level
Non-current asstes				
Other financial assets	1,491	Amortised cost		
thereof deposits	1,491			
Current assets				
Trade and other receivables	5,386	Amortised cost		
thereof trade receivables	5,383			
thereof other receivables	3			
Cash and cash equivalents	10,972	Amortised cost		
Other financial assets	408	Amortised cost		
thereof deposits	406			
thereof other financial assets	2			
Non-current liabilities				
Convertible Loans	1,697	Amortised cost	1,699	
Other financial liabilities	1,735			
thereof lease liabilities	1,396	N/A		
thereof other liabilities	24	Amortised cost		
thereof derivatives	315	FVTPL	315	Level 3
Current liabilities				
Trade payables	5,294	Amortised cost		
Other financial liabilities	2,835			
thereof lease liabilities	862	N/A		
thereof contingent consideration	1,647	FVTPL	1,647	Level 3
thereof other liabilities	326	Amortised cost		

Financial instruments as of December 31, 2020 is as follows:

(in € thousands)	Year ended December 31, 2020 Carrying amount	Category in accordance with IFRS 9	Fair value	Fair value level
Non-current asstes				
Other receivables	1,414	Amortised cost		
Other financial assets	1,485	Amortised cost		
thereof deposits	1,485			
Current assets				
Trade and other receivables	5,647	Amortised cost		
thereof trade receivables	5,142			
thereof other receivables	505			
Cash and cash equivalents	36,237	Amortised cost		
Other financial assets	549	Amortised cost		
thereof deposits	361			
thereof other financial assets	188			
Non-current liabilities				
Convertible Loans	33,132	Amortised cost	33,295	
Borrowings	3,557	Amortised cost		
Other financial liabilities	26,139			
thereof lease liabilities	13,665	N/A		
thereof other liabilities	9			
thereof derivatives	12,465	FVTPL	12,465	Level 3
Current liabilities				
Borrowings	2,114	Amortised cost		
Trade payables	4,233	Amortised cost		
Other financial liabilities	1,574			
thereof lease liabilities	1,464	N/A		
thereof other liabilities	110	Amortised cost		

The carrying amounts of the financial assets and liabilities measured at amortized cost listed above and defined by IFRS 9 as of December 31, 2020, 2019 and 2018 and January 1, 2018, were as follows:

in € thousands	**December 31, 2020**	**December 31, 2019**	**December 31, 2018**	**January 1, 2018**
Carrying amount				
Financial assets measured at amortized cost	45,333	18,257	51,806	19,562
Financial liabilities measured at amortized cost	43,155	7,339	11,616	2,076
Financial liabilities measured at fair value through profit or loss (FVTPL)	12,465	315	-	-

As HTG does not meet the criteria for offsetting, no financial instruments are netted.

Where quoted prices in an active market do not exist, HTG uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The valuation technique used incorporates all factors that market participants would consider in pricing such a transaction, e.g. the fair values disclosed in the notes for the host contract of convertible loans are determined by using credit-risk specific discount factors.

The following paragraph shows the valuation technique used in measuring Level 3 fair values at December 31, 2020 and December 31, 2019 for financial instruments measured at fair value in the statement of financial position (derivative financial liability for conversion right and contingent consideration for Escapada) as well as the significant unobservable inputs used:

- Valuation techniques: The valuation of the embedded derivative is performed by using an option price model. More specifically the valuation was performed using binomial trees for HTG's share price and refinancing rate to come up to a fair value of the conversion right. The valuation technique for the contingent consideration resulting from the acquisition of Escapada is described under note 6**.**
- Significant unobservable inputs: The option price model for the embedded derivative uses different inputs. The most significant unobservable input is the refinancing rate of HTG. Further inputs for the valuation model are the Company value and the volatility of equity. Both inputs have a lower impact on the fair value of the entire embedded derivative. The unobservable inputs for the contingent consideration resulting from the acquisition of Escapada are described under note 6**.**

The following tables show a reconciliation for Level 3 fair values:

In € thousands	Embedded Derivative	Contingent Consideration
Opening balance Jan 1, 2019		
Acquisitions		(1,647)
Issuance of convertible loans	(300)	
Losses recognized in finance costs	(15)	
Closing balance Dec 31, 2019	(315)	(1,647)
Opening balance Jan 1, 2020	(315)	(1,647)
Issuance of convertible loans and modification of existing contracts	(6,679)	
Settlement		1,647
Losses recognized in finance costs	(5,471)	
Closing balance Dec 31, 2020	(12,465)	-

Based on a share price of € 6,760, reasonably possible changes to the share price as of December 31, 2020, holding other inputs constant, would have the following effects on the fair value of the embedded derivative:

In € thousand	Potentially positive earnings effect	Potentially negative earnings effect
Relative change in the input factor	**2,597**	**-2,584**
Share price	**+10%**	**-10%**

There were no transfers between the different levels of the fair value hierarchy during the periods presented. HTG's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the end of the reporting period.

33. Financial risk management

HTG is exposed to the following risks from the use of financial instruments:

a) Credit risk

b) Liquidity risk

c) Market risk, interest rate and currency risk

The Company´s managing directors have the overall responsibility for the establishment and oversight of HTG's risk management framework. HTG's risk management policies are established to identify and analyze the risks faced by HTG and to minimize negative impact on the financial position of HTG related to those risks.

Capital risk management

HTG's objective when managing capital is to safeguard HTG's ability to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Management monitors capital usage by overseeing the decrease and increase of cash and cash equivalents as presented in the consolidated statement of financial position. The Group is subject to financial covenant with regard to some loans issued in 2020 for which no breach was recorded during the reporting period. HTG needs to achieve an equity ratio of 50% or higher. Management expects to achieve to the necessary equity ratio because the convertible loans are treated as equity for financial covenant purposes.

a) Credit risk

Credit risk is the risk of financial loss to HTG if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk includes both the immediate default risk and the danger of a decline in the customer's creditworthiness.

HTG is exposed to credit risk on cash and cash equivalents, which it monitors centrally. HTG maintains its cash deposits at financial institutions with top credit ratings. The creditworthiness of these financial institutions is constantly monitored. HTG considers that its cash and cash equivalents have low credit risk based on the external credit ratings of these financial institutions.

HTG is generally exposed to the credit risk that its partners are cash-strapped or in financial difficulties and thus, would not pass the agreed share of commission to HTG. Overall, the credit risk for trade and other receivables is considered immaterial due to the low outstanding amounts for which no individual allowance for doubtful accounts was built. The maximum risk exposure for all financial assets is the carrying amount. Refer to Note 4 regarding the application of the expected credit loss model.

b) Liquidity risk

Liquidity risk is the risk that HTG will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. HTG's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to HTG's reputation. HTG uses regular external financing options such as bank loans, but also financing instruments such as convertible loans, to quickly raise larger amounts of fresh capital and thus always ensure a certain liquidity buffer.

The following are the remaining contractual maturities of financial liabilities at the balance sheet date. Apart from lease liabilities, the amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

	January 1, 2018				
in € thousands	**<1 year**	**1 - 5 years**	**> 5 years**	**Total**	**Carrying amount**
Trade and other payables	2,056	7	-	2,063	2,063
Other liabilities	18	1	-	19	19
Total	**2,074**	**8**	**-**	**2,082**	**2,082**

	December 31, 2018				
in € thousands	**<1 year**	**1 - 5 years**	**> 5 years**	**Total**	**Carrying amount**
Trade and other payables	4,527	-	-	4,527	4,527
Other liabilities	7,040	50	-	7,090	7,090
Lease liabilities	806	1,005	-	1,811	1,509
Total	**12,373**	**1,055**	**-**	**13,428**	**13,126**

	December 31, 2019				
in € thousands	**<1 year**	**1 - 5 years**	**> 5 years**	**Total**	**Carrying amount**
Trade and other payables	5,294	-	-	5,294	5,294
Other liabilities	1,972	23	-	1,996	1,996
Convertible Loans	-	2,102	-	2,102	1,697
Lease liabilities	874	1,026	701	2,601	2,258
Total	**8,141**	**3,151**	**701**	**11,993**	**11,245**

	December 31, 2020				
in € thousands	**<1 year**	**1 - 5 years**	**> 5 years**	**Total**	**Carrying amount**
Trade and other payables	4,233	-	-	4,233	4,233
Other liabilities	110	9	-	119	119
Convertible Loans	-	42,231	-	42,231	33,132
Borrowings	1,930	4,212	103	6,245	5,671
Lease liabilities	1,487	5,154	12,674	19,315	15,129
Total	**7,760**	**51,606**	**12,777**	**72,143**	**58,284**

The following table shows changes in liabilities arising from financing activities:

(in € thousands)	**January 1, 2018**	**Cash flows**	**Changes in fair values**	**New leases**	**Additions from business combinations**	**Reclassi-fication**	**Modifications and other effects**	**Interest**	**December 31, 2018**
Lease liabilities (non-current)	-		-	400	595	(278)	123		840
Lease liabilities (current)	-	(116)		340	271	278	(114)	11	670
	-	**(116)**	**-**	**740**	**866 -**	**-**	**9**	**11**	**1,510**

(in € thousands)	**January 1, 2019**	**Cash flows**	**Changes in fair values**	**New leases**	**Additions from business combinations**	**Reclassi-fication**	**Modifications and other effects**	**Interest**	**December 31, 2019**
Convertible loans (non-current)	-	1.685	-	-	-	-		12	1,697
Lease liabilities (non-current)	840		-	603	548	(862)	268		1,397
Derivatives (non-current)	-	300	15						315
Lease liabilities (current)	669	(721)	-	-	81	862	(113)	85	863
	1,509	**1,264**	**15**	**603**	**629 -**	**-**	**155**	**97**	**4,272**

(in € thousands)	**January 1, 2020**	**Cash flows**	**Changes in fair values**	**New leases**	**Additions from business combinations**	**Reclassi-fication**	**Modifications and other effects**	**Interest**	**December 31, 2019**
Borrowings (non-current)	-	7,170	-	-	-	(3,860)		246	3,558
Convertible loans (non-current)	1,697	29,663	-	-	-		(1,862)	3,634	33,132
Lease liabilities (non-current)	1,397		-	12,943	-	(311)	(364)		13,665
Derivatives (non-current)	315	6,679	1,818				3,653		12,465
Borrowings (current)		(1,500)				3,860		(246)	2,113
Convertible loans (current)									-
Lease liabilities (current)	862	(563)		491	-	311	52	311	1,464
	4,271	**41,449**	**1,818**	**13,434**	**-**	**-**	**1,479**	**3,945**	**66,398**

c) Market, interest rate and currency risk

Market risk is the risk that changes in market prices, such as foreign exchange rates or interest rates will affect HTG's income or the value of its financial instruments. HTG manages its market risk on a centralized basis with the objectives of managing and controlling market risk exposures within acceptable parameters.

Exposure to interest rate risk normally arises from variable interest-bearing financial instruments. HTG only has fixed interest loan agreements and therefore is not exposed to an interest rate risk.

HTG is not exposed to a material transactional foreign currency risk.

34. Transition to IFRS

HTG adopted IFRS effective as of January 1, 2018. These consolidated financial statements are the first that HTG has prepared in accordance with IFRS. For the year ended as of December 31, 2019, HTG prepared consolidated financial statements in accordance with German GAAP.

The transition from German GAAP to IFRS resulted in changes in accounting policies that affected the financial position, financial performance and cash flow as follows:

Revenues—Revenues under IFRS 15 are recognized once the performance obligation has been satisfied. For CPA transactions revenue is therefore recognized upon check-in of the traveler when the vacation home stay is facilitated. Under German GAAP CPA revenue was recognized based on the invoicing date. The election was made to take the exemption under IFRS 1.D35 of not restating contracts which were completed on January 1, 2018.

Further, HTG accounted for convertible loans in accordance with IFRS 9 as of December 31, 2019 and December 31, 2020 which resulted in the bifurcation of a financial liability measured at amortized cost and an embedded derivative. Under German GAAP the total convertible loans were accounted for at their nominal value.

Intangible assets and goodwill—Based on the accounting of business combinations within IFRS 3 HTG accounted for goodwill in an amount of € 25.7 million and intangible assets of € 15.2 million. Customer relationships were also subject to the purchase price allocation under IFRS 3, whereas under German GAAP only contracted customer relationships are allowed to be recognized. In comparison to German GAAP, under IFRS directly attributable transaction costs are not allowed to be capitalized and are expensed within G&A. Under German GAAP goodwill is subject to amortization and under IFRS goodwill is subject to an annual impairment test.

IFRS 3 provides a framework in identifying a business combination. The Tripping transaction in 2018 is accounted for as a share-based payment arrangement according to IFRS 2. As a result, a trademark was recognized based on the fair value of € 186 thousand and further share-based payment expenses were recognized in the amount of € 4.7 million Under German GAAP only € 186 thousand of the payment in kind were recognized as share premium. Under German GAAP the Wimdu transaction was accounted for as an asset acquisition, which resulted in a Goodwill and a trademark. Under IAS 38 no Goodwill can result from an asset acquisition and the full consideration paid is recognized as an intangible asset. In addition, a provision was recognized for legal disputes as part of the transaction and was simultaneously recognized to the asset. The initial recognition exemption of deferred taxes according to IAS 12.15 was availed for the Wimdu transaction.

Share-based payments— The Company has established a virtual stock ownership plan, which can trigger payment obligations for the Company in the case of an exit (i.e. a sale of a majority of shares or an IPO). The Company has the option to settle the claims with equity instruments in case of an IPO. Under German GAAP no provision has been recognized due to an accounting policy choice for equity-settled share-based payments. Even for a cash-settled plan, there is no requirement to recognize provisions for obligation arising from a contingent event. According to IFRS 2, the fair value of virtual options granted under the VSOP is recognized as an employee benefits expense within the respective function of the expense, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted at the time of grant.

Transaction costs— Under IAS 32, incremental costs directly attributable to the capital are accounted for as a deduction from equity. The same applies to financial liabilities where the costs are capitalized and taken into account in the calculation of the effective interest rate. Under German GAAP, those costs are directly recognized as financing costs in profit and loss or are being amortized by recognizing an other asset. Transaction costs were only accounted for in 2018.

Leases—The application of IFRS 16, resulted in separate recognition presentation of right-of-use assets for identified leases and corresponding lease liabilities for the expected future lease payments. The right-of-use asset is measured at cost and comprises estimated cost of dismantling that were previously recorded as a provision under German GAAP. Expenses for rent on office building as well as expenses related to other lease contracts were presented in general and administrative expense under German GAAP. Under IFRS 16 the right-of-use asset is depreciated, with respective amounts recognized within profit or loss, while the interest of lease liability is presented within finance expense.

As a lessee HTG applied the exemption according to IFRS 1.D9B for the transition to IFRS to recognize all right-of-use assets at the same amount as the lease liability. Furthermore, IFRS 1.D9D was fully applied. Hindsight was used in determining the lease term if the underlying lease contracts contained options to extend or terminate the lease. A single discount rate was applied to a portfolio of leases with reasonably similar characteristics. Leases with a lease term of less than 12 months from the date of transition are accounted for as short-term leases. The Company also applied the exemption not to recognize a right-of-use asset and lease liability for low value leases. Payments associated with short-term leases and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss and disclosed within the notes. The initial recognition exemption of deferred taxes according to IAS 12.15 was availed.

(in € thousands)	**December 31, 2019**		
	Previous GAAP	**Effect of transition to IFRS**	**IFRS**
Assets			
Non- Current assets			
Intangible assets	40,281	1,898	42,179
Property, plant and equipment	491	2,161	2,652
Trade and other receivables (non-current)	-	-	-
Income tax receivables (non-current)	-	34	34
Other financial assets (non-current)	-	1,491	1,491
Other assets (non-current)	-	74	74
Deferred tax assets	-	-	-
Total non-current assets	**40,772**	**5,658**	**46,430**
Current assets			
Trade and other receivables (current)	5,392	(6)	5,386
Income tax receivables (current)	-	261	261
Other financial assets (current)	16	392	408
Other assets (current)	15,686	(14,304)	1,383
Cash and cash equivalents	10,972	0	10,972
Total current assets	**32,066**	**(13,657)**	**18,410**
Total assets	**72,838**	**(7,999)**	**64,839**
Equity and liabilities			
Equity			
Subscribed capital	93	-	93
Capital reserves	113,768	(489)	113,280
Other reserves	-	10,959	10,959
Accumulated deficit	(66,570)	(22,283)	(88,852)
Total shareholder´s equity	**47,291**	**(11,813)**	**35,480**
Borrowings (non-current)	-	-	-
Convertible loans (non-current)	14,025	(12,328)	1,697
Trade and other payables (non-current)	-	-	-
Other financial liabilities (non-current)	-	1,735	1,735

Provisions (non-current)	2,889	(2,448)	441
Other liabilities (non-current)	-	278	278
Income tax liabilities (non-current)	-	5	5
Deferred tax liabilities	1,087	2,505	3,592
Non-current liabilities	**18,001**	**(10,253)**	**7,748**
Borrowings (current)	-	-	-
Convertible loans (current)	-	-	-
Trade and other payables (current)	5,541	(247)	5,294
Other financial liabilities (current)	-	2,835	2,835
Provisions (current)	-	35	35
Other liabilities (current)	1,995	11,224	13,220
Income tax liabilities (current)	9	219	228
Current liabilities	**7,547**	**14,066**	**21,611**
Total liabilities	**25,547**	**3,813**	**29,359**
Total equity and liabilities	**72,838**	**(7,999)**	**64,839**

(in € thousands)	**2019**
Net income (loss) for the year according to German GAAP	(22,306)
Differences, which increase (decrease) the result:	
Revenue recognition	(3,783)
Convertible Loans	13
Business combinations and other transactions	1,869
Share-based payments	(4,932)
Leases	(97)
Provisions	(28)
Intangible assets	161
Other	(270)
Net income (loss) for the year according to IFRS	**(29,373)**

Changes in the presentation of the consolidated statements of cash flows are as follows compared to German GAAP:

Operating activities - The differences mainly result from the reclassification of lease payments from operating activities under German GAAP to financing activities under IFRS.

Investing activities - The differences result from the classification of cash flows associated with capitalized assets under IAS 16 and IAS 38, which are reported as investing activities under IFRS and operating activities under German GAAP.

Financing activities - The differences mainly result from the reclassification of lease payments from operating activities under German GAAP to financing activities under IFRS.

35. Events occurring after the reporting period

On January 1, 2021, Wimdu META GmbH merged into Casamundo GmbH and Travel META GmbH merged into HS Holiday Search GmbH. The mergers were conducted in order to further simplify the group structure.

On February 24, 2021, HTG has drawn down a bank loan of € 10.0 million that was already granted as of August 12, 2020 for working capital financing.

On March 1, 2021, HTG acquired 100% of the issued shares in Smoobu GmbH, a provider of all-in-one vacation rental management software, for an estimated consideration of € 18.3 million. An amount of € 13.3 million was paid as of the acquisition date and a remaining holdback amount of € 5.0 million will only become due in 2022. The acquisition is expected to increase HTG’s market share and reduce cost through economies of scale. The operating results and assets and liabilities of Smoobu GmbH will be consolidated from March 1, 2021. The disclosure of certain disclosure requirements according to IFRS 3 is impracticable because of the short time frame since the acquisition and the initial accounting for the business combination is not yet complete.

On March 12, 2021, HTG closed a new convertible loan agreement that was extended as of April 7, 2021 and further extended as of April 14, 2021. In total the convertible loan amounts to € 66.1 million and bears interest at a rate of 5% p.a. The loan is convertible into shares of HTG upon the occurrence of certain events, or repayable on 31 July 2022. No interest is payable if the bond is converted.

On March 31, 2021 the Company incorporated HOMETOGO INTERNATIONAL, INC. as a 100% subsidiary. No business actions have been taken by the newly formed entity so far while it is still finalizing registrations and account setups.

On May 31, 2021, HTG acquired 100% of the issued shares in Mapify UG (haftungsbeschränkt), a social travel network for consumer to visualize, find and plan travel experiences. There was no consideration paid in cash, but only 63 vested virtual stock options at a certain strike price were granted to the former shareholders of Mapify UG (haftungsbeschränkt). The acquisition is expected to further increase the brand awareness and marketing range of HTG. Based on a preliminary assessment the acquisition is not a business combination according to IFRS 3 as the main asset that was acquired is content for marketing purposes. No technology has been acquired as the content will be run on HTG’s technology and website. The transaction is considered to be in scope of IFRS 2. The founders of Mapify will stay on for an integration phase based on new consulting agreements with HTG. The assets and liabilities of Mapify UG (haftungsbeschränkt) will be consolidated from May 31, 2021 on.

Berlin, June 22, 2021 / limited to the amendments regarding note 31, July 2, 2021
HomeToGo GmbH

Dr. Patrick Andrä	**Wolfgang Heigl**
Co-Founder & MD (CEO)	Co-Founder & MD

24. GLOSSARY

Acquisition	The Contribution of all HomeToGo GmbH shares into the Company by the HomeToGo Investors for New Public Shares.
Admission Date..	The date of the admission to trading of the New Public Shares and Public Warrants.
Additional Sponsor Subscription	The Sponsor subscribed to 260,000 Founder Shares and 86,666 Founder Warrants, representing €2,600,000.
Aggregate VSOPs Claim	The aggregate euro amount of payment claims that are payable to Option Holders from virtual options under the Old Grants that are exercisable at the Closing Commencement Date pursuant to the HomeToGo VSOPs as amended by the HomeToGo VSOPs Amendment, irrespective of whether these exercisable virtual options were exercised or not or if these claims were to be settled in cash or Public Shares; and the aggregate euro amount of payment claims that would be payable to Option Holders from all virtual options under the New Grants pursuant to the HomeToGo VSOPs, as amended by the HomeToGo VSOPs Amendment, and assuming all of these virtual options were exercisable and exercised at the closing date, irrespective of whether settled in cash or Public Shares.
Alternative Performance Measures	Financial information and operating data presented in the Prospectus, which is not prepared in accordance with IFRS or any other internationally accepted accounting principles, including GBV, Booking Revenue and Adjusted EBITDA.
API	An application programming or similar interface or other technical integration methods.
Articles of Association	The articles of association of the Company.
Audit Law	The Luxembourg law of July 23, 2016 on the audit profession, as amended.
Audit Committee.......................................	The audit committee of the Company.
Averaging Period	A period of 20 consecutive trading days ending on the trading day immediately preceding the date on which the exercise of the Public Warrant is validly received by the Company (except in the event that Public Warrants are exercised following the receipt of a redemption notice by the Company, in which case the period of 20 consecutive trading days shall end on the date immediately preceding the date on which the redemption notice is issued by the Company).
BaFin	The German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*).
Bloomberg..	Airbnb, Vrbo Go to Great – Sometimes Annoying Lengths – to Woo Hosts, Bloomberg Article, July 17, 2021.
BNP Paribas Research Report	Exane BNP Paribas, Airbnb – Floating On Air, January 4, 2021.
Booking Revenue.......................................	A non-IFRS operating metric to measure performance defined as the net Euro value generated by transactions on our platform in a period (CPA, CPC, CPL, etc.) before cancellations.

Built-in gains Exemption	In case of a Relevant Change of Control involving more than 50% of the subscribed capital, membership rights, ownership rights or voting rights, tax loss carry forwards and current losses are not eliminated, if and to the extent the entity recording such tax loss carry forwards and current losses holds assets which comprise built-in gains that are subject to German income taxation.
Business Combination	The business combination between the Company and HomeToGo by way of a contribution of all shares in HomeToGo GmbH into the Company by the investors of HomeToGo GmbH in exchange for the issuance of New Public Shares in the Company.
Business Combination Agreement	An agreement relating to a Business Combination.
Business Combination Deadline	The Company has 24 months from the date on which trading in the Public Shares and Public Warrants initially commenced (*i.e.*, February 22, 2021) to consummate a business combination by way of a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transaction, plus an additional three months if the Company signs a legally binding agreement with the seller of a target within the initial 24 months.
CAGR	Compound annual growth rate.
Certain Other Countries	The United Kingdom and Switzerland.
CIT	Corporate income tax.
CLA 1	Subordinated convertible loans for €14 million issued by HomeToGo GmbH on December 19, 2019.
CLA 2	Subordinated convertible loans for €24.4 million issued by HomeToGo GmbH on August 7, 2020.
CLA 3	Subordinated convertible loans for €66.2 million issued by HomeToGo GmbH between March 12, 2021 and April 14, 2021.
Class A Shares	Class A redeemable shares with a par value of €0.0192, ISIN LU2290523658. "Class A Shares" refers to the New Class A Shares together with any existing Class A shares.
Class B Shares	7,135,000 Shares held by the Founders.
Clearstream	Clearstream Banking Aktiengesellschaft, Frankfurt am Main, Germany.
Clearstream Banking	Clearstream Banking S.A., 42 Avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg.
Closing	The closing of the Business Combination.
Co-Entrepreneurship	Participations held through a partnership that is a partnership being engaged or deemed to be engaged in a business.
Commission's Proposal	The proposal published by the European Commission on February 14, 2013.
Common Depositary	A depositary common to Euroclear Bank SA/NV and Clearstream Banking SA.

Company	Lakestar SPAC I SE (to be renamed HomeToGo SE as of closing of the Business Combination (as defined below)) (LEI 2221001IK1TS34BCHL37), a European company (*societas europaea*), having its registered office at 9, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg (telephone: +352 27 44 41 7714; website: www.hometogo.com) and being registered with the Luxembourg Trade and Companies Register (*Registre de commerce et des sociétés de Luxembourg*) under number B249273.
Consumer Rights Directive	Directive (EU) 2011/83 of the European Parliament and of the Council of October 25, 2011 on consumer rights, as amended.
CPA	Cost-per-action.
CPC	Cost-per-click.
CPL	Cost-per-lead.
CRM	Customer relationship management.
CSSF	The Commission de Surveillance du Secteur Financier, 283, route d'Arlon, L-1150 Luxembourg (telephone: +352 26 25 1-1).
DACH	Germany, Austria and Switzerland together.
Data Protection Act	German Federal Data Protection Act.
Data Protection Regulation	Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data.
Deferred Listing Commissions	The Fixed Deferred Listing Commission and the Discretionary Deferred Listing Commission.
Deutsche Bank	Deutsche Bank Aktiengesellschaft, business address Taunusanlage 12, 60325 Frankfurt am Main, Germany (telephone +49 (69) 91000; website: www.db.com), LEI 7LTWFZYICNSX8D621K86.
Deutsche Bank Research Report	Deutsche Bank Research, Airbnb – The air bed looks fully inflated, January 4, 2021.
Discretionary Deferred Listing Commission	The discretionary deferred listing commission, which, as part of the Deferred Listing Commissions, may be paid by the Company, in its absolute and full discretion, to the Placement Underwriters in an aggregate of up to 1.5% of the gross proceeds of the Private Placement, payable from the amounts in the Escrow Account, on the date of completion of the Business Combination, and to be distributed among the Placement Underwriters in its absolute and full discretion.
DMA	The European Digital Markets Act.
DSA	The European Digital Services Act.
DST	Local taxes on transnational e-commerce activities.
Earn-Out Subscriber	PG HoldCo, Inc. in the context of its entitlement pursuant to the Convertible Loan Agreement 2018 to subscribe for further shares in HomeToGo.

EEA Member States .... A member state of the European Economic Area.

Eligible Parent .... (a) A company covered by Article 2 of the Parent-Subsidiary Directive or a Luxembourg permanent establishment thereof, (b) a company resident in a State having a double tax treaty with Luxembourg and liable to a tax corresponding to Luxembourg CIT or a Luxembourg permanent establishment thereof, (c) a capital company (*société de capitaux*) or a cooperative company (*société coopérative*) resident in a Member State of the EEA other than an EU Member State and liable to a tax corresponding to Luxembourg CIT or a Luxembourg permanent establishment thereof or (d) a Swiss capital company (*société de capitaux*) which is subject to CIT in Switzerland without benefiting from an exemption.

EMEA .... Europe, Middle East and Africa.

EscapadaRural .... EscapadaRural S.L.

Escrow Account .... An escrow account established at Deutsche Bank Aktiengesellschaft by LS I Advisors KG.

Escrow Agreement .... Agreement entered into between LS I Advisors KG and Deutsche Bank, whereby Deutsche Bank is acting as escrow bank and Deutsche Bank AG, London branch is acting as escrow agent regarding the Escrow Account.

Euroclear Bank .... Euroclear Bank SA/NV, 41 Boulevard Roi Albert II, 1120 Brussels, Belgium,a s the operator of the Euroclear System

Everystay .... Everystay Holding UG.

Excluded Shares .... The Excluded Shares are a number of Public Shares representing half of the first tranche of Public Shares converted in accordance with the Promote Schedule that are transferable without restrictions by the Founders from the consummation of the Business Combination.

Feries .... Feries S.r.l.

Fixed Deferred Listing Commission .... The fixed deferred listing commission, which, on the date of the consummation of the Business Combination, *i.e.*, September 21, 2021, will be paid by the Company to the Placement Underwriters in an aggregate of 2.0% of the gross proceeds from the Private Placement.

Flexible Search .... The flexible search function as part of the search interface.

Founder Lock-Up .... The Sponsor and the other Founders have committed not to transfer, assign, pledge or sell any of the Founder Shares and Founder Warrants other than to Permitted Transferees. From the consummation of the Business Combination, the Public Shares received by the Founders as a result of conversion of their Founder Shares in accordance with the Promote Schedule, except for the Excluded Shares, will become transferrable on the first anniversary of the Business Combination or earlier if, at any time, the closing price of the Public Shares equals or exceeds €12.00 for any 20 trading days within any 30-trading day period.

Founder Shares .... Class B shares held by the Founders.

Founder Warrants	Class B warrants purchased by the Founders that will be exercisable for Public Shares.
Founders...	ANXA Holding PTE Ltd., Singapore, Winners & Co. GmbH, Germany, and Inga Schwarting.
Founders Agreement	Agreeement between the Founders and the Company.
Founders Capital At-Risk	The Founders subscribed to an aggregate of 5,333,333 Founder Warrants at a price of €1.50 per Founder Warrant (€8,000,000 in the aggregate).
GBV	Gross booking value.
GDPR...	General Data Protection Regulation.
German Disbursing Agent	A German resident credit institution, financial services institution (*inländisches Kredit- oder Finanzdienstleistungsinstitut*) (including in each case a German branch of such foreign institution), a securities trading company (*inländisches Wertpapierhandelsunternehmen*) or a securities trading bank (*inländische Wertpapierhandelsbank*).
Germany...	The Federal Republic of Germany.
Group...	The Company together with its subsidiaries.
HGB	The German Commercial Code (*Handelsgesetzbuch*).
HomeToGo GmbH....................................	HomeToGo GmbH, a limited liability company (Gesellschaft mit beschränkter Haftung) incorporated under the laws of Germany and registered in the commercial register (Handelsregister) of the local court (Amtsgericht) of Charlottenburg under HRB 155381 B with registered office at Pappelallee 78/79, 10437 Berlin, Germany.
HomeToGo Acquisition Proposal	Any inquiry, proposal or offer (written or oral) to (a) acquire, in one transaction or a series of transactions, all or a substantial portion of any of the assets of HomeToGo or any HomeToGo subsidiary, the equity securities of HomeToGo or any HomeToGo subsidiary or the businesses of HomeToGo or any HomeToGo subsidiary (whether by merger, consolidation, recapitalization, purchase or issuance of equity securities, purchase of assets, tender offer or otherwise), or (b) make an equity or similar investment in any HomeToGo subsidiary or their respective affiliates.
HomeToGo Investors................................	The HomeToGo Lenders together with the HomeToGo Shareholders.
HomeToGo Lenders	Lenders under HomeToGo GmbH's convertible loan agreements.
HomeToGo Shareholders..........................	All current shareholders of HomeToGo GmbH.

HomeToGo Share Transfer	An action of any HomeToGo Shareholder to sell, offer to sell, or agree to sell, transfer, hypothecate, pledge, encumber, assign, hedge, swap, convert, grant any option to purchase or otherwise dispose of or agree to dispose of (including by merger (including by conversion into securities or other consideration), by tendering into any tender or exchange offer, by testamentary disposition, by operation of law or otherwise), either voluntarily or involuntarily with respect to any of the HomeToGo Shareholder's HomeToGo GmbH shares.
HomeToGo VSOPs	Virtual stock option plans as put in place by HomeToGo GmbH.
HomeToGo VSOPs Amendment	The agreement of the parties of the Business Combination Agreement regarding the amendment of the HomeToGo VSOPs in order to, inter alia, enable the Option Holders to exercise their virtual options that are exercisable immediately prior to the closing commencement date of the Business Combination.
HTG	HomeToGo GmbH together with its subsidiaries.
HTG Insight	HTG Insight IX S.à.r.l.
IDW	The Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer*).
IFRS	International Financial Reporting Standards as adopted by the European Union.
Investment Company Act	The U.S. Investment Company Act of 1940, as amended.
ISIN	International Securities Identification Number.
KPI	Key performance indicator.
KStG	The German Corporate Tax Act.
Lakestar SPAC I SE	Former name of the Company prior to the consummation of the Business Combination.
Lakestar SPAC Acquisition Proposal	Any inquiry, proposal or offer (written or oral) to (a) acquire, in one transaction or a series of transactions, all or a material portion of any of the assets of Lakestar SPAC, the equity securities of Lakestar SPAC or the businesses of Lakestar SPAC (whether by merger, consolidation, recapitalization, purchase or issuance of equity securities, purchase of assets, tender offer or otherwise) or (b) make an equity or similar investment in Lakestar SPAC or their affiliates.
Lakestar SPAC Group	The Company and its subsidiaries for the period prior to the consummation of the Business Combination.
Lakestar SPAC Shareholder Approval Meeting	The general shareholders' meeting convened for the purpose of approving the Business Combination.
LEI	Legal entity identifier.
LIR	The Luxembourg tax authorities.
Listing	The admission of the New Public Shares to trading on the regulated market (regulierter Markt) of the Frankfurt Stock Exchange (General Standard) under the symbol "HTG".

Listing Agent	Baader Bank Aktiengesellschaft, business address: Weihenstephaner Straße 4, 85716 Unterschleißheim, Germany (LEI 529900JFOPPEDUR61H13).
LoI	The letter of intent entered into and executed by Lakestar SPAC and HomeToGo GmbH on May 11.2021.
LS I Advisors GmbH	LS I Advisors Verwaltungs GmbH.
LS I Advisors KG	LS I Advisors GmbH & Co. KG.
LuxCSD	LuxCSD S.A., 42, Avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.
Luxembourg	The Grand Duchy of Luxembourg.
Luxembourg Company Law	The Luxembourg law of August 10, 1915 on commercial companies, as amended.
Luxembourg Mandatory Squeeze-Out and Sell-Out Law	The Luxembourg law of July 21, 2012 on the squeeze-out and sell-out of securities of companies admitted or having been admitted to trading on a regulated market or which have been subject to a public offer.
Luxembourg Prospectus Law	Article 6 of the Luxembourg law of July 16, 2019, on prospectuses for securities.
Luxembourg Shareholder Rights Law	The Luxembourg law of May 24, 2011 on the exercise of certain rights of shareholders in general meetings of the shareholders of listed companies, as amended.
Luxembourg Takeover Law	The Luxembourg law of May 19, 2006 on takeover bids, as amended.
Luxembourg Transparency Law	The Luxembourg law of January 11, 2008 on transparency requirements regarding information about issuers whose securities are admitted to trading on a regulated market, as amended.
Majority Shareholder	Any individual or legal entity, acting alone or in concert with another person, which has become the holder directly or indirectly of a number of shares or other voting securities, including certificates over shares to which the possibility to give a voting instruction with respect to the shares is attached, representing at least 95% of the voting share capital and 95% of the voting rights of the Company.
Make-Whole Exercise	The numbers representing the number of Public Shares that a holder of a Public Warrant will receive in case of a cashless exercise in connection with a redemption by the Company pursuant to the redemption feature if the price per Public Share equals or exceeds €10.00 but is below €18.00, based on the "fair market value" of the Public Shares on the corresponding redemption date (assuming holders elect to exercise their Public Warrants and such warrants are not redeemed for €0.01 per Public Warrant), determined for these purposes based on the average closing price of the Public Shares during the 10 trading days immediately following the date on which the notice of redemption is sent to the holders of Public Warrants, and the number of months that the corresponding redemption date precedes the expiration date of the Public Warrants.

Management Board	The Company's management board.
Mandatory Sell-Out	Requirement of the Majority Shareholder to purchase the remaining shares or other voting securities from the holders of such remaining shares or securities.
Mandatory Squeeze-Out	The Majority Shareholder requiring the holders of the remaining shares or other voting securities to sell those remaining securities.
Market Value	The volume weighted average price of Public Shares during the 20 trading day period starting on the trading day prior to the day on which we consummate the Business Combination.
MBT	Municipal business tax.
MMA	The Madrid Agreement Concerning the International Registration of Marks of April 14, 1891, as amended.
MNWT	The minimum net worth tax.
New Class A Share	Class A share with a par value of €0.0192, ISIN: LU2290523658, issued by the Company in connection with the consummation of the Business Combination.
New Grants	8,600 virtual options under the HomeToGo VSOPs, as granted by virtue of shareholders' resolution dated July 14,2021.
New Public Share	Class A share with a par value of €0.0192, ISIN: LU2290523658, issued by the Company in connection with the consummation of the Business Combination.
Newly Issued Price	Issue of additional Public Shares or equity-linked securities for capital raising purposes in connection with the closing of Business Combination at an issue price or effective issue price of less than €9.20 per Public Share (with such issue price or effective issue price to be determined in good faith by us and, in the case of any such issuance to our Sponsor or Founders or their affiliates, without taking into account any Founder Shares held by the Sponsor or Founders or such affiliates, as applicable, prior to such issuance.
NFQ	UAB NFQ Technologies.
NWT	The Luxembourg net worth tax.
Offers	Offers imported into our technology system from contracted Partners via technical interfaces (consisting of Vacation rentals, hotels and other accommodation types, including multiple offers of the same property if offered by more than one Partner on our websites).
Old Grants	23,210 virtual options under the HomeToGo VSOPs.
Option Holders	Certain individuals, to whom virtual options under the HomeToGo VSOPs were granted by HomeToGo.
OTA	Online travel agency.
Our	Refers to the Company and its subsidiaries, unless indicated otherwise.

Ourselves — Refers to the Company and its subsidiaries, unless indicated otherwise.

Parent-Subsidiary Directive — Article 2 of the Council Directive 2011/96/EU dated November 30, 2011.

Partners — OTAs, tour operators, property managers and other inventory suppliers.

Permitted Transferees — (a) The members of the management board or supervisory board of the Company or, in case an advisory board is established at the level of the Company, the members of such advisory board, any affiliates or family members of any members of the management board or supervisory board, any members or partners of the Sponsor or their affiliates, any affiliates of the Sponsor, or any employees of such affiliates; (b) in the case of an individual, by gift to a member of one of the individual's immediate family or to a trust, the beneficiary of which is a member of the individual's immediate family, an affiliate of such person or to a charitable organization; (c) in the case of an individual, by virtue of laws of descent and distribution upon death of the individual; (d) in the case of an individual, pursuant to a qualified domestic relations order; (e) by private sales or transfers made in connection with the consummation of a Business Combination at prices no greater than the price at which the Founder Shares and Founder Warrants were originally purchased; (f) in the form of pledges, charges or any other security interest granted to any lenders or other creditors, (g) of Founder Shares and Founder Warrants pursuant to enforcement of any security interest entered into in accordance with (f); (h) by virtue of the Sponsor's organizational documents upon liquidation or dissolution of the Sponsor; (i) to the Company for no value for cancellation in connection with the consummation of the Business Combination; (j) in the event of the liquidation of the Company prior to the completion of the Business Combination; or (k) in the event of the completion of a liquidation, merger, share exchange or other similar transaction concerning the Company which results in all of the holders of Public Shares having the right to exchange their Public Shares for cash, securities or other property subsequent to the completion the Business Combination; provided, however, that in the case of clauses (a) through (g) these Permitted Transferees must enter into a written agreement agreeing to be bound by these transfer restrictions and the other restrictions included in a certain agreement between the Company and the Founders.

PIPE Investors — The investors, which the Company entered into subscription agreements regarding the PIPE Financing with.

PIPE Financing — The subscription agreements in connection with the Business combination entered into by the Company and the PIPE Investors in a private investment in public equity transaction.

Placement Underwriters — Deutsche Bank Aktiengesellschaft, J.P. Morgan AG and Morgan Stanley & Co. International plc.

PMMA — The Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks of June 27, 1989, as amended.

Portfolio Participation — A shareholder holding a participation of less than 10% in the share capital of the Company at the beginning of the calendar year.

Private Placement	The private placement of 27,500,000 Class A redeemable shares with a par value of €0.0192, ISIN LU2290523658, and 9,166,666 Class A warrants to subscribe for one Public Share, ISIN LU2290524383, of then Lakestar SPAC I SE (at the time of the Private Placement Lakestar SPAC I SE).
Promote Schedule......................................	Upon and following the completion of the Business Combination, the Founder Shares shall convert into Public Shares in accordance with the following schedule: (i) 1/3 on the trading day following the consummation of the Business Combination, (ii) 1/3 if, post consummation of the Business Combination, the closing price of the Public Shares for any 10 trading days within a 30 trading day period exceeds €12.00, and (iii) 1/3 if, post consummation of the Business Combination, the closing price of the Public Shares for any 10 trading days within a 30 trading day period exceeds €14.00, while, notwithstanding the foregoing, any Founder Shares transferred by private sales or transfers made in connection with the consummation of the Business Combination will be redeemed in exchange for the issuance of Public Shares upon the consummation of the Business Combination, but will continue to be subject to the Founder Lock-Up.
Prospectus	This prospectus.
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended.
Public Shares	Class A Shares.
Public Warrants	Class A warrants to subscribe for one Public Share, ISIN LU2290524383.
QIBs..	Qualified institutional buyers as defined in Rule 144A.
Qualified Participation.............................	If a shareholder or, in the event of a gratuitous transfer, its legal predecessor, or, if the shares have been gratuitously transferred several times in succession, one of his or her legal predecessors at any point during the five years preceding the (deemed, as the case may be) disposal directly or indirectly held at least 1% of the share capital of the company.
Qualified Permanent Establishment........	(a) A Luxembourg permanent establishment of a company covered by Article 2 of the Parent-Subsidiary Directive, (b) a Luxembourg permanent establishment of a capital company (*société de capitaux*) resident in a State having a double tax treaty with Luxembourg and (c) a Luxembourg permanent establishment of a capital company (*société de capitaux*) or a cooperative company (*société coopérative*) resident in a Member State of the EEA other than an EU Member State.
Qualified Shareholding.............................	The Company who holds or commits itself to hold for an uninterrupted period of at least 12 months shares representing either (a) a direct participation of at least 10% in the share capital of the Qualified Subsidiary or (b) a direct participation in the Qualified Subsidiary of an acquisition price of at least €1.2 million.

Qualified Subsidiary	A company covered by the Parent-Subsidiary Directive or a non-resident capital company (*société de capitaux*) liable to a tax corresponding to Luxembourg CIT.
Record Date	The date falling fourteen (14) days prior to (and excluding) the date of a general shareholders' meeting.
Regulation S..	Regulation S under the Securities Act.
Relevant Change of Control	Cases (i) where, within any given five year period, more than 50% of the subscribed capital, membership rights, ownership rights or voting rights in a corporate entity are directly or indirectly transferred to an acquirer or to its related parties or to a group of acquirers with convergent interest, or (ii) where a comparable event occurs.
Relevant Threshold...................................	The proportion of voting rights held by a person following the acquisition or disposal reaching, exceeding or falling below one of the thresholds of 5%, 10%, 15%, 20%, 25%, $33^1/_3$%, 50% or $66^2/_3$% of the total voting rights existing when the situation giving rise to a declaration occurs.
RESA	The Recueil Électronique des Sociétés et Associations.
Return of Capital	Dividend payments funded from the Company's contribution account for tax purposes.
Rule 144A...	Rule 144A under the Securities Act.
SaaS	Software as a service.
Securities Act...	The United States Securities Act of 1933, as amended.
Share Price...	The volume-weighted average price of the Public Shares as appearing on Bloomberg screen page HP (setting "Weighted Average Line") or any future successor screen page or setting (such Bloomberg page being, as of the date of this Prospectus, DHER GY Equity HP).
Shareholder Loan.......................................	Shareholder loan entered into between the Founders and the Company in December 2020 at the time of the incorporation of the Company in order to finance the Company's working capital requirements until the Private Placement that has been terminated prior to the date of this Prospectus.
Shares	The Public Shares together with the Founder Shares.
Specific Tech Sectors	The technology sector with a focus on the sub-sectors SaaS (software as a service), fintech, transportation and logistics, healthtech and deep tech.
Sponsor...	ANXA Holding PTE Ltd., Singapore, an affiliate of Klaus Hommels, the founder and chairman of Lakestar Advisors GmbH.
Sponsor Letter	The sponsor letter agreement entered into by Anxa Holding PTE LTD., HomeToGo GmbH and Lakestar SPAC on July 14, 2021.

Subscription Agreements	The subscription agreements entered into by Lakestar SPAC and the PIPE Investors, pursuant to which the PIPE Investors agreed to subscribe for and purchase, and Lakestar agreed to issue and sell to such investors, an aggregaate of 7,500,000 Public Shares at €10.00 each for gross proceeds of €75,000,000 on the closing date.
Substantial Participation..........................	A resident individual shareholder who holds or has held, either alone or together with his/her spouse or partner and/or minor children, directly or indirectly at any time within the five years preceding the disposal, more than 10% of the share capital of the company whose shares are being disposed of the substantial participation.
Supervisory Board	The Company's supervisory board.
Take Rate	Booking Revenue (excluding Booking Revenue generated through hotel bookings and through our subsidiaries Feries and EscapadaRural) divided by GBV (excluding GBV generated through hotel bookings and through our subsidiaries Feries and EscapadaRural).
Takeover Directive....................................	Directive 2004/25/EC of the European Parliament and of the Council of April 21, 2004 on takeover bids.
Tax Loss Carry-Forwards	Net operating losses for German entities for German corporate income tax purposes in the aggregate amount of approximately €79 million and net operating losses for German entities for German trade tax purposes in the aggregate amount of approximately €78 million each at the end of the fiscal year ended December 31, 2020.
Termination Date	The date that is six (6) calendar months after the date of this Agreement.
Tripping	Tripping International, Inc.
Unaudited Pro Forma Consolidated Financial Information.............................	(i) an unaudited pro forma consolidated statement of profit or loss for the six-month ended June 30, 2021 and an unaudited a pro forma consolidated statement of profit or loss for the fiscal year ended December 31, 2020, giving effect to the Business Combination as if it had occurred on January 1, 2020, and (ii) an unaudited pro forma consolidated statement of financial position as of June 30, 2021, giving effect to the Business Combination as if it had occurred on June 30, 2021, prepared in accordance with the principles described in the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, Annex 20 Pro Forma Information.
Underwriting Agreement	The underwriting agreement entered into between the Company and the Managers on February 17, 2021.
United States..	The United States of America.
Units..	The Public Shares together with the Public Warrants.

Us	Refers to the Company and its subsidiaries, unless indicated otherwise.
Users	Consumers who visit our websites.
VAT	Value Added Tax.
Warrant Reserve	A specific reserve in respect of the exercise of any Public Warrants and Founder Warrants issued by the Company pursuant to article 31.4 of the Articles of Association.
We	Refers to the Company and its subsidiaries, unless indicated otherwise.
Weighted Average Line	Set by the volume-weighted average price of the Public Shares as appearing on Bloomberg screen page HP.

25. RECENT DEVELOPMENTS AND TREND INFORMATION

25.1 Recent Developments

On July 14, 2021, the Company, HomeToGo GmbH, the HomeToGo GmbH shareholders and the HomeToGo Lenders entered into the Business Combination Agreement, which provided the basis for the Business Combination, in particular the contribution of all HomeToGo GmbH shares into the Company by the HomeToGo Investors (for further information on the Business Combination Agreement, refer to Section "*6. Business Combination Agreement and Ancillary Documents*").

By way of a purchase agreement dated August 18, 2021 (the "**SPA**") HS Holiday Search GmbH (the "**Purchaser**", a subsidiary of HomeToGo GmbH) purchased from SECRA Holding GmbH (the "**Seller**") a minority stake of 19% of the shares of both SECRA GmbH and SECRA Bookings GmbH (collectively "**SECRA**"). Closing of the transaction occurred on August 23, 2021. The purchase price amounted to a low single-digit million Euro amount. The Purchaser and the Seller further agreed that the Seller may, within a certain period, offer to the Purchaser the remaining shares in SECRA at the original per-share purchase price agreed in the SPA. Should the Purchaser have refused twice to accept the aforementioned offer, the Seller has a right to buy back the 19% stake at the original per-share purchase price. Unrelated to the Seller's right to offer the remaining shares in SECRA, the Purchaser has an option to acquire the remaining shares in SECRA at fair market value at the earliest 24 months, and the latest 30 months, after the closing of the SPA. SECRA provides a software solution for private house owners, professional agencies and destination management organizations to manage their properties and channel them to most major vacation rental platforms (including among others Airbnb, eDomizil, HomeAway, booking.com and HRS). SECRA earns a commission on bookings that are facilitated via their channel management and charges additional fees for trainings, setup and licensing of the software. At the moment, SECRA's operations are mainly focused on Germany, while internationalization is offering growth potential for the future.

On August 29, 2021, Digital Classifieds France, a simplified joint stock company (société par actions simplifiée) ("**DCF**") and HS Holiday Search GmbH entered into a put option agreement (the "**Agreement**"). DCF operates the platforms "SeLoger Vacances", "Amivac" and "Vacances.com" which offer vacation rental listings (together, "**Vacation Business**"). Under the Agreement, it is contemplated that DCF (i) will contribute the assets of the Vacation Business (excluding the domains of "SeLoger Vacances", which will be leased to AMIVAC (as defined below) for a limited time and discontinued afterwards) into a newly formed entity called "**AMIVAC**", and (ii), subject to certain conditions (including the completion of a consultation process with DCF's works council), exercise its option to sell to HS Holiday Search GmbH all shares in AMIVAC for a purchase price equaling of a low single-digit million Euro amount. The put option will lapse, should it not be exercised within five business days following the completion of the works council consultation process. The Vacation Business provides both private house owners and professional agencies with a listing platform to advertise their properties and charges a subscription fee for its services. The properties, which are mainly located in France, are mostly unique to the Vacation Business' platform, and its websites profit from a high share of unpaid traffic, reducing the dependency on marketing spend. We believe that an acquisition of the Vacation Business would complement our existing business activities in Italy and Spain and strengthen our footprint in the French market. Should the put option be exercised, the transaction is expected to close by the end of the year 2021.

Except as described above, between June 30, 2021 and the date of this Prospectus, there have been no significant changes to the Company's or HomeToGo GmbH's financial or trading position.

25.2 Trend Information

Driven by the expected increase in demand for alternative accommodation following the global lifting of travel restrictions, we currently expect GBV to increase to €1.6 billion in 2021, corresponding to an increase of 27% compared to €1.3 billion in 2020. Thereafter, we expect GBV to grow to €2.0-2.2 billion in 2022, and to grow further to €2.6-2.8 billion in 2023.

As a consequence of the expected increase of GBV and supported by the expected increase of the onsite share of our business, we currently expect revenue to increase to €80 million in 2021, corresponding to a Take Rate of 7.2% and to an increase of revenue of 21% compared to €66 million in 2020. For 2022, we expect revenue to grow further to €120-135 million, corresponding to a Take Rate of 7.7%, and for 2023, we expect revenue to grow further to €180-210 million, corresponding to a Take Rate of 8.6%. We expect that our revenue growth to moderate to approximately 30% in 2025. Based on our expectation that demand for software solutions (in particular from small homeowners and semi-professional agencies) will continue to increase, we expect that SaaS and other subscription revenue to account for more than 20% of our total revenue in the longer term.

Our target is to reach the point of breakeven within the next two years. With respect to our EBITDA margin, our strategic goal is to reach 35% or higher in the long term.

Certain statements in this section, including, in particular, the expectations and strategic targets described above, constitute forward-looking statements. These forward-looking statements are not guarantees of future financial performance, and our actual results could differ materially from those expressed or implied by these forward-looking statements as a result of many factors, including but not limited to those described under Sections "*2.8 Forward-Looking Statement*" and "*1. Risk Factors*". Investors are urged not to place undue reliance on any of the statements set forth above.

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