Prospectus dated October 26, 2021

PROSPECTUS

for the public offering
in the Federal Republic of Germany

of

388,733 new ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) from a capital increase against contributions in cash resolved by the Company's management board (*Vorstand*) on October 25, 2021, approved by the Company's supervisory board (*Aufsichtsrat*) on the same day, utilizing the Authorized Capital 2021/Ia as resolved by the Company's extraordinary shareholders' meeting (*außerordentliche Hauptversammlung*) on October 6, 2021,

and of

87,024 existing ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) from the holdings of Veganz Beteiligungs-KG and Vegan Angels GmbH

and of

71,363 existing ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) from the holdings of Vegan Angels GmbH and Katjesgreenfood GmbH in connection with a possible over-allotment

– each such share with a notional value of EUR 1.00 in the Company's share capital and with full dividend rights as of January 1, 2021 –

of

Veganz Group AG

Berlin, Federal Republic of Germany

Price Range: EUR 85.00 – EUR 110.00

International Securities Identification Number (ISIN): DE000A3E5ED2
German Securities Code (*Wertpapier-Kenn-Nummer (WKN)*): A3E5ED
Trading symbol: VEZ

Sole Global Coordinator and Sole Bookrunner
M.M.Warburg

Co-Lead Manager
Quirin Privatbank

WARNING REGARDING THE VALIDITY OF THE PROSPECTUS

THE VALIDITY OF THIS PROSPECTUS WILL EXPIRE ON THE END OF THE DATE OF THE CLOSING OF THE OFFER PERIOD, WHICH IS EXPECTED TO OCCUR ON NOVEMBER 3, 2021. THE OBLIGATION TO SUPPLEMENT THIS PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES DOES NOT APPLY WHEN THIS PROSPECTUS IS NO LONGER VALID.

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SUMMARY OF THE PROSPECTUS

A. Introduction and Warnings

This prospectus ("**Prospectus**") relates to ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) of Veganz Group AG, a stock corporation (*Aktiengesellschaft* or *AG*) established under the laws of the Federal Republic of Germany ("**Germany**"), having its registered seat in Berlin, Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Charlottenburg, Germany ("**Commercial Register**"), under the registration number HRB 219813 B, with business address at Warschauer Straße 32, 10243 Berlin, Germany, and Legal Entity Identifier ("**LEI**") 391200WJ0J8QYRQNC671 (telephone: +49 (0) 30 2936378 0; website: www.veganz.de) ("**Company**" and, together with its subsidiaries, "**Veganz**", "**Group**", "**we**", "**us**" or "**our**"), each such share having the International Securities Identification Number ("**ISIN**") DE000A3E5ED2 ("**Shares**").

Subject of the Prospectus is the public offering in Germany of up to 547,120 Shares ("**Public Offering**") consisting of

- 388,733 new Shares from a capital increase against contributions in cash resolved by the Company's management board (*Vorstand*) ("**Management Board**") on October 25, 2021, approved by the Company's supervisory board (*Aufsichtsrat*) on the same day, utilizing the Authorized Capital 2021/Ia as resolved by the Company's extraordinary shareholders' meeting (*außerordentliche Hauptversammlung*) on October 6, 2021 ("**IPO Capital Increase**"), ("**New Shares**"),
- 87,024 existing Shares comprising of 62,024 existing Shares from the holdings of Veganz Beteiligungs-KG, a German limited partnership (*Kommanditgesellschaft* or *KG*), having its registered seat in Berlin, Germany, registered with the Commercial Register under the registration number HRA 49293, with business address at Warschauer Straße 32, 10243 Berlin, Germany, and LEI 52990043MCQ9M85TGV78 ("**VBKG**"), and 25,000 existing Shares from the holdings of Vegan Angels GmbH, a German limited liability company (*Gesellschaft mit beschränkter Haftung* or *GmbH*), having its registered seat in Berlin, Germany, registered with the Commercial Register under the registration number HRB 164203 B, with business address at Marienstraße 19/20, 10117 Berlin, Germany, and LEI 391200XQE0TA6RHP5J83 ("**Vegan Angels**" and, together with VBKG, "**Selling Shareholders**"), ("**Sale Shares**"), and
- 71,363 existing Shares comprising 48,650 existing Shares from the holdings of Katjesgreenfood GmbH, a German limited liability company (*Gesellschaft mit beschränkter Haftung* or *GmbH*), having its registered seat in Dusseldorf, Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Dusseldorf, Germany, under the registration number HRB 92926, with business address at Kaistraße 16, 40221 Dusseldorf, Germany, and LEI 529900VKPRYPWGYT0G73 ("**Katjesgreenfood**"), and 22,713 existing Shares from the holdings of Vegan Angels (together with Katjesgreenfood, "**Lending Shareholders**") in connection with a potential over-allotment ("**Over-Allotment Shares**" and, together with the New Shares and the Sale Shares, "**Offer Shares**"). The total number of Over-Allotment Shares will not exceed 15% of the final number of New Shares and Sale Shares placed in the Offering (as defined below).

The Offer Shares are offered by the Company, M.M.Warburg & CO (AG & Co.) Kommanditgesellschaft auf Aktien, a German partnership limited by shares (*Kommanditgesellschaft auf Aktien* or *KGaA*), having its registered seat in Hamburg, Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Hamburg, Germany, under the registration number HRB 84168, with business address at Ferdinandstraße 75, 20095 Hamburg, Germany, LEI MZI1VDH2BQLFZGLQDO60 (telephone: +49 (0) 40 3282 0; website: www.mmwarburg.de) ("**Sole Global Coordinator**"), and Quirin Privatbank AG, a German stock corporation (*Aktiengesellschaft* or *AG*) having its registered seat in Berlin, Germany, registered with the Commercial Register under the registration number HRB 87859 B, with business address at Kurfürstendamm 119, 10711 Berlin, Germany, LEI 5299004IU009FT2HTS78 (telephone: +49 (0) 030 89021 300; website: www.quirinprivatbank.de) (together with the Sole Global Coordinator, "**Underwriters**"). The Company and the Underwriters assume responsibility for the contents of the Prospectus.

The 834,666 existing Shares ("**Existing Shares**") and the New Shares placed in the Offering (as defined below) shall be included to trading on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) with simultaneous inclusion in the Basic Board thereof ("**Listing**").

On October 26, 2021, the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – "**BaFin**"), Marie-Curie-Straße 24-28, 60439 Frankfurt am Main, Germany (telephone: +49 (0) 228 4108 0; website: www.bafin.de), approved the Prospectus as the competent authority under 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, and repealing Directive 2003/71/EC, as amended.

Information on the aforementioned websites and information accessible via these websites is neither part of, nor incorporated by reference into, the Prospectus, and such information has not been scrutinized or approved by BaFin.

Warnings:

(1) This summary should be read as an introduction to the Prospectus.

(2) Any decision to invest in the Offer Shares should be based on a consideration of the Prospectus as a whole by the investor.

(3) The investor could lose all or part of their invested capital.

(4) Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.

(5) Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only where this summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Offer Shares.

B. Key information on the issuer

Who is the issuer of the securities?

Issuer information – The Company is a stock corporation (*Aktiengesellschaft* or *AG*) incorporated and existing under German law. The Company has its registered seat in Berlin, Germany, and the LEI 391200WJ0J8QYRQNC671.

Principal activities – We are a Berlin-based purely plant-based/vegan food company developing, producing, marketing and distributing our products under our own brand "Veganz". Our offering is characterized by a complete absence of all animal ingredients as well as products for the production of which animal ingredients are used. We believe we are Europe's sole multi-category provider of purely plant-based food products (*Company estimate*).

The branded goods business in retail distribution is our core and main sales channel. As of the date of the Prospectus, our products are offered in the German speaking countries Germany, Austria and Switzerland (DACH region) and in other 24 countries globally. In the DACH region as our core market, we currently sell our purely plant-based food products through well-known food retailers such as EDEKA, REWE, Coop, Aspiag or Kaufland as well as drugstore chains such as Budnikowsky, Rossmann, dm and Müller, and discounters such as LIDL, ALDI, Penny and Netto. Internationally, our purely plant-based food products are distributed through food retailers such as SPAR (Italy, Hungary, Slovenia, Croatia, Greece, Cyprus), Kaufland International (Czech Republic, Slovakia, Romania, Bulgaria, Croatia, Poland), Coop (Denmark) and Sonae/Continente (Portugal). We also offer our products as well as other purely plant-based products from other suppliers through our own three own stores in Berlin, Germany.

As of June 30, 2021, we were represented with our product portfolio at 22,264 points of sale ("**POS**") globally, where at least one of our purely plant-based products is sold to a consumer also including, for example, temporary individual promotional activities inter alia at certain discounters like LIDL. This marks the preliminary culmination of a steady increase in POS in recent years from 9,999 POS as of December 31, 2018, by 76.4%, to 17,638 POS as of December 31, 2019 and, by 13.8%, to 20,073 POS as of December 31, 2020 globally. In the DACH region, the number of POS has increased concurrently from 9,299 POS as of December 31, 2018, by 75.2%, to 16,289 POS as of December 31, 2019, and, by 15.4%, to 18,797 POS as of December 31, 2020. Our second sales channel "Stores" comprises sales through our three own "Veganz"-stores in Berlin. To reach consumers online, our products are offered via online-sales platforms such as amazon.com, rohlik.cz, snacky.ch and vekoop.de as well as quick online commerce providers such as Gorillas, flink, Foodpanda and weezy. In addition, we also offer our products through our new sales channel "Food Service" in cooperation with our partners, such as the baked goods company Bakerman and the German football club RB Leipzig. For the further growth of this sales channel, we are already in discussions with other well-known European football clubs to examine the possibilities of future cooperation as well as in close negotiations (*Company estimate*) with Aramark, one of Germany's largest caterers. As part of such cooperation, our purely plant-based products are also to be offered under the "Veganz" label in the canteens operated by Aramark.

Our product portfolio includes around 120 products. Of the 101 active products we offered as of September 30, 2021, we manufactured 61 in Germany and 40 in other European countries, namely the Netherlands, Switzerland, Austria, the United Kingdom, Bulgaria, France, Italy and Greece. Regarding the development of our product offering we pick up on global food trends, develop concepts and products, which are then placed and sold exclusively under our "Veganz" brand. Our product range includes products for all types of storage (ambient, chilled and frozen) and for the main meals of the day. For example, we offer breakfast ingredients such as spreads or our recently launched honey alternative "Ohnig" and cheese alternatives, and for the other meals of the day we offer inter alia meat and fish alternatives as well as protein products, ready meals, sweets and snacks.

We largely outsource our production to third parties acting as co-manufacturers. We provide the recipe and packaging know-how in each case, enabling these co-manufacturers to produce the desired products. We entertain supply relationships with 38 businesses at the moment. We also adjust this portfolio based on our changing product portfolio. In the future, we are striving to increasingly manufacture our products ourselves and have already established a small production site for cheese alternatives in Berlin, Germany ("**Production Site I**"). We intend to establish a further production site at Werder (Havel), Germany, in the Federal State of Brandenburg, Germany ("**Production Site II**"), intended to produce purely plant-based fish (smoked salmon, shrimp, tuna) and textured protein used to make unrefrigerated meat substitutes as well as cheese alternatives. Upon completion, our Production Site II will – to our knowledge – be the largest production site for plant-based cheese alternatives in Europe.

The Company's management board (*Vorstand*) ("**Management Board**"), led by the founder of Veganz and chairman Jan Bredack ("**CEO**"), combines entrepreneurial spirit with longstanding industry experience and a lasting commitment to the Company's mission (*Company estimate*). Our CEO developed the initial concept behind Veganz and has managed our business from its inception. He has over 20 years sales and customer service experience within the automotive sector and the plant-based food industry. Alexandra Vázquez Bea, Chief Financial Officer (CFO), has over 14 years of management experience in the field of finance and start-ups. Anja Brachmüller, Chief Operating Officer (COO), has over 15 years of experience in logistics, purchasing and processing in the food industry. Moritz Möller, Chief Marketing Officer (CMO), can look back to many years of experience in the field of marketing and has the expertise regarding the necessary strategies to enhance the visibility of the "Veganz" brand. We believe that this in terms of experience and knowledge diversely structured Management Board will be able to meet the challenges of a rapidly growing business and to identify and respond to the possible new trends that may shape the market for products for purely plant-based food, precisely because of its diverse set of skills and abilities (*Company estimate*). Our Management Board is supported by a team of experienced professionals (*Company estimate*). We believe that our stable, long standing team, which provides us with new perspectives, experience and strong functional expert knowledge and leadership expertise, forms the backbone that will help us deliver on our goal of building an offering that transforms all aspects of how purely plant-based food is purchased. Our corporate culture is central to our success and is based on core values shared by everyone at Veganz. As of the date of the Prospectus, we employ 98 employees with a 57% share of women in management positions (*unaudited; Source: Companyˈs internal reporting systems*).

In recent years, we swiftly expanded our business with sales increasing at a compound annual growth rate (CAGR) of 24.0% between 2018 and 2020. In the financial year ended December 31, 2019, the Companyˈs sales grew significantly by 37.1% to EUR 23,872.3 thousand from EUR 17,411.8 in the financial year ended December 31, 2018. In the financial year ended December 31, 2020, the Companyˈs sales continued to grow by 12.1% to EUR 26,765.3 thousand. In the six-month period ended June 30, 2021, the Companyˈs sales amounted to EUR 15,555.4 thousand (*unaudited*) and were

18.7% higher (*unaudited*) compared to the six-month period ended June 30, 2020 (*Source: Unaudited unconsolidated interim financial statements of the Company as of and for the six-month period ended June 30, 2021*).

We believe that the following competitive strengths have been the primary drivers of our success in the past and will continue to set us apart from our competitors in the future:

- Multi-category provider of purely plant-based food products in Europe;
- Addressing global mega trends;
- Fastest growing category in a resilient food market;
- First mover with a strong brand recognition and high consumer awareness;
- High degree of innovation power;
- In-house production paired with innovative foodtech lab;
- Strong sales growth with future margin improvement potential.

To achieve continued success, we have identified the following key elements of our growth strategy that we want to implement in the short to long term:

- POS increase: Increase of the POS with existing and new customers paired with international expansion (short-term);
- Margin improvement: Increase production capacity to capture continuously growing demand in the sector (short- & mid-term);
- Customer growth: Further accelerate brand awareness and consumer trial (mid-term);
- Vertical integration: Use of innovative technology to secure ingredients to not only expand product pipeline but also optimize production (long-term).

Major shareholders – As of the date of the Prospectus, each of the following shareholders of the Company directly holds 3% or more of the Existing Shares: Bredack Vermögensverwaltungsgesellschaft mbH ("**BVV**") directly holds 26.3% of the Existing Shares, Vegan Angels directly holds 14.1% of the Existing Shares, Paladin Asset Management Investmentaktiengesellschaft mit Teilgesellschaftsvermögen directly holds 12.5% of the Existing Shares, Katjesgreenfood directly holds 7.8% of the Existing Shares, VBKG directly holds 7.4% of the Existing Shares, Develey Holding GmbH & Co. Beteiligungs KG directly holds 3.5% of the Existing Shares, Brandenburg Kapital GmbH directly holds 3.5% of the Existing Shares, Michael Durach directly holds 3.3% of the Existing Shares and Bernd Drosihn directly holds 3.0% of the Existing Shares.

Control – As of the date of the Prospectus, none of the Companyˈs shareholders holds a majority of the Company's share capital and voting rights and, therefore, has a controlling influence (*beherrschender Einfluss*) within the meaning of Section 17 para. 1 of the German Stock Corporation Act (*Aktiengesetz*) on the Company.

Key managing directors – The members of the Management Board are Jan Bredack (chairman of the Management Board and CEO), Alexandra Vázquez Bea (Chief Financial Officer (CFO)), Moritz Möller (Chief Marketing Officer (CMO)) and Anja Brachmüller (Chief Operating Officer (COO)).

Statutory auditors – The Company's statutory auditor is ECOVIS Audit AG Wirtschaftsprüfungsgesellschaft, Berlin, Germany, office Berlin, Ernst-Reuter-Platz 10, 10587 Berlin, Germany ("**ECOVIS**").

<u>What is the key financial information regarding the issuer?</u>

With registration in the commercial register on May 7, 2019, the Company (under its former legal name "Youco D19-H-39 Vorrats-AG") was incorporated as a German stock corporation (*Aktiengesellschaft* or *AG*) and shelf company with no business activities. Its first financial year was a short financial year commencing on April 1, 2019 and ending on December 31, 2019. Veganz GmbH, Berlin, Germany ("**Veganz GmbH**"), as transferring legal entity (*übertragender Rechtsträger*), was merged with the Company as the acquiring legal entity (*übernehmender Rechtsträger*) with registration in the Commercial Register on November 25, 2019 ("**Merger**"). Until the Merger, Veganz GmbH operated our business activities, whereas the Company did not have any business activities. Upon effectiveness of the Merger, the Company continued our business activities as the universal legal successor (*Gesamtrechtsnachfolger*) of Veganz GmbH. In addition, neither Veganz GmbH nor the Company prepared consolidated financial statements in the past. Therefore, the key financial information in the tables below has been taken or derived from the following unconsolidated financial statements/information of Veganz GmbH and the Company, all of which have been prepared in accordance with the German generally accepted accounting principles (GAAP) of the German Commercial Code (*Handelsgesetzbuch* – "**HGB**"): (i) the audited unconsolidated financial statements of Veganz GmbH as of and for the financial year ended December 31, 2018 ("**Audited Financial Statements 2018**"), (ii) the separate audited unconsolidated cash flow statements of Veganz GmbH for the financial year ended December 31, 2018 ("**Audited Cash Flow Statements 2018**"), (iii) the audited unconsolidated interim financial statements of Veganz GmbH as of and for the three-month period ended March 31, 2019 ("**Audited Interim Financial Statements Q1 2019**"), (iv) the audited unconsolidated financial statements of the Company as of and for the financial year ended December 31, 2019 ("**Audited Financial Statements 2019**"), (v) the audited unconsolidated financial statements of the Company as of and for the financial year ended December 31, 2020 ("**Audited Financial Statements 2020**") and (vi) the unaudited unconsolidated interim financial statements of the Company as of and for the six-month period ended June 30, 2021 ("**Unaudited Interim Financial Statements H1 2021**").

In addition, certain key financial information in the tables below have been taken from internal accounting records or internal reporting systems of the Company. ECOVIS audited the German-language (i) Audited Financial Statements 2018, (ii) the Audited Interim Financial Statements Q1 2019, (iii) the Audited Financial Statements 2019 and (iv) the Audited Financial Statements 2020 in accordance with Section 317 HGB and in compliance with the German generally accepted standards for financial statement audits promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer in Deutschland e.V*. – "**IDW**"). In addition, ECOVIS audited the separate Audited Cash Flow Statements 2018 in accordance with "IDW Auditing Practice Statement: Audit of Additional Elements of Financial Statements (IDW AuPS 9.960.2)" promulgated by the IDW. Where financial information is labelled "audited" in the following tables, it has been taken from the Audited Financial Statements 2018, the separate Audited Cash Flow Statements 2018, the Audited Interim Financial Statements Q1 2019 and the Audited Financial Statements 2020. The label "unaudited" in the following tables indicates financial information that has been taken or derived from (i) the Unaudited Interim Financial Statements H1 2021 and (ii) the Company's internal accounting records or internal reporting systems or (iii) has been calculated based on financial information from the aforementioned sources or the Audited Consolidated Financial Statements. Unless indicated otherwise, all financial information presented in the tables below is shown in thousands of Euro (in EUR thousand). Certain financial information, including percentages, has been rounded according to established commercial standards.

Key financial information from the income statement

	Financial year ended December 31,					Six-month period ended June 30,	
	2018	Q1 2019	Q2-4 2019	2019[1]	2020	2020	2021
	(audited, unless otherwise indicated)					(unaudited)	
	(in EUR thousand)						
Sales	17,411.8	4,946.2	18,926.1	23,872.3	26,765.3	13,108.3	15,555.4
Results after taxes	(3,780.3)	(349.2)	(4,241.1)	(4,590.3)	(4,938.5)	(1,684.6)	(3,986.1)
Net profit/loss for the financial year/period	(3,783.4)	(349.4)	(4,242.2)	(4,591.6)	(4,939.5)	(1,684.9)	(3, 986.1)

[1] Unaudited.

Key financial information from the balance sheet

	As of December 31,			As of June 30,
	2018	2019	2020	2021
	(audited)			(unaudited)
	(in EUR thousand)			
Total assets	11,675.1	20,805.6	24,906.9	29,726.5
Total equity	0.0	193.3	0.0	0.0

Key financial information from the statements of cash flows

	Financial year ended December 31,					Six-month period ended June 30,	
	2018	Q1 2019	Q2-4 2019	2019[1]	2020	2020	2021
	(audited, unless otherwise indicated)					(unaudited)	
	(in EUR thousand)						
Cash flow from							
operating activities	(1,656.4)	(151.5)	(2,194.7)	(2,346.2)	(2,985.3)	(1,744.7)	(598.2)
investing activities	62.2	(54.4)	(32.2)	(86.6)	(273.0)	(13.0)	(33.2)
financing activities	1,797.6	(41.6)	2,189.7	2,148.1	4,767.8	1,677.6	604.5

[1] Unaudited.

Alternative performance measures

The following key performance indicators are alternative performance measures as defined in the guidelines issued by the European Securities and Markets Authority (ESMA) on October 5, 2015 on alternative performance measures:

	Financial year ended December 31,					Six-month period ended June 30,	
	2018	Q1 2019	Q2-4 2019	2019	2020	2020	2021
	(unaudited)						
	(in EUR thousand, unless otherwise indicated)						
EBITDA[1]	(2,856.0)	(189.2)	(3,038.8)	(3,228.0)	(3,232.8)	(792.6)	(2,953.7)
EBITDA margin (in %)[2]	(16.4)	(3.8)	(16.1)	(13.5)	(12.1)	(6.0)	(19.0)
Adjusted EBITDA[3]	(2,340.7)	(189.2)	(2,405.9)	(2,595.1)	(2,060.9)	(307.8)	(2,100.6)
Adjusted EBITDA margin (in %)[4]	(13.4)	(3.8)	(12.7)	(10.9)	(7.7)	(2.3)	(13.5)
Gross Profit[5]	4,351.8	1,694.9	5,742.4	7,437.3	7,990.2	4,003.4	4,901.9
Gross Profit margin (in %)[6]	25.0	34.3	30.3	31.2	29.9	30.5	31.5

(1) EBITDA is the abbreviation for earnings before interest, taxes, depreciation and amortization. In order to calculate EBITDA, firstly, the sales and other operating income are summed up. Subsequently, the cost of materials consisting of the cost of raw materials, consumables and supplies and of purchased merchandise, the personnel expenses, consisting of wages and salaries as well as social security, pension and other benefit costs, and other operating expenses are subtracted.
(2) EBITDA margin is defined as EBITDA as a percentage of sales.
(3) EBITDA adjusted for certain one-off operating expenses such as (i) expenses for the Notes (as defined below), (ii) equity expenses, (iii) costs of the Merger, (iv) costs for the Production Site I as well as (v) other non-operating expenses.
(4) Adjusted EBITDA margin is defined as Adjusted EBITDA as a percentage of sales.
(5) Gross Profit is defined as sales less cost of materials, i.e. the cost of raw materials, consumables and supplies and of purchased merchandise.
(6) Gross Profit margin is defined as Gross Profit as a percentage of sales.

What are the key risks that are specific to the issuer?

- Our business development depends on the economic and demographic development in Europe, in particular in Germany, Austria and Switzerland (DACH region).

- We face intense competition, including competition from other suppliers for purely plant-based products.
- We have to react to changing consumer preferences.
- We have experienced rapid growth, but we have never been profitable. Our growth could slow down going forward and we cannot guarantee that we will ever become and remain profitable in the future.
- Our future growth depends on the establishment of our own production capabilities.
- The operation of our new production sites pose various risks and challenges to our business.
- Our current level of indebtedness may limit our future operations.
- We might not be able to renegotiate credit lines maturing at short notice with credit-financing banks and/or conclude them on economically acceptable terms.
- We may be adversely affected by changes in laws and regulations, in particular those governing the sale of food products and the food industry in general.
- We may be involved in litigation or other proceedings in the course of our business activities.
- Our internal controls, reporting and risk management procedures may prove inadequate and we may fail to comply with the additional legal requirements that will be applicable to us following the Listing.
- The members of the Management Board have limited experience managing a listed company. This may impair their ability to manage our day-to-day business.

C. Key information on the securities

What are the main features of the securities?

Type, class, ISIN – The Offering relates to ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) of the Company; ISIN DE000A3E5ED2; German Securities Code (*Wertpapier-Kenn-Nummer* ("**WKN**") A3E5ED); Trading symbol VEZ.

Number of securities – As of the date of the Prospectus, the Company's share capital amounts to EUR 834,666.00 and is divided into 834,666 Existing Shares. The Company's share capital has been fully paid up. All Shares are ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*). Each Share represents a notional value of EUR 1.00 in the Company's share capital.

Currency – The Shares are denominated in Euros.

Rights attached and transferability – Each Share carries one vote at the Company's shareholders' meeting (*Hauptversammlung*). There are no restrictions on voting rights. All Shares carry full dividend rights from January 1, 2021. The Shares are freely transferable in accordance with the legal requirements for bearer shares (*Inhaberaktien*). There are no restrictions on the transferability of the Shares other than certain lock-up commitments of the Selling Shareholders, the Lending Shareholders, further existing shareholders of the Company and the CEO/BVV.

Seniority – The Shares are subordinated to all other securities and claims in case of an insolvency of the Company.

Dividend policy – 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. The Company is not in a position to make any statements on the amount of future retained earnings or on whether retained earnings will exist at all in the future. The Company, therefore, is unable to guarantee that dividends will be paid in the foreseeable future. In addition, pursuant to the terms and conditions of notes in bearer form, ranking pari passu among themselves issued by the Company and due February 24, 2025 (ISIN DE000A254NF5 / WKN A254NF), the Company commits not to undertake any payment of a dividend or other distribution of shares in the profit as well as the repayment of capital to shareholders, if the Companyˈs equity ratio on the basis of the Companyˈs financial statements immediately prior to the distribution falls below 20%.

Where will the securities be traded?

The Company, together with the Sole Global Coordinator, will apply for the Listing, i.e. the inclusion of the Existing Shares and the New Shares placed in the Offering to trading on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) with simultaneous inclusion in the Basic Board of the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*).

What are the key risks attached to the securities?

- Following the Offering, the Company's main shareholder will retain a significant influence over the Company and its interests may conflict with those of the Company and our other shareholders.
- Future issuances of debt or equity securities by the Company could adversely affect the market price of the Shares, and future issuances of shares could substantially dilute the interests of the Company's then existing shareholders.
- The Shares have not been publicly traded and there is no guarantee that a liquid market for the Shares will develop.

D. Key information on the offer of securities to the public

Under which conditions and timetable can I invest in this security?

Offer conditions – The Offering relates to the sale of the Offer Shares, i.e., a total of 547,120 Shares, consisting of

- 388,733 New Shares,

- 87,024 Sale Shares from the holdings of the Selling Shareholders, and
- 71,363 Over-Allotment Shares from the holdings of the Lending Shareholders.

The total number of Over-Allotment Shares will not exceed 15% of the final number of New Shares and Sale Shares placed in the Offering.

Scope of the Offering – The offering consists of the Public Offering and private placements in certain jurisdictions outside Germany except for the United States of America, Canada, Japan and Australia ("**Offering**"). The Offer Shares will be offered and sold only in "offshore transactions" in compliance with Regulation S under the United States Securities Act of 1933, as amended.

Offer period – The offer period during which purchase orders for the Offer Shares may be submitted is expected to commence on October 27, 2021 and is expected to end on November 3, 2021 ("**Offer Period**"). On the last day of the Offer Period, purchase orders may be submitted (i) until 12:00 hrs Central European Time ("**CET**") by retail investors (natural persons) and (ii) until 14:00 hrs CET by institutional investors. Institutional investors may place purchase orders directly with the Underwriters during the Offer Period. Retail investors may make purchase orders in the Offering one day after the commencement of the Offer Period, i.e. beginning on October 28, 2021, through the special subscription functionality (*Zeichnungsfunktionalität*) DirectPlace© of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) ("**DirectPlace©**").

Timetable – The following is the expected timetable of the Offering, which may be extended or shortened:

October 26, 2021	Approval of the Prospectus by BaFin
	Publication of the Prospectus on the Company's website (www.veganz.de) under the "Investor Relations" section
	Application for Listing
October 27, 2021	Commencement of the Offer Period
October 28, 2021	Commencement of the use of DirectPlace©
November 3, 2021	Close of the Offer Period and of the use of DirectPlace©
	Determination of the Offer Price (as defined below) and the final number of Offer Shares placed in the Offering
	Publication of the Offer Price and the final number of Offer Shares placed in the Offering in the form of an ad hoc announcement on an electronic information dissemination system and on the Company's website (www.veganz.de) under the "Investor Relations" section
November 4, 2021	Allotment of Offer Shares to investors
November 8, 2021	Registration of the consummation of the IPO Capital Increase with the Commercial Register
	Decision of Deutsche Börse Aktiengesellschaft, Frankfurt am Main, Germany, on the Listing
November 9, 2021	Inclusion of the Shares in trading on the Regulated Unofficial Market of the Frankfurt Stock Exchange.
November 10, 2021	Commencement of trading in the Shares in the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) and simultaneously in the Basic Board of the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*)
	Book-entry delivery of the Offer Shares placed in the Offering against payment of the Offer Price (settlement and closing)

Price range – EUR 85.00 to EUR 110.00 per Offer Share ("**Price Range**").

Offer price – The offer price for the Offering ("**Offer Price**") has not yet been fixed as of the date of the Prospectus and is expected to be determined by the Company and the Selling Shareholders, after consultation with the Sole Global Coordinator, on or about November 3, 2021. The Offer Price will be set on the basis of purchase orders submitted by investors during the Offer Period that have been collected in the order book during the bookbuilding process. These orders will be evaluated according to the prices offered and the expected investment horizons of the respective investors. This method of setting the Offer Price is, in principle, aimed at achieving the highest Offer Price.

Amendments to the terms of the Offering – The Company, the Selling Shareholders and the Lending Shareholders reserve the right, after consultation with the Sole Global Coordinator, to increase or decrease the total number of Offer Shares, to increase or decrease the upper limit and/or the lower limit of the Price Range and/or to extend or shorten the Offer Period. Changes in relation to the number of Offer Shares, changes in the Price Range and/or the extension or shortening of the Offer Period will not invalidate any offers to purchase that have already been submitted. Under certain conditions, the Underwriters may terminate the Underwriting Agreement (as defined below), even after commencement of trading of the Shares in the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) up to delivery and settlement. In such case, the Offering will not take place and any allotments already made to investors will be invalidated.

Stabilization measures, Over-Allotment, Greenshoe option – In connection with the placement of the Offer Shares and to the extent permitted by the applicable legal requirements, the Sole Global Coordinator will act as stabilization manager ("**Stabilization Manager**") and may make over-allotments and take stabilization measures to support the market price of the Shares and thereby counteract any selling pressure. The Stabilization Manager is under no obligation to take any stabilization measures. Where stabilization measures are taken, these may be terminated at any time and without notice. Such measures must be terminated no later than 30 calendar days from the date of the Listing. Under the possible stabilization measures, investors may, in addition to the New Shares and the Sale Shares, be allotted the Over-Allotment Shares (up to 15% of the total number of the New Shares and Sale Shares) from the holdings of the Lending Shareholders provided by the Lending Shareholders to the Stabilization Manager under a securities loan. In order to cover a potential over-allotment, the Lending Shareholders granted the Stabilization Manager an option to purchase up to 71,363 Existing Shares at the Offer Price (less agreed commissions) in order to satisfy the retransfer obligation of the Stabilization Manager under the securities loan ("**Greenshoe Option**").

Plan for distribution – The allotment of Offer Shares to retail investors and institutional investors will be decided by the Company after consultation with the Sole Global Coordinator. With respect to the purchase orders of retail investors and orders via DirectPlace©, the Company and the Sole Global Coordinator will adhere to the "Principles for the Allotment of Share Issues to Private Investors" (*Grundsätze für die Zuteilung von Aktienemissionen an Privatanleger*) issued on June 7, 2000 by the German Commission of Stock Exchange Experts (*Börsensachverständigenkommission*).

Dilution – The percentage of the Company's share capital and voting rights attributable to the shareholders will be diluted by 31.8% (unaudited) if the Greenshoe Option is exercised and all New Shares and all Sale Shares are placed at the mid-point of the Price Range. For investors, the Offering would result in a dilution of EUR 67.06 (unaudited) per Share, or 68.8% (unaudited) per Share, as the adjusted net book value of the Company per Share attributable to shareholders would fall short of the assumed Offer Price (assuming that the Greenshoe Option is exercised and all New Shares and all Sale Shares are placed at the mid-point of the Price Range) by this amount or percentage. For the existing shareholders, this would result in an increase in value of EUR 27.41 (unaudited) per Share, corresponding to 902.1% (unaudited) per Share.

Total expenses and expenses charged to investors – Approximately EUR 3,193,2 thousand attributable to the Company, approximately EUR 679.0 thousand attributable to the Selling Shareholders and approximately EUR 347.9thousand attributable to the Lending Shareholders assuming (i) an Offer Price at the mid-point of the Price Range and (ii) placement of the maximum number of Offer Shares, (iii) full exercise of the Greenshoe Option and (iv) payment of the discretionary fee in full. Only customary transaction and handling fees will be charged by the investors' brokers or depositary banks (*Depotbanken*).

Who is the offeror and/or the person asking for admission to trading?

Offeror – The offerors are the Company and the Underwriters.

Admission to trading – The Company, together with the Sole Global Coordinator, intends to apply for the Listing on October 26, 2021.

Why is the Prospectus being produced?

Reasons for the Offering – The Company intends to pursue the Offering to receive the net proceeds resulting from the sale of the New Shares. The Selling Shareholders intend to partially divest their shareholding in the Company to receive the net proceeds from the sale of the Sale Shares and to ensure sufficient free float and trading liquidity in the Shares. The Lending Shareholders intend to receive the net proceeds from the potential sale of the Over-Allotment Shares and to facilitate stabilization measures.

Use of proceeds – Assuming completion of the Offering at the mid-point of the Price Range and payment of the discretionary fee in full, the Company would receive net proceeds of approximately EUR 34,708.3 thousand from the Offering. Assuming an Offer Price at the mid-point of the Price Range, we intend to use these net proceeds in the following order of priority: (i) approximately 35% for the Production Site II; (ii) approximately 40% for investments in the organic growth, e.g. for research and development, expansion of field force, marketing and further expansion in selected European countries; (iii) approximately 15% for investments in the inorganic growth, e.g. for strategic flexibility regarding the establishment of new sales channels and potential M&A opportunities; and (iv) the remainder of·10% for general corporate purposes encompassing inter alia refinancing, working capital requirements and operating expenses.

Total net proceeds – Approximately EUR 34,708.3 thousand attributable to the Company, approximately EUR 7,805.8 thousand attributable to the Selling Shareholders and approximately EUR 6,610.0 thousand attributable to the Lending Shareholders assuming (i) an Offer Price at the mid-point of the Price Range, (ii) placement of the maximum number of Offer Shares, (iii) full exercise of the Greenshoe Option and (iv) payment of the discretionary fee in full.

Underwriting agreement – On October 25, 2021, the Company, the Selling Shareholders, the Lending Shareholders and the Underwriters entered into an underwriting agreement pursuant to which the Underwriters have undertaken to use their best efforts to place the Offer Shares with investors in the Offering, subject to certain conditions, in particular the execution of a pricing and volume agreement.

Conflict of interests – There are no conflicts of interest with respect to the Offering.

ZUSAMMENFASSUNG DES PROSPEKTS

A. Einleitung mit Warnhinweisen

Dieser Prospekt ("**Prospekt**") bezieht sich auf nennwertlose, auf den Inhaber lautende Stammaktien (Stückaktien) der Veganz Group AG, einer Aktiengesellschaft (AG) nach dem Recht der Bundesrepublik Deutschland ("**Deutschland**"), mit Satzungssitz in Berlin, Deutschland, eingetragen im Handelsregister des Amtsgerichts Charlottenburg, Deutschland ("**Handelsregister**"), unter der Registernummer HRB 219813 B, mit der Geschäftsanschrift Warschauer Straße 32, 10243 Berlin, Deutschland, und Rechtsträgerkennung ("**LEI**") 391200WJ0J8QYRQNC671 (Telefon: +49 (0) 30 2936378 0; Website: www.veganz.de) ("**Gesellschaft**" und, zusammen mit ihren Tochtergesellschaften, "**Veganz**", "**Group**", "**wir**", "**uns**" oder "**unser**"), mit internationaler Wertpapier-Identifikationsnummer ("**ISIN**") DE000A3E5ED2 ("**Aktien**").

Gegenstand des Prospekts ist das öffentliche Angebot von 547.120 Aktien in Deutschland ("**Öffentliches Angebot**"), bestehend aus

- 388.733 neuen Aktien aus einer Kapitalerhöhung gegen Bareinlage, beschlossen vom Vorstand der Gesellschaft ("**Vorstand**") am 25. Oktober 2021, mit Zustimmung des Aufsichtsrats vom selben Tag unter Ausnutzung des von der außerordentlichen Hauptversammlung der Gesellschaft am 6. Oktober 2021 beschlossenen Genehmigten Kapitals 2021/Ia ("**IPO-Kapitalerhöhung**"), ("**Neue Aktien**"),
- 87.024 bestehenden Aktien, von denen 62.024 bestehende Aktien aus dem Bestand der Veganz Beteiligungs-KG, einer deutschen Kommanditgesellschaft (KG) mit Sitz in Berlin, Deutschland, eingetragen im Handelsregister unter der Registernummer HRA 49293, mit Geschäftsadresse Warschauer Straße 32, 10243 Berlin, Deutschland, LEI 52990043MCQ9M85TGV78 ("**VBKG**"), und 25.000 bestehende Aktien aus dem Bestand der Vegan Angels GmbH, einer Gesellschaft mit beschränkter Haftung (GmbH) mit Sitz in Berlin, Deutschland, eingetragen im Handelsregister unter der Registernummer HRB 164203 B, mit der Geschäftsanschrift Marienstraße 19/20, 10117 Berlin, Deutschland, und LEI 391200XQE0TA6RHP5J83 ("**Vegan Angels**" und, zusammen mit der VBKG, "**Veräußernde Aktionäre**") stammen, ("**Verkaufsaktien**") und
- 71.363 bestehenden Aktien, von denen 48.650 bestehende Aktien aus dem Bestand der Katjesgreenfood GmbH, einer deutschen Gesellschaft mit beschränkter Haftung (GmbH) mit Sitz in Düsseldorf, Deutschland, eingetragen im Handelsregister des Amtsgerichts Düsseldorf, Deutschland, unter der Registernummer HRB 92926, mit der Geschäftsanschrift Kaistraße 16, 40221 Düsseldorf, Deutschland, und LEI 529900VKPRYPWGYT0G73 ("**Katjesgreenfood**" und, zusammen mit Vegan Angels, "**Verleihende Aktionäre**"), und 22.713 bestehende Aktien aus dem Bestand der Vegan Angels stammen, im Zusammenhang mit einer möglichen Mehrzuteilung ("**Mehrzuteilungsaktien**" und, zusammen mit den Neuen Aktien und den Verkaufsaktien, "**Angebotsaktien**"). Die Gesamtanzahl der Mehrzuteilungsaktien wird 15 % der endgültigen Anzahl an Neuen Aktien und Verkaufsaktien, die im Zuge des Angebots (wie unten definiert) platziert werden, nicht überschreiten.

Die Angebotsaktien werden angeboten durch die Gesellschaft, M.M.Warburg & CO (AG & Co.) Kommanditgesellschaft auf Aktien, eine deutsche Kommanditgesellschaft auf Aktien (KGaA) mit Satzungssitz in Hamburg, Deutschland, eingetragen im Handelsregister des Amtsgerichts Hamburg, Deutschland, unter der Registernummer HRB 84168, mit der Geschäftsanschrift Ferdinandstraße 75, 20095 Hamburg, Deutschland, LEI MZI1VDH2BQLFZGLQDO60 (Telefon: +49 (0) 40 3282 0; Website: www.mmwarburg.de) ("**Sole Global Coordinator**") und Quirin Privatbank AG, einer deutschen Aktiengesellschaft (AG) mit Satzungssitz in Berlin, Deutschland, eingetragen in das Handelsregister unter der Registernummer HRB 87859 B, mit der Geschäftsanschrift Kurfürstendamm 119, 10711 Berlin, Deutschland, und LEI 5299004IU009FT2HTS78 (Telefon: +49 (0) 030 89021 300; Website: www.quirinprivatbank.de) (zusammen mit dem Sole Global Coordinator, "**Underwriters**"). Die Gesellschaft und die Underwriters übernehmen Verantwortung für die Inhalte des Prospektes.

Die 834.666 bestehenden Aktien ("**Bestehende Aktien**") und die Neuen Aktien, die im Zuge des Angebots (wie nachstehend definiert) platziert werden, sollen in den Handel im Freiverkehr der Frankfurter Wertpapierbörse (Scale Segment) mit gleichzeitiger Einbeziehung in das Basic Board des Freiverkehrs der Frankfurter Wertpapierbörse einbezogen werden ("**Einbeziehung**").

Die Bundesanstalt für Finanzdienstleistungsaufsicht ("**BaFin**"), Marie – Curie - Straße 24-28, 60439 Frankfurt am Main, Deutschland (Telefon: +49 (0) 228 4108 0; Website: www.bafin.de), hat den Prospekt als zuständige Behörde gemäß 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, in der jeweils gültigen Fassung, am 26. Oktober 2021 gebilligt.

Informationen auf den vorgenannten Websites und Informationen, die über diese Websites zugänglich sind, sind weder Teil des Prospekts noch werden sie durch Verweis in den Prospekt aufgenommen, und diese Informationen wurden von der BaFin nicht geprüft oder genehmigt.

Warnhinweise:

(1) Diese Zusammenfassung sollte als Prospekteinleitung verstanden werden.

(2) Der Anleger sollte sich bei der Entscheidung, in die Aktien zu investieren, auf den Prospekt als Ganzes stützen.

(3) Der Anleger könnte das gesamte angelegte Kapital oder einen Teil davon verlieren.

(4) Für den Fall, dass vor einem Gericht Ansprüche aufgrund der in dem Prospekt enthaltenen Informationen geltend gemacht werden, könnte der als Kläger auftretende Anleger nach nationalem Recht die Kosten für die Übersetzung des Prospekts vor Prozessbeginn zu tragen haben.

(5) Nur diejenigen Personen haften zivilrechtlich, die diese Zusammenfassung samt etwaigen Übersetzungen vorgelegt und übermittelt haben, und dies auch nur für den Fall, dass diese Zusammenfassung, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird, irreführend, unrichtig oder widersprüchlich ist oder dass sie, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird, nicht die Basisinformationen vermittelt, die in Bezug auf Anlagen in die Angebotsaktien für die Anleger eine Entscheidungshilfe darstellen würden.

B. Basisinformationen über den Emittenten

Wer ist der Emittent der Wertpapiere?

Informationen über den Emittenten – Die Gesellschaft ist eine Aktiengesellschaft (AG), die nach deutschem Recht gegründet wurde und deutschem Recht unterliegt. Die Gesellschaft hat ihre Satzungssitz in Berlin, Deutschland, und die LEI 391200WJ0J8QYRQNC671.

Haupttätigkeiten – Wir sind ein in Berlin ansässiges Unternehmen für rein pflanzliche/vegane Lebensmittel, das seine Produkte unter der eigenen Marke "Veganz" entwickelt, produziert, vermarktet und vertreibt. Unser Angebot zeichnet sich durch den vollständigen Verzicht auf alle tierischen Inhaltsstoffe sowie auf Produkte, für deren Herstellung tierische Zutaten verwendet werden, aus. Wir glauben, dass wir Europas einziger Multi-Sortiment-Anbieter für rein pflanzliche Lebensmittel sind (*Einschätzung der Gesellschaft*).

Das Markenartikelgeschäft im Einzelhandel ist unser Kern- und Hauptvertriebskanal. Zum Datum des Prospekts werden unsere Produkte in den deutschsprachigen Ländern Deutschland, Österreich und Schweiz (DACH-Region) und in weiteren 24 Ländern weltweit angeboten. In der DACH-Region, die wir als unseren Kernmarkt betrachten, vertreiben wir unsere rein pflanzlichen Lebensmittel derzeit über namhafte Lebensmitteleinzelhändler wie EDEKA, REWE, Coop, Aspiag oder Kaufland sowie Drogerieketten wie Budnikowsky, Rossmann, dm und Müller und Discounter wie LIDL, ALDI, Penny und Netto. International werden unsere rein pflanzlichen Lebensmittel über den Lebensmitteleinzelhandel wie SPAR (Italien, Ungarn, Slowenien, Kroatien, Griechenland, Zypern), Kaufland International (Tschechien, Slowakei, Rumänien, Bulgarien, Kroatien, Polen), Coop (Dänemark) und Sonae/Continente (Portugal) vertrieben. Zum 30. Juni 2021 waren unsere Produkte an 22.264 Verkaufspunkten (*points of sale* – "**POS**") weltweit vertreten, darunter auch die drei eigenen Stores in Berlin, wobei hierzu jeder Ort zählt, an dem mindestens eines unserer rein pflanzlichen Produkte an einen Verbraucher verkauft wird, einschließlich z.B. zeitlich begrenzter einzelner Werbeaktionen u.a. bei Discountern wie LIDL. Dies markiert den vorläufigen Höhepunkt eines stetigen Anstiegs der weltweiten POS in den letzten Jahren von 9.999 POS zum 31. Dezember 2018 um 76,4 % auf 17.638 POS zum 31. Dezember 2019 sowie um 13,8 % auf 20.073 POS zum 31. Dezember 2020. In der DACH-Region ist die Zahl der POS gleichzeitig von 9.299 POS zum 31. Dezember 2018 um 75,2 % auf 16.289 POS zum 31. Dezember 2019 sowie um 15,4 % auf 18.797 POS zum 31. Dezember 2020 gestiegen. Unser zweiter Vertriebskanal "Stores" umfasst den Verkauf über die drei eigenen "Veganz"-Stores in Berlin. Um Verbraucher online zu erreichen, werden unsere Produkte über Online-Verkaufsplattformen wie amazon.com, rohlik.cz, snacky.ch und vekoop.de sowie über Quick-Online-Commerce-Anbieter wie Gorillas, flink, Foodpanda und weezy angeboten. Zudem bieten wir unsere Produkte auch über unseren neuen Vertriebskanal "Food Service" in Kooperation mit unseren Partnern an, beispielsweise dem Backwarenunternehmen Bakerman und dem deutschen Fußballverein RB Leipzig. Für das weitere Wachstum dieses Vertriebskanals befinden wir uns bereits in Gesprächen mit weiteren namhaften europäischen Fußballvereinen, um die Möglichkeiten einer zukünftigen Zusammenarbeit zu prüfen, und stehen zudem in engen Verhandlungen (*Einschätzung der Gesellschaft*) mit Aramark, einem der größten Caterer in Deutschland. Im Rahmen einer solchen Kooperation sollen unsere rein pflanzlichen Produkte in den von Aramark betriebenen Kantinen unter der "Veganz"-Marke angeboten werden. Unser Produktportfolio beinhaltet rund 120 Produkte. Von den 101 aktiven Produkten, die wir zum 30. September 2021 anboten, produzierten wir 61 in Deutschland und 40 in anderen europäischen Ländern, nämlich in den Niederlanden, der Schweiz, Österreich, dem Vereinigten Königreich, Bulgarien, Frankreich, Italien und Griechenland. Bei der Entwicklung unseres Produktangebots greifen wir globale Lebensmitteltrends auf, entwickeln Konzepte und Produkte, die dann exklusiv unter unserer Marke "Veganz" platziert und verkauft werden. Unsere Produktpalette umfasst Produkte für alle Lagerungsarten (ungekühlt, gekühlt und tiefgekühlt) und für die wichtigsten Mahlzeiten des Tages. So bieten wir z.B. Frühstückszutaten wie Brotaufstriche oder unsere kürzlich eingeführte Honigalternative "Ohnig" und Käsealternativen an und für die anderen Mahlzeiten des Tages unter anderem Fleisch-, Fischalternativen sowie Proteinprodukte, Fertiggerichte, Süßigkeiten und Snacks an.

Wir lagern unsere Produktion weitgehend an Dritte aus, die als Co-Hersteller auftreten. Wir stellen jeweils das Rezeptur- und Verpackungs-Know-how zur Verfügung und befähigen diese Co-Hersteller, die gewünschten Produkte herzustellen. Zurzeit unterhalten wir Lieferbeziehungen mit 38 Unternehmen. Wir passen dieses Portfolio auch an unser sich veränderndes Produktportfolio an. In der Zukunft streben wir an, unsere Produkte zunehmend selbst herzustellen und haben bereits eine kleine Produktionsstätte für Käsealternativen in Berlin, Deutschland, eingerichtet ("**Produktionsstandort I**"). Wir beabsichtigen, einen weiteren Produktionsstandort in Werder (Havel), Deutschland, im Bundesland Brandenburg, Deutschland, zu errichten ("**Produktionsstandort II**"), in dem rein pflanzlichen Fisch (Räucherlachs, Garnelen, Thunfisch) und texturiertes Protein zur Herstellung von ungekühlten Fleischersatzprodukten sowie Käsealternativen produziert werden soll. Nach Fertigstellung wird der Produktionsstandort II – unseres Wissens nach – der größte Produktionsstandort für die Herstellung von pflanzlichen Käsealternativen in Europa sein (*Einschätzung der Gesellschaft*).

Der Vorstand der Gesellschaft ("**Vorstand**") unter der Leitung des Veganz-Gründers und Vorstandsvorsitzenden Jan Bredack ("**Vorstandsvorsitzender**") verbindet Unternehmergeist mit langjähriger Branchenerfahrung und nachhaltigem Engagement für die Unternehmensmission (*Einschätzung der Gesellschaft*). Unser Vorstandsvorsitzender hat das ursprüngliche Konzept von Veganz entwickelt und Veganz von Beginn an geleitet. Er verfügt über mehr als 20 Jahre Erfahrung in den Bereichen Vertrieb und Kundenservice aus der Automobilbranche und in der pflanzlichen Lebensmittelbranche. Alexandra Vázquez Bea, Chief Financial Officer (CFO), hat über 14 Jahre Managementerfahrung im Bereich Finanzen und Start-ups. Anja Brachmüller, Chief Operating Officer (COO), verfügt über mehr als 15 Jahre Erfahrung im Bereich Logistik, Einkauf und Verarbeitung in der Lebensmittelbranche. Moritz Möller, Chief Marketing Officer (CMO), kann auf langjährige Erfahrung im Bereich Marketing zurückblicken und verfügt über die strategische Expertise zur Steigerung der Sichtbarkeit der Marke "Veganz". Wir glauben, dass dieser in Bezug auf Erfahrung und Wissen vielfältig strukturierte Vorstand in der Lage sein wird, die Herausforderungen eines schnell wachsenden Unternehmens zu meistern und die möglichen neuen Trends, die den Markt für Produkte für rein pflanzliche Lebensmittel prägen könnten, gerade wegen seiner vielfältigen Fähigkeiten und Fertigkeiten zu erkennen und darauf zu reagieren (*Einschätzung der Gesellschaft*). Unser Vorstand wird von einem Team erfahrener Fachleute unterstützt (*Einschätzung der Gesellschaft*). Wir sind davon überzeugt, dass unser beständiges, langjähriges Team, das uns neue Perspektiven Erfahrungen und ein starkes funktionales Fach- und Führungswissen bietet, das Rückgrat bildet, das uns hilft, unser Ziel zu erreichen, ein Angebot zu schaffen, das alle Aspekte des Kaufs veganer Lebensmittel verändert. Unsere Unternehmenskultur ist von zentraler Bedeutung für unseren Erfolg und basiert auf Grundwerten, die von allen bei Veganz geteilt werden. Zum Datum des Prospekts beschäftigen wir 98 Mitarbeiter mit einem Frauenanteil von 57 % in Führungspositionen (*ungeprüft; Quelle: Berichtssystemen der Gesellschaft*).

In den letzten Jahren haben wir unser Geschäft schnell expandiert, wobei die Umsatzerlöse zwischen 2018 und 2020 mit einer durchschnittlichen jährlichen Wachstumsrate (CAGR) von 24,0 % gestiegen sind. In dem zum 31. Dezember 2019 endenden Geschäftsjahr stiegen die Umsatzerlöse der Gesellschaft deutlich um 37,1 % auf TEUR 23.872,3 von TEUR 17.411,8 in dem zum 31. Dezember 2018 endenden Geschäftsjahr. In dem zum 31. Dezember 2020 endenden Geschäftsjahr wuchsen die Umsatzerlöse der Gesellschaft weiter um 12,1 % auf TEUR 26.765,3. In dem zum 30. Juni 2021 endenden Sechsmonatszeitraum beliefen sich die Umsatzerlöse der Gesellschaft auf TEUR 15.555,4 (*ungeprüft*) und lagen damit um 18,7 % (*ungeprüft*) höher als in dem zum 30. Juni 2020 endenden Sechsmonatszeitraum (*Quelle: Ungeprüfter unkonsolidierter Zwischenabschluss der Gesellschaft für den zum 30. Juni 2021 endenden Sechsmonatszeitraum*).

Wir glauben, dass die folgenden Wettbewerbsstärken in der Vergangenheit die Haupttreiber unseres Erfolgs waren und uns auch in Zukunft von unseren Wettbewerbern abheben werden:

- Multi-Sortiment Anbieter von rein pflanzlichen Lebensmitteln in Europa;
- Aufgreifen globaler Megatrends;
- Am schnellsten wachsende Kategorie in einem widerstandsfähigen Lebensmittelmarkt;
- Vorreiter mit starkem Wiedererkennungswert und hohem Bekanntheitsgrad der Marke;
- Hohes Maß an Innovationskraft;
- Eigene Produktion gepaart mit innovativem Foodtech-Labor;
- Starkes Umsatzwachstum mit Potenzial zur künftigen Margenverbesserung.

Um weiterhin erfolgreich zu sein, haben wir die folgenden Schlüsselelemente unserer Wachstumsstrategie identifiziert, die wir kurz- bis langfristig umsetzen wollen:

- POS-Steigerung: Steigerung der POS bei bestehenden und neuen Kunden gepaart mit internationaler Expansion (kurzfristig);
- Verbesserung der Marge: Erhöhung der Produktionskapazitäten zur Deckung der ständig wachsenden Nachfrage in diesem Sektor (kurz- und mittelfristig);
- Kundenwachstum: Weitere Steigerung des Markenbewusstseins und der Probierkäufen (mittelfristig);
- Vertikale Integration: Einsatz innovativer Technologien zur Sicherung von Rohstoffen, um nicht nur Erweiterung der Produktpipeline, sondern auch zur Produktionsoptimierung (langfristig).

Hauptanteilseigner – Zum Datum des Prospektes hält jeder der folgenden Aktionäre der Gesellschaft 3 % oder mehr der Bestehenden Aktien: Bredack Vermögensverwaltungsgesellschaft mbH ("**BVV**") hält direkt 26,3 % der Bestehenden Aktien, Vegan Angels hält direkt 14,1 % der Bestehenden Aktien, Paladin Asset Management Investmentaktiengesellschaft mit Teilgesellschaftsvermögen hält direkt 12,5 % der Bestehenden Aktien, Katjesgreenfood hält direkt 7,8 % der Bestehenden Aktien, VBKG hält direkt 7,4 % der Bestehenden Aktien, Develey Holding GmbH & Co. Beteiligungs KG hält direkt 3,5 % der Bestehenden Aktien, Brandenburg Kapital GmbH hält direkt 3,5 % der Bestehenden Aktien, Michael Durach hält direkt 3,3 % der Bestehenden Aktien und Bernd Drosihn hält direkt 3,0 % der Bestehenden Aktien.

Beherrschung – Zum Zeitpunkt des Prospektes hält keiner der Aktionäre der Gesellschaft die Mehrheit des Grundkapitals und der Stimmrechte der Gesellschaft und übt deshalb beherrschenden Einfluss im Sinne des § 17 Abs. 1 des Aktiengesetzes auf die Gesellschaft aus.

Hauptgeschäftsführer – Die Mitglieder des Vorstands der Gesellschaft sind Jan Bredack (Vorstandsvorsitzender und Chief Executive Officer (CEO)), Alexandra Vázquez Bea (Chief Financial Officer (CFO)), Moritz Möller (Chief Marketing Officer (CMO)) und Anja Brachmüller (Chief Operating Officer (COO))

Abschlussprüfer – Der gesetzliche Abschlussprüfer der Gesellschaft ist ECOVIS Audit AG Wirtschaftsprüfungsgesellschaft, Berlin, Deutschland, Büro Berlin, Ernst-Reuter-Platz 10, 10587 Berlin, Deutschland ("**ECOVIS**").

Welches sind die wesentlichen Finanzinformationen über den Emittenten?

Mit Eintragung in das Handelsregister am 7. Mai 2019 wurde die Gesellschaft (unter ihrer bisherigen Firma "Youco D19-H-39 Vorrats-AG") als Aktiengesellschaft (AG) und Vorratsgesellschaft ohne Geschäftstätigkeit gegründet. Ihr erstes Geschäftsjahr war ein Rumpfgeschäftsjahr, das am 1. April 2019 begann und am 31. Dezember 2019 endete. Veganz GmbH, Berlin, Deutschland ("**Veganz GmbH**"), als übertragender Rechtsträger wurde mit Eintragung in das Handelsregister am 25. November 2019 mit der Gesellschaft als übernehmender Rechtsträger verschmolzen ("**Verschmelzung**"). Bis zur Verschmelzung betrieb die Veganz GmbH unsere Geschäftsaktivitäten, während die Gesellschaft keine Geschäftsaktivitäten ausübte. Nach Wirksamwerden der Verschmelzung führte die Gesellschaft als Gesamtrechtsnachfolgerin der Veganz GmbH unsere Geschäftstätigkeit fort. Darüber hinaus haben weder die Veganz GmbH noch die Gesellschaft in der Vergangenheit konsolidierte Abschlüsse erstellt. Daher wurden die wesentlichen Finanzinformationen in den nachstehenden Tabellen den folgenden unkonsolidierten Jahresabschlüssen/Finanzinformationen der Veganz GmbH und der Gesellschaft entnommen bzw. daraus abgeleitet, die alle in Übereinstimmung mit den deutschen Grundsätzen ordnungsgemäßer Buchführung (GoB) des Handelsgesetzbuchs ("**HGB**") erstellt wurden: (i) dem geprüften unkonsolidierten Jahresabschluss der Veganz GmbH für das zum 31. Dezember 2018 endende Geschäftsjahr ("**Geprüfter Jahresabschluss 2018**"), (ii) der separaten geprüften unkonsolidierten Kapitalflussrechnung der Veganz GmbH für das zum 31. Dezember 2018 endende Geschäftsjahr ("**Geprüfte Kapitalflussrechnung 2018**"), (iii) dem geprüften unkonsolidierten Zwischenabschluss der Veganz GmbH für den zum 31. März 2019 endenden Dreimonatszeitraum ("**Geprüfter Zwischenabschluss Q1 2019**"), (iv) dem geprüften unkonsolidierten Jahresabschluss der Gesellschaft für das zum 31. Dezember 2019 endende Geschäftsjahr ("**Geprüfter Jahresabschluss 2019**"), (v) dem geprüften unkonsolidierten Jahresabschluss der Gesellschaft für das zum 31. Dezember 2020 endende Geschäftsjahr ("**Geprüfter Jahresabschluss 2020**") und (vi) dem ungeprüften unkonsolidierten Zwischenabschluss der Gesellschaft für den am 30. Juni 2021 endenden Sechsmonatszeitraum ("**Ungeprüfter Zwischenabschluss H1 2021**"). Darüber hinaus wurden bestimmte ausgewählte Finanzinformationen in den nachstehenden Tabellen den Buchhaltungsunterlagen oder Berichtssystemen der Gesellschaft entnommen. ECOVIS hat den (i) Geprüften Jahresabschluss 2018, (ii) den Geprüfter Zwischenabschluss Q1 2019, (iii) den Geprüften Jahresabschluss 2019 und den (iv) Geprüften Jahresabschluss 2020 gemäß § 317 HGB und unter Beachtung der vom Institut der Wirtschaftsprüfer in Deutschland e.V. ("**IDW**") festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung geprüft. Darüber hinaus hat ECOVIS die separate Geprüfte Kapitalflussrechnung 2018 in Übereinstimmung mit dem "IDW Prüfungshinweis: Prüfung von zusätzlichen

Abschlusselementen (IDW AuPS 9.960.2)" des IDW geprüft.

Finanzinformationen, die in den folgenden Tabellen als "geprüft" gekennzeichnet sind, wurden dem Geprüften Jahresabschluss 2018, der separaten Geprüften Kapitalflussrechnung 2018, dem Geprüften Zwischenabschluss Q1 2019, dem Geprüften Jahresabschluss 2019 und dem Geprüften Jahresabschluss 2020 entnommen. Die Kennzeichnung "ungeprüft" in den folgenden Tabellen weist auf Finanzinformationen hin, die (i) dem Ungeprüften Zwischenabschluss H1 2021, (ii) den Buchhaltungsunterlagen oder Berichtssystemen der Gesellschaft entnommen wurden oder (iii) auf der Grundlage von Finanzinformationen aus den vorstehend genannten Quellen oder den Geprüften Konzernabschlüssen berechnet wurden. Sofern nicht anders angegeben, werden alle Finanzinformationen in den nachfolgenden Tabellen in Tausend Euro (Tausend EUR) dargestellt. Bestimmte Finanzinformationen, einschließlich Prozentangaben, wurden entsprechend den gängigen kaufmännischen Standards gerundet.

Wesentliche Finanzinformationen aus der Gewinn- und Verlustrechnung

	Geschäftsjahr endend zum 31. Dezember					Sechsmonatszeitraum endend zum 30. Juni	
	2018	Q1 2019	Q2-4 2019	2019[1]	2020	2020	2021
	(geprüft, soweit nicht anders angegeben)					(ungeprüft)	
	(in Tausend EUR)						
Umsatzerlöse	17.411,8	4.946,2	18.926,1	23.872,3	26.765,3	13.108,3	15.555,4
Ergebnis nach Steuern	(3.780,3)	(349,2)	(4.241,1)	(4.590,3)	(4.938,5)	(1.684,6)	(3.986,1)
Jahresfehlbetrag	(3.783,4)	(349,4)	(4.242,2)	(4.591,6)	(4.939,5)	(1.684,9)	(3.986,1)

(1) Ungeprüft.

Wesentliche Finanzinformationen aus der Bilanz

	Zum 31. Dezember			Zum 30. Juni
	2018	2019	2020	2021
	(geprüft)			(ungeprüft)
	(in Tausend EUR)			
Aktiva	11.675,1	20.805,6	24.906,9	29.726,5
Eigenkapital	0,0	193,3	0,0	0,0

Wesentliche Finanzinformationen aus der Kapitalflussrechnung

	Geschäftsjahr endend zum 31. Dezember					Sechsmonatszeitraum endend zum 30. Juni	
	2018	Q1 2019	Q2-4 2019	2019[1]	2020	2020	2021
	(geprüft, soweit nicht anders angegeben)					(ungeprüft)	
	(in Tausend EUR)						
Cashflow aus							
laufender Geschäftstätigkeit	(1.656,4)	(151,5)	(2.194,7)	(2.346,2)	(2.985,3)	(1.744,7)	(598,2)
Investitionstätigkeit	62,2	(54,4)	(32,2)	(86,6)	(273,0)	(13,0)	(33,2)
Finanzierungstätigkeit	1.797,6	(41,6)	2.189,7	2.148,1	4.767,8	1.677,6	604,5

(1) Ungeprüft.

Alternative Leistungskennzahlen

Bei den folgenden Leistungsindikatoren handelt es sich um alternative Leistungskennzahlen, wie sie in den Leitlinien der Europäischen Wertpapier- und Marktaufsichtsbehörde (ESMA) vom 5. Oktober 2015 zu alternativen Leistungskennzahlen definiert sind:

	Geschäftsjahr endend zum 31. Dezember					Sechsmonatszeitraum endend zum 30. Juni	
	2018	Q1 2019	Q2-4 2019	2019	2020	2020	2021
	(ungeprüft)						
	(in Tausend EUR, soweit nicht anders angegeben)						
EBITDA[1]	(2.856,0)	(189,2)	(3.038,8)	(3.228,0)	(3.232,8)	(792,6)	(2.953,7)
EBITDA-Marge (in %)[2]	(16,4)	(3,8)	(16,1)	(13,5)	(12,1)	(6,0)	(19,0)
Bereinigtes EBITDA[3]	(2.340,7)	(189,2)	(2.405,9)	(2.595,1)	(2.060,9)	(307,8)	(2.100,6)
Bereinigte EBITDA-Marge (in %)[4]	(13,4)	(3,8)	(12,7)	(10,9)	(7,7)	(2,3)	(13,5)
Bruttogewinn[5]	4.351,8	1.694,9	5.742,4	7.437,3	7.990,2	4.003,4	4.901,9
Bruttomarge (in %)[6]	25,0	34,3	30,3	31,2	29,9	30,5	31,5

(1) EBITDA ist die Abkürzung für "Earnings before interest, taxes, depreciation and amortization". Zur Berechnung des EBITDA werden zunächst die Umsatzerlöse und sonstige betriebliche Erträge summiert. Anschließend werden der Materialaufwand, bestehend aus den Aufwendungen für Roh-, Hilfs- und Betriebsstoffe und für bezogene Waren, der Personalaufwand, bestehend aus Löhnen und Gehältern sowie Soziale Abgaben und Aufwendungen für Altersvorsorge, und sonstige betriebliche Aufwendungen subtrahiert.
(2) Die EBITDA-Marge ist definiert als EBITDA in Prozent der Umsatzerlöse.
(3) EBITDA bereinigt um bestimmte einmalige betriebliche Aufwendungen, wie zum Beispiel (i) Aufwendungen für die Schuldverschreibungen (wie unten definiert), (ii) Aufwendungen für Eigenkapital, (iii) Kosten der Verschmelzung, (iv) Kosten für den Produktionsstandort I sowie (v) andere nichtbetriebliche Aufwendungen.
(4) Die bereinigte EBITDA-Marge ist definiert als bereinigtes EBITDA in Prozent der Umsatzerlöse.
(5) Der Bruttogewinn ist definiert als Umsatzerlöse abzüglich des Materialaufwands, d. h. der Kosten für Roh-, Hilfs- und Betriebsstoffe und für bezogene Waren.
(6) Die Bruttogewinnmarge ist definiert als Bruttogewinn in Prozent der Umsatzerlöse.

Welches sind die zentralen Risiken, die für den Emittenten spezifisch sind?

- Unsere Geschäftsentwicklung ist abhängig von der wirtschaftlichen und demographischen Entwicklung in Europa, insbesondere in Deutschland, Österreich und der Schweiz (DACH-Region).
- Wir sind einem intensiven Wettbewerb ausgesetzt, auch mit anderen Anbietern von rein pflanzlichen Produkten.

- Wir müssen auf veränderte Verbraucherpräferenzen reagieren.
- Wir haben ein schnelles Wachstum erlebt, aber wir waren noch nie profitabel. Unser Wachstum könnte sich in Zukunft verlangsamen und wir können nicht garantieren, dass wir in Zukunft jemals profitabel werden und bleiben.
- Unser künftiges Wachstum hängt vom Aufbau unserer eigenen Produktionskapazitäten ab.
- Der Betrieb unserer neuen Produktionsstandorte birgt verschiedene Risiken und Herausforderungen für unser Geschäft.
- Unsere derzeitige Verschuldung kann unsere künftige Geschäftstätigkeit einschränken.
- Wir könnten nicht in der Lage sein, kurzfristig fällige Kreditlinien mit kreditfinanzierenden Banken neu zu verhandeln und/oder zu wirtschaftlich akzeptablen Konditionen abzuschließen.
- Wir können durch Änderungen von Gesetzen und Vorschriften, insbesondere derjenigen, die den Verkauf von Lebensmitteln und die Lebensmittelindustrie im Allgemeinen regeln, nachteilig beeinflusst werden.
- Wir könnten im Rahmen unserer Geschäftstätigkeit in Rechtsstreitigkeiten oder andere Verfahren verwickelt sein.
- Unsere internen Kontroll-, Berichts- und Risikomanagementverfahren könnten sich als unzureichend erweisen, und wir könnten die zusätzlichen rechtlichen Anforderungen, die nach der Börsennotierung für uns gelten, nicht erfüllen.
- Die Mitglieder des Vorstands haben nur begrenzte Erfahrung in der Führung eines börsennotierten Unternehmens. Dies kann ihre Fähigkeit, unser Tagesgeschäft zu führen, beeinträchtigen.

C. Basisinformationen über die Wertpapiere

Welches sind die wichtigsten Merkmale der Wertpapiere?

Art, Gattung, ISIN – Das Angebot bezieht sich auf nennwertlose, auf den Inhaber lautende Stammaktien (Stückaktien) der Gesellschaft; ISIN DE000A3E5ED2; Wertpapier-Kenn-Nummer ("**WKN**") A3E5ED; Börsenkürzel: VEZ.

Anzahl der Wertpapiere – Zum Zeitpunkt des Prospektes beträgt das Grundkapital der Gesellschaft EUR 834.666,00 und ist eingeteilt in 834.666 Bestehende Aktien. Das Grundkapital der Gesellschaft ist vollständig eingezahlt. Alle Aktien sind auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien). Jede Aktie entspricht einem anteiligen Betrag am Grundkapital der Gesellschaft von EUR 1,00.

Währung – Die Aktien sind in Euro denominiert.

Verbundene Rechte und Übertragbarkeit – Jede Aktie berechtigt zu einer Stimme in der Hauptversammlung der Gesellschaft. Es bestehen keine Stimmrechtsbeschränkungen. Alle Aktien sind ab dem 1. Januar 2021 in voller Höhe gewinnanteilsberechtigt. Die Aktien sind in Übereinstimmung mit den gesetzlichen Anforderungen für Inhaberaktien frei übertragbar. Es bestehen keine Beschränkungen für die Übertragbarkeit der Aktien mit Ausnahme bestimmter Lock-Up-Verpflichtungen der Veräußernden Aktionären, der Verleihenden Aktionäre, weiteren bestehenden Aktionären der Gesellschaft und dem Vorstandsvorsitzenden/BVV.

Rang – Die Aktien sind im Fall einer Insolvenz der Gesellschaft gegenüber allen anderen Wertpapieren und Forderungen nachrangig.

Dividendenpolitik – Wir beabsichtigen derzeit, alle verfügbaren Mittel und alle zukünftigen Gewinne einzubehalten, um unsere Geschäftsoperation zu unterstützen und das Wachstum und die Entwicklung unseres Unternehmens zu finanzieren. Daher beabsichtigen wir derzeit nicht, in absehbarer Zukunft Dividenden auszuschütten. Jede zukünftige Entscheidung, Dividenden auszuschütten, wird in Übereinstimmung mit den geltenden Gesetzen erfolgen und hängt unter anderem von unserer Ertragslage, unserer Finanzlage, vertraglichen Beschränkungen und Kapitalanforderungen ab. Die Gesellschaft ist nicht in der Lage, Aussagen über die Höhe des zukünftigen Bilanzgewinns zu machen oder darüber, ob es in der Zukunft überhaupt Bilanzgewinne geben wird. Die Gesellschaft kann daher nicht garantieren, dass in absehbarer Zukunft Dividenden ausgeschüttet werden. Darüber hinaus verpflichtet sich die Gesellschaft in den Anleihebedingungen der von ihr begebenen und am 24. Februar 2025 fälligen, gleichrangigen Inhaberschuldverschreibungen (ISIN DE000A254NF5 / WKN A254NF), keine Dividende zu zahlen oder eine sonstige Verteilung von Gewinnanteilen sowie die Rückzahlung von Kapital an Gesellschafter vorzunehmen, wenn die Eigenkapitalquote der Gesellschaft auf Basis des der Ausschüttung unmittelbar vorausgehenden Jahresabschlusses der Gesellschaft einen Wert von 20 % unterschreitet.

Wo werden die Wertpapiere gehandelt?

Die Gesellschaft wird, zusammen mit dem Sole Global Coordinator, die Einbeziehung beantragen, d.h. die Einbeziehung der Bestehenden Aktien und der im Zuge des Angebots platzierten Neuen Aktien in den Handel im Freiverkehr der Frankfurter Wertpapierbörse (Segment Scale) mit gleichzeitiger Einbeziehung in das Basic Board des Freiverkehrs der Frankfurter Wertpapierbörse.

Was sind die zentralen Risiken, die für die Wertpapiere spezifisch sind?

- Nach dem Angebot behält unser Hauptaktionär einen erheblichen Einfluss auf die Gesellschaft, und seine Interessen können mit denen der Gesellschaft und ihrer anderen Aktionäre konfligieren.
- Künftige Emissionen von Schuld- oder Eigenkapitaltiteln durch die Gesellschaft könnten sich negativ auf den Marktpreis der Anteile auswirken, und künftige Aktienemissionen könnten die Beteiligungen der dann bestehenden Aktionäre der Gesellschaft erheblich verwässern.
- Die Aktien wurden bisher nicht börslich gehandelt und es gibt keine Garantie dafür, dass sich nach dem Angebot ein liquider Markt für die Aktien entwickeln wird.

D. Basisinformationen über das öffentliche Angebot von Wertpapieren

Zu welchen Konditionen und nach welchem Zeitplan kann ich in dieses Wertpapier investieren?

Angebotskonditionen – Das Angebot bezieht sich auf den Verkauf der Angebotsaktien, d.h. insgesamt 547.120 Aktien, bestehend aus

- 388.733 Neuen Aktien,
- 87.024 Verkaufsaktien aus dem Bestand der Veräußernden Aktionäre, und
- 71.363 Mehrzuteilungsaktien aus dem Bestand der Verleihenden Aktionäre.

Die Gesamtanzahl der Mehrzuteilungsaktien wird 15 % der endgültigen Anzahl an Neuen Aktien und Verkaufsaktien, die im Zuge des Angebots platziert werden, nicht überschreiten.

Umfang des Angebots – Das Angebot besteht aus dem Öffentlichen Angebot der Angebotsaktien in Deutschland und Privatplatzierungen in bestimmten Jurisdiktionen außerhalb Deutschlands mit Ausnahme von den Vereinigten Staaten von Amerika, Kanada, Japan und Australien ("**Angebot**"). Die Angebotsaktien werden nur im Rahmen von Offshore-Transaktionen (*offshore transactions*) in Übereinstimmung mit Regulation S des United States Securities Act von 1933 in der jeweils gültigen Fassung angeboten und verkauft.

Angebotszeitraum – Die Angebotsfrist, innerhalb der Kaufangebote für die Angebotsaktien abgegeben werden können, beginnt voraussichtlich am 27. Oktober 2021 und endet voraussichtlich am 3. November 2021 ("**Angebotszeitraum**"). Am letzten Tag des Angebotszeitraums können Kaufangebote übermittelt werden (i) bis um 12:00 Uhr Mitteleuropäische Zeit ("**MEZ**") für Privatinvestoren (natürliche Personen) und (ii) bis um 14:00 Uhr MEZ für institutionelle Investoren. Institutionelle Investoren können Kaufangebote innerhalb der Angebotsfrist unmittelbar bei den Underwritern abgeben. Privatinvestoren können Kaufangebote im Rahmen des Angebots ein Tag nach Beginn des Angebotszeitraums, d.h. ab dem 28. Oktober 2021, über die Zeichnungsfunktionalität DirectPlace© der Frankfurter Wertpapierbörse ("**DirectPlace©**") abgeben.

Zeitplan – Nachstehend ist der voraussichtliche Zeitplan des Angebots dargestellt, der verlängert oder verkürzt werden kann:

26. Oktober 2021	Billigung des Prospekts durch die BaFin
	Veröffentlichung des Prospekts auf der Website der Gesellschaft (www.veganz.de) unter der Rubrik "Investor Relations"
	Antrag auf Einbeziehung
27. Oktober 2021	Beginn des Angebotszeitraums
28. Oktober 2021	Beginn der Nutzung von DirectPlace©
3. November 2021	Ende des Angebotszeitraums und der Nutzung von DirectPlace©
	Bestimmung des Angebotspreises (wie nachstehend definiert) und der endgültigen Anzahl der im Rahmen des Angebots platzierten Angebotsaktien
	Veröffentlichung des Angebotspreises und der endgültigen Anzahl der im Rahmen des Angebots platzierten Angebotsaktien in Form einer Ad hoc-Mitteilung über ein elektronisches Informationsverbreitungssystem und auf der Website der Gesellschaft (www.veganz.de) unter der Rubrik "Investor Relations"
4. November 2021	Zuteilung der Angebotsaktien an die Investoren
8. November 2021	Eintragung der Durchführung der IPO-Kapitalerhöhung im Handelsregister
	Entscheidung der Deutsche Börse Aktiengesellschaft, Frankfurt am Main, Deutschland, über die Einbeziehung
9. November 2021	Einbeziehung der Aktien zum Handel im Freiverkehr der Frankfurter Wertpapierbörse
10. November 2021	Aufnahme des Handels der Aktien im Freiverkehr der Frankfurter Wertpapierbörse (Segment Scale) und gleichzeitig im Basic Board des Freiverkehrs der Frankfurter Wertpapierbörse
	Buchmäßige Lieferung der im Rahmen des Angebots platzierten Angebotsaktien gegen Zahlung des Angebotspreises (Abwicklung und Vollzug)

Preisspanne – EUR 85,00 bis EUR 110,00 je Angebotsaktie ("**Preisspanne**").

Angebotspreis – Der Angebotspreis für das Angebot ("**Angebotspreis**") ist zum Datum des Prospekts noch nicht festgelegt worden und wird voraussichtlich am oder um den 3. November 2021 von der Gesellschaft und den Veräußernden Aktionären nach Rücksprache mit dem Sole Global Coordinator festgelegt werden. Der Angebotspreis wird auf der Grundlage von Kaufaufträgen festgelegt, die von Investoren während des Angebotszeitraums eingereicht und während des Bookbuilding-Verfahrens im Orderbuch gesammelt wurden. Diese Aufträge werden entsprechend den angebotenen Preisen und den erwarteten Anlagehorizonten der jeweiligen Investoren bewertet. Diese Methode zur Festsetzung des Angebotspreises zielt grundsätzlich darauf ab, den höchsten Angebotspreis zu erzielen

Änderungen der Angebotsbedingungen – Die Gesellschaft, die Veräußernden Aktionäre und die Verleihenden Aktionäre behalten sich das Recht vor, nach Rücksprache mit dem Sole Global Coordinator die Gesamtzahl der Angebotsaktien zu erhöhen oder zu verringern, die Obergrenze und/oder die Untergrenze der Preisspanne zu erhöhen oder zu senken und/oder die Angebotsfrist zu verlängern oder zu verkürzen. Änderungen in Bezug auf die Anzahl der Angebotsaktien, Änderungen der Preisspanne und/oder die Verlängerung oder Verkürzung der Angebotsfrist machen bereits eingereichte Kaufangebote nicht ungültig. Unter bestimmten Bedingungen können die Underwriter den Übernahmevertrag (wie unten definiert) auch nach Aufnahme des Handels der Aktien im Freiverkehr der Frankfurter Wertpapierbörse bis zur Lieferung und Abwicklung kündigen. In einem solchen Fall findet das Angebot nicht statt, und bereits erfolgte Zuteilungen an Anleger werden für ungültig erklärt.

Stabilisierungsmaßnahmen, Mehrzuteilung, Greenshoe-Option – Im Zusammenhang mit der Platzierung der Angebotsaktien wird der Sole Global Coordinator im Rahmen der anwendbaren gesetzlichen Bestimmungen als Stabilisierungsmanager ("**Stabilisierungsmanager**") fungieren und kann Mehrzuteilungen vornehmen und Stabilisierungsmaßnahmen ergreifen, um den Marktpreis der Aktien zu stützen und dadurch einem Verkaufsdruck entgegenzuwirken. Der Stabilisierungsmanager ist nicht verpflichtet, Stabilisierungsmaßnahmen zu ergreifen. Sofern Stabilisierungsmaßnahmen ergriffen werden, können diese jederzeit und ohne Vorankündigung beendet werden. Solche Maßnahmen müssen spätestens 30 Kalendertage nach dem Datum der Einbeziehung beendet werden. Im Rahmen der möglichen Stabilisierungsmaßnahmen können Investoren zusätzlich zu den Neuen Aktien und den Verkaufsaktien die Mehrzuteilungsaktien (bis zu 15 % der Gesamtzahl der Neuen Aktien und der Verkaufsaktien) aus dem Bestand der Verleihenden Aktionäre zugeteilt werden, die die Verleihenden Aktionäre dem Stabilisierungsmanager im Rahmen eines Wertpapierdarlehens gewähren. Um eine potentielle Mehrzuteilung abzudecken, haben die Verleihenden Aktionäre dem Stabilisierungsmanager eine Option zum Kauf von bis zu 71.363 Bestehenden Aktien zum Angebotspreis (abzüglich vereinbarter Provisionen) gewährt, um die Rückübertragungsverpflichtung des Stabilisierungsmanager im Rahmen des Wertpapierdarlehens zu erfüllen ("**Greenshoe-Option**").

Plan für den Vertrieb – Über die Zuteilung von Angebotsaktien an Privatanleger und institutionelle Anleger entscheidet die Gesellschaft nach Rücksprache mit dem Sole Global Coordinator. Bei Kaufaufträgen von Kleinanlegern und Aufträgen über DirectPlace© werden die Gesellschaft und der Sole Global Coordinator die "Grundsätze für die Zuteilung von Aktienemissionen an Privatanleger" der Börsensachverständigen-Kommission vom 7. Juni 2000 beachten.

Verwässerung - Der prozentuale Anteil der Aktionäre am Grundkapital und den Stimmrechten der Gesellschaft wird um 31,8 % (ungeprüft) verwässert, wenn die Greenshoe-Option ausgeübt und sämtliche Neuen Aktien sowie sämtliche Verkaufsaktien zur Mitte der Preisspanne platziert werden. Für Investoren würde sich aufgrund des Angebots eine Verwässerung in Höhe von EUR 67,06 (ungeprüft) je Aktie, das entspricht 68,8 % (ungeprüft) je Aktie, ergeben, da der auf die Aktionäre entfallende angepasste Nettobuchwert der Gesellschaft je Aktie den angenommenen Angebotspreis (unter der Annahme, dass die die Greenshoe-Option ausgeübt und sämtliche Neuen Aktien sowie sämtliche Verkaufsaktien zur Mitte der Preisspanne platziert werden) um diesen Betrag bzw. Prozentsatz unterschreitet. Für die bestehenden Aktionäre würde sich auf dieser Grundlage eine Wertsteigerung von EUR 27,41 (ungeprüft) je Aktie, das entspricht 902,1 % (ungeprüft) je Aktie, ergeben.

Gesamtkosten und Kosten für Investoren – Etwa TEUR 3.193,2, die der Gesellschaft zuzurechnen sind, etwa TEUR 679,0, die den Veräußernden Aktionären zuzurechnen sind und etwa TEUR 347,9, die den Verleihenden Aktionären zuzurechnen sind unter der Annahme (i) eines Angebotspreises in der Mitte der Preisspanne und (ii) der Platzierung der maximalen Anzahl von Angebotsaktien, (iii) der vollständigen Ausübung der Greenshoe-Option und (iv) der vollständigen Zahlung der Ermessensvergütung. Investoren werden ausschließlich marktübliche Transaktions- und Abwicklungskosten durch die Broker oder Depotbanken in Rechnung gestellt.

Wer ist der Anbieter und/oder die Zulassung zum Handel beantragende Person?
Anbieter – Die Anbieter sind die Gesellschaft und die Underwriter.

Zulassung zum Handel – Die Gesellschaft, zusammen mit dem Sole Global Coordinator, beabsichtigt, die Einbeziehung am 26. Oktober 2021 zu beantragen.

Weshalb wird dieser Prospekt erstellt?
Gründe für das Angebot – Die Gesellschaft beabsichtigt, das Angebot zu verfolgen, um die Nettoerlöse aus der Veräußerung der Neuen Aktien zu erhalten. Die Veräußernden Aktionäre beabsichtigen, ihre Beteiligung an der Gesellschaft teilweise zu veräußern, um die Nettoerlöse aus der Veräußerung der Verkaufsaktien zu erhalten, um einen ausreichenden Streubesitz und Handelsliquidität in den Aktien sicherzustellen. Die Verleihenden Aktionäre beabsichtigen, die Nettoemissionserlöse aus dem möglichen Verkauf der Mehrzuteilungsaktien zu erhalten und Stabilisierungsmaßnahmen zu erleichtern.

Verwendung der Erlöse – Unter der Annahme, dass das Angebot in der Mitte der Preisspanne vollzogen wird und die Ermessensvergütung in voller Höhe gezahlt wird, würde das Unternehmen einen Nettoerlös von etwa TEUR 34.708,3 aus dem Angebot erhalten. Unter der Annahme eines Angebotspreises in der Mitte der Preisspanne beabsichtigen wir, diese Nettoerlöse in der folgenden Reihenfolge zu verwenden: (i) ca. 35 % für den Aufbau des Produktionsstandorts II; (ii) ca. 40 % für Investitionen in das organische Wachstum, z.B. für Forschung und Entwicklung, den Ausbau des Außendienstes, Marketing und die weitere Expansion in ausgewählte europäische Länder; (iii) ca. 15 % für Investitionen in das anorganische Wachstum, z.B. für strategische Flexibilität im Hinblick auf den Aufbau neuer Vertriebskanäle und potenzielle M&A-Möglichkeiten; und (iv) der Rest von 10 % für allgemeine Unternehmenszwecke, die unter anderem die Refinanzierung, den Betriebskapitalbedarf und die Betriebskosten umfassen.

Gesamtnettoerlöse – Etwa TEUR 34.708,3, die der Gesellschaft zuzurechnen sind, etwa TEUR 7.805,8, die den Veräußernden Aktionären zuzurechnen sind, etwa TEUR 6.610,0, die den Verleihenden Aktionären zuzurechnen sind unter der Annahme (i) eines Angebotspreises in der Mitte der Preisspanne und (ii) der Platzierung der maximalen Anzahl von Angebotsaktien, (iii) der vollständigen Ausübung der Greenshoe-Option und (iv) der vollständigen Zahlung der Ermessensvergütung.

Übernahmevertrag – Am 25. Oktober 2021 schlossen die Gesellschaft, die Veräußernden Aktionäre, die Verleihenden Aktionäre und die Underwriter einen Übernahmevertrag ab, in dem sich die Underwriter unter bestimmten Bedingungen, insbesondere dem Abschluss einer Volumen- und Preisfestsetzungsvereinbarung, verpflichtet haben, sich nach besten Kräften zu bemühen, die Angebotsaktien Investoren im Rahmen des Angebots anzubieten.

Interessenkonflikte – In Bezug auf das Angebot bestehen keine Interessenkonflikte.

1. RISK FACTORS

*This prospectus ("**Prospectus**") relates to a public offering ("**Offering**") of existing and new ordinary bearer shares with no par value (auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)) ("**Shares**") of Veganz Group AG, Berlin, Germany ("**Company**" and, together with its subsidiaries, "**Veganz**", "**we**", "**us**" or "**our**"). The existing Shares of the Company ("**Existing Shares**") and the new Shares of the Company ("**New Shares**") placed in the Offering shall be included to trading on the Regulated Unofficial Market (Freiverkehr) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) (Scale segment) with simultaneous inclusion in the Basic Board of the Regulated Unofficial Market (Freiverkehr) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) ("**Listing**").*

An investment in the Shares is subject to risks. According to Article 16 of 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 and repealing Directive 2003/71/EC, as amended, the risk factors featured in a prospectus must be limited to risks which are specific to the issuer and/or to the securities and which are material for an informed investment decision. Therefore, the following risks are only those risks that are specific to Veganz and to the Shares and based on our current assessment are material for making an informed investment decision regarding the Shares.

The following risks factors are categorized into subcategories based on their respective nature. Within each such subcategory, the order of the risk factors is based on our current assessment with respect to the probability of occurrence and expected magnitude of the adverse impact of such risk factors, with at least the two most material risk factors (i.e., those we believe are most likely to have a material adverse impact) mentioned at the beginning of each subcategory.

1.1. Risks specific to the Company

1.1.1 Risks related to our markets

1.1.1.1 Our business development depends on the economic and demographic development in Europe, in particular in Germany, Austria and Switzerland (DACH Region).

Our business development highly depends on the demand for our purely plant-based product portfolio encompassing products for all types of storage (ambient, chilled and frozen) covering the most relevant food categories (*Company estimate*) consisting of breakfast ingredients, such as spreads or our recently introduced honey alternative "Ohnig", cheese alternatives, meat, fish and cold cut alternatives, protein products, ready meals, sweets and snacks. We sell our products particularly in Germany, Austria and Switzerland ("**DACH Region**") which accounted for 92.1% of sales (*unaudited*) in the six-month period ended June 30, 2021 and for 93.7% in the financial year ended December 31, 2020, but also in other countries with a particular focus on Eastern Europe. Demand for our products depends on consumer confidence and spending power, two factors that are strongly influenced by the overall economic conditions, employment levels, consumer debt, energy costs and other factors in the European markets in which we operate.

Since spring 2020, the global outbreak of the worldwide pandemic triggered by the Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2) ("**COVID-19**") has had an unprecedented effect on all of our markets. In response, national and local governments, including those in all major European economies, have repeatedly imposed various preventative measures, including restrictions on business operations and may continue to do so going forward. The adverse impacts of the COVID-19 pandemic and of measures to combat the pandemic have compounded existing recession fears in Europe, underpinned by weak economic growth and low inflation rates. If the European countries in which we operate experience a severe recession, this would reduce consumer confidence and spending power, which may in turn reduce our sales volumes. In the six-month period ended June 30, 2020, we experienced a shift in consumer behavior to "one-stop-shopping" driven by the COVID-19 pandemic and the first so-called lock-down. Especially in Germany, consumers increasingly started to concentrate a substantial part of their weekly purchases with a single retailer. This led to a significant decrease in sales with one of our biggest customers in the drugstore channel. Even though other drugstore retailers recovered, dm accounted in 2020 over 60% decrease in sales and in regards to our sales with dm we could not catch up to a sales level before the COVID-19 pandemic until now.

The economic consequences of the COVID-19 pandemic are not yet fully foreseeable. The governmental measures to combat the pandemic by complete so-called lock-downs of the public life has affected and altered consumer behavior significantly. Certain business models might no longer function and the respective businesses could fail to adapt or this could be impossible for them from the outset. Additionally, entire industries received government grants to mitigate the economic consequences of the measures taken to combat the COVID-19 pandemic. The obligation to file for bankruptcy was also suspended. As a result, a large number of companies that are actually no longer viable in economic terms have remained on the market. If they all have to file for insolvency at once, this could trigger economic shock waves that could result in a recession. Accordingly, consumers could no longer have the necessary means to purchase the still comparatively more expensive purely plant-based products. This could lead to significant declines in sales. At the same time, we would no longer be able to drive forward the growth of our business as planned and would even have to file for insolvency in the event of a severe recession.

1.1.1.2 We face intense competition, including competition from other suppliers for purely plant-based products.

We distribute our products in Europe, with the DACH Region as our core market. The countries in which we operate are part of the highly competitive, fragmented and rapidly changing European food market, in particular for purely plant-based products. This market has been characterized by changing market shares, increasing price competition and the development and introduction of new products by existing and new competitors. We face competition from a diversified group of competitors operating under various brands, including:

- Plant-based food producers such as Biovegan, Lizza, Roobar, Tofutown, Bedda, Vivera, Alsan, Vegan Leben, EDEKA Bio+ Vegan, Simply-V, Veggyness, Tukan Vegan, K-take it veggie (from Kaufland), Wheaty and Vantastic Foods; Lycka Share and Oatly;
- organic brands for purely plant-based food such as Rapunzel, Allos, Bauckhof, Bio-Zentrale, Bio Inside, Alnatura, Davert, Verival, Followfood, dm Bio, Gut Bio (from ALDI Nord), BioBio (from Netto), EDEKA Bio and EnerBio (from Rossmann);
- health food brands such as Vitareform (from ALDI Nord), Mein Veggie Tag (from ALDI Nord), Vemondo (from LIDL), Viva Vital (from Netto) and the nu-company;
- brands such as Seeberger, Katjes, Rügenwalder Mühle, Kölln, Meica, Wiesenhof and Reinert who each have a purely plant-based product line; and
- single product brands like Bedda, Simply V, Garden Gourmet (from Nestlé), The Vegetarian Butcher.

In particular the own brands of the food retail chains, discounters and drugstore chains that as well distribute our products, like Gut Bio (from ALDI Nord), BioBio (from Netto), EDEKA Bio and EnerBio (from Rossmann), are our main competitors. Such products under the retailers' own brands are typically offered at less expensive prices than our products which can therefore only be successfully sold on the basis of a stronger brand or a superior quality. Such competition with the retailers' own brands could even increase and the retailers could decide to exclude our products from the product portfolio offered by them.

In addition, we may face further competitors while continuing our expansion into new markets as well as new product categories.

If we fail to provide attractive, high quality products at competitive prices, existing and potential customers may decide against our products and turn to the products of our competitors. Competition in our markets is based on a variety of factors, but price is an important consideration for many customers. Some of our competitors benefit from significant economies of scale and have greater financial, technical, marketing and other resources than we do, which may create adverse pricing pressure. They may also have more distribution power, longer operating histories, greater brand recognition or more innovation power. Unlike most of our current competitors, we cover a multi-category purely plant-based product portfolio and not only a few selected products. However, concentrating on just a few purely plant-based products could enable these competitors to identify product trends far earlier and adapt their product ranges accordingly. Besides, such single product brands like Bedda, The Vegetarian Butcher or Simply V might be much more successful in enhancing and strengthening their brand as they can focus their marketing investments on only one or a very limited assortment of products. Thereby, they could secure a competitive advantage. In addition, such competitors may be able to further strengthen their competitive position by merging with or entering into cooperations with other competitors. As a result, our competitors may be able to respond to the needs of existing and potential customers more quickly and to undertake more extensive marketing campaigns than we are. Increased competition and an associated increase in price pressure could prevent us from being able to distribute our products in the planned quantities or at the planned conditions and having to accept sales reductions and/or price cuts. Any of these events could lead to us losing market shares and could have an adverse effect on our business and results of operations.

In addition, competitors could expand their position at our expense of due to better financing options, new developments or improved production facilities. New product developments by competitors could also be superior to our products in terms of taste or price. This could lead to increased consumption of our competitors' products and a decline in consumption of our products. It cannot be ruled out that we will not be able to respond to such new developments in a timely manner or at all and will thereby lose market shares which translates into a significant decline in sales. If we are subsequently unable to restructure our business in such a way that it can compete and generate earnings in the process, we will have to withdraw from the market.

1.1.1.3 We have to react to changing consumer preferences.

We generate our sales from the development, production, marketing and distribution of purely plant-based foods. Purely plant-based foods are characterized by a renunciation of all animal ingredients as well as products for the production of which animal ingredients are used. Both the food market as a whole and the niche market for purely plant-based foods in particular are subject to permanent change. Vegan consumers usually place great value on sustainable production throughout the value chain. In addition, they expect purely plant-based foods to have the same sensory characteristics as food not exclusively plant based. For example, meat substitutes should have the same color, bite and taste, while being filling and providing nutrients such as protein or minerals, and preferably without additives such as flavor enhancers or synthetic flavorings.

According to a survey by the market research company Mintel on consumer behavior regarding meat substitutes, there has been a reduction in the consumption of meat substitutes in Germany. Whereas in July 2017, 15% of German consumers reported buying meat substitutes within the last three months, in 2018, only 10% bought meat substitutes in a similar time period (*Source: Mintel Product Launches UK*). New scientific findings on ingredients used by us in the development of our products may lead to consumers no longer demanding our products with corresponding ingredients, or no longer demanding them in the planned quantities, and thus to a decline in our sales. Furthermore, it is conceivable that contaminated raw materials or new findings about raw materials used today or findings and opinions about plant-based nutrition could lead to a change in consumer behavior. According to the German government, "a purely plant-based diet renders it difficult to provide the body with an adequate supply of some important nutrients. This is especially true for vitamin B12, which is found almost exclusively in animal foods. According to current knowledge, vegans can only ensure an adequate supply of this vitamin by ingesting special supplements. Anyone who eats a diet low in vitamin B12 over a longer period of time therefore risks adverse health effects. Negative consequences for cell function or neurological disorders can occur. An adequate supply of other nutrients is also jeopardized by a strictly plant-based diet" (*Source: Federal Government*). It cannot be ruled out that, due to such publications or developments, the demand for purely plant-based food and, therefore, also for our products will decrease by a considerable degree in the future resulting in a decrease of our sales. If we cannot adjust our expenditures accordingly in this case, our profits will also decline significantly.

1.1.2 Risks related to our business activities

1.1.2.1 We have experienced rapid growth, but we have never been profitable. Our growth could slow down going forward and we cannot guarantee that we will ever become and remain profitable in the future.

Since we launched our operations in 2011, we have experienced significant growth, with sales increasing at a compound annual growth rate (CAGR) of 24.0% between 2018 and 2020. In the financial year ended December 31, 2019, the Company's sales grew significantly by 37.1% to EUR 23,872.3 thousand from EUR 17,411.8 in the financial year ended December 31, 2018. In the financial year ended December 31, 2020, the Company's sales continued to grow by 12.1% to EUR 26,765.3 thousand. In the six-month period ended June 30, 2021, the Company's sales amounted to EUR 15,555.4 thousand (*unaudited*) and were 18.7% (*unaudited*) higher compared to the six-month period ended June 30, 2020 (*Source: Unaudited Interim financial statements of the Company for the six-month period ended June 30, 2021* ("**Unaudited Interim Financial Statements H1 2021**")). However, there can be no assurance that this growth will be sustainable or that we will continue to experience significant growth, or any growth at all. Consequently, the past growth rates may not be indicative of the Company's future growth and there is no guarantee that future growth, if any, will be at a rate similar to that which we have experienced since our beginnings.

In addition, the Company has never been profitable and incurred net losses in recent years of EUR 3,783.4 thousand in the financial year ended December 31, 2018, EUR 4,591.6 thousand in the financial year ended December 31, 2019, EUR 4,939.5 thousand in the financial year ended December 31, 2020 and EUR 3,986.1 (*unaudited*) in the six-month ended June 30, 2021 (*Source: Unaudited Interim Financial Statements H1 2021*). These net losses are primarily attributable to the costs associated with expanding our business, including marketing costs.

If our growth slows down and we are unable to recover higher costs by charging increased prices or improve our margins, we may need to increase the efficiency of our operations and improve our cost base to maintain or increase our profitability. Cost saving measures or increased prices may, however, adversely affect the quality of our purely plant-based products and thereby our market position and consequently exacerbate the deceleration of our growth. This may offset the benefits of any cost saving measures and other operational improvements. As a result, we may be faced with both a slowdown of our growth and a failure to become profitable which might ultimately force us to cease our operations.

1.1.2.2 Our future growth depends on the establishment of our own production capabilities.

We established our first own production site in 2020. Since the end of September 2020, we have been producing the "Cashewbert", a purely plant-based Camembert consisting mainly of cashew kernels at a small production site for cheese alternatives in Berlin, Germany ("**Production Site I**"). In-house production secures product knowledge and might be an important element in setting us apart from our competitors. We have also found that the gross margin on sales of products produced in-house is significantly better than on products we have manufactured by third parties. Our product portfolio includes around 120 products. Of the 101 active products we offered as of September 30, 2021, we manufactured 61 in Germany and 40 in other European countries, namely the Netherlands, Switzerland, Austria, the United Kingdom, Bulgaria, France, Italy and Greece. In addition, we can only achieve innovation through products that require a comparatively complex manufacturing process (*Herstellungsverfahren*). Only manufacturing processes can be protected as intellectual property. This is not possible with simple mixtures *(Rezepturen*). Consequently, competitors can easily imitate mixtures and take market shares from us without having to incur the corresponding development costs.

In view of this, we are planning to establish an additional larger production site at Werder (Havel), Germany, in the Federal State of Brandenburg, Germany ("**Production Site II**"). The Production Site II is supposed to produce purely plant-based fish alternatives (smoked salmon, shrimp, tuna) and textured protein used to make unrefrigerated meat substitutes as well as cheese alternatives and will also contain facilities for vertical farming. To the Company's knowledge, Production Site II will be the largest production site for purely plant-based food alternatives in Europe (*Company estimate*). The Production Site II shall be located at Werder (Havel), Germany, in the Federal State of Brandenburg, Germany, where we already rented a suitable building complex. However, the conversion of the building into a production site for purely plant-based food still requires a building permit (*Baugenehmigung*), which we have applied for. There is a certain risk that we will be denied this permit. This would mean that we would have to pay EUR 204,104.6 plus value added tax (VAT) to terminate the then useless lease agreement and also would have to search for a new location for our production. Accordingly, the starting date for the production would be significantly delayed and we would not be able to realize our growth in the anticipated time.

According to current planning, the investment costs for its establishment will amount to EUR 12,600.0 thousand for which we rely on public subsidies (*Zuschüsse*) to a significant degree. In addition, we need to hire a number of sufficiently qualified production employees to operate Production Site II within a few weeks after it has started to operate. In the mid-term, we aim to generate 30% of our sales with products from our own production. However, if we do not succeed in building up this production capacity, we will not be able to exploit the resulting advantages for our future development. Construction delays and unforeseen additional costs could further complicate the completion of the production sites. As a result, we will have to rely permanently on third-party services for our production. Our competitive position will in this case be significantly weaker and we may not be able to reduce our cost base as planned. Accordingly, we may not become profitable at all.

1.1.2.3 The operation of our new production sites pose various risks and challenges to our business.

The production sites are subject to further business risks. After all, they cause and increase fixed costs (for instance, wage costs, insurances, energy costs). These might not be easily adjusted to the given situation which might place a severe strain on our operating profit. This encompasses also production stoppages and slumps in demand for our self-produced products leading to capacity utilization problems. Additionally, unforeseen repair and maintenance costs may arise. At the same time, we increasingly have also to deal with production risks. Permanently, we have to maintain high hygienic conditions and parts of our products can already spoil in the respective production site. In the beginning, for example, we had to deal with such setbacks in the production of the "Cashewbert" at Production Site I. This also exposes us to the risk to manufacture contaminated products, to mispackage or mislabel them. This problem is exacerbated by the fact that the members of the Company's management board (*Vorstand*) ("**Management Board**") have not yet been able to gain experience in the direct production of food. If we cannot permanently ensure output, this will permanently damage our reputation with our retail customers, and if our purely plant-based products are manufactured with defects or even spoilage, we will lose the trust of our customers. In addition, we may accidently include ingredients into our products to which consumers may be allergic such as nuts or gluten, or mislabel ingredients that our products contain. Moreover, there is no assurance that we will be able to recognize if our suppliers have inadvertently or fraudulently supplied us with mislabeled products. In cases of mispackaging as well as mislabeling, consumers could suffer from allergic reactions or other damage to their health.

Accordingly, we will lose market shares our investments in our own production will have to be written off, and we will have to expect a drop in sales that we may not be able to offset.

1.1.2.4 We can only keep our market share and generate further growth if we keep and increase our points of sale or our turnover of goods at the points of sale available to us.

In the DACH Region as our core market, we currently sell our purely plant-based food products through well-known food retailers such as EDEKA, REWE, Coop, Aspiag or Kaufland as well as drugstore chains such as Budnikowsky, Rossmann, dm and Müller, and discounters such as LIDL, ALDI, Penny and Netto (together "**Retailers**" and each a "**Retailer**"). Internationally, our purely plant-based food products are distributed through food Retailers such as SPAR (Italy, Hungary, Slovenia, Croatia, Greece, Cyprus), Kaufland International (Czech Republic, Slovakia, Romania, Bulgaria, Croatia, Poland), Coop (Denmark) and Sonae/Continente (Portugal). We also offer our products as well as other purely plant-based products from other suppliers through our own three own stores in Berlin, Germany. To reach consumers online, our products are offered via online-sales platforms such as amazon.com, rohlik.cz, snacky.ch and vekoop.de as well as quick online commerce providers such as Gorillas, flink, Foodpanda and weezy. As of June 30, 2021, we were represented with our product portfolio at 22,264 points of sale ("**POS**") globally, where at least one of our purely plant-based products is sold to a consumer also including, for example, temporary individual promotional activities inter alia at certain discounters like LIDL. This marks the preliminary culmination of a steady increase in POS in recent years from 9,999 POS as of December 31, 2018, by 76.4%, to 17,638 POS as of December 31, 2019 and, by 13.8%, to 20,073 POS as of December 31, 2020 globally. In the DACH Region, the number of POS has increased concurrently from 9,299 POS as of December 31, 2018, by 75.2%, to 16,289 POS as of December 31, 2019, and, by 15.4%, to 18,797 POS as of December 31, 2020.

We can only achieve more growth by increasing the number of POS and/or the sales at the respective POS. Whether and how the number of POS is to be expanded depends above all on how the Retailers cooperating with us organizes their business. On the one hand, there are Retailers such as ALDI, Budnikowsky, dm, LIDL, Müller, Netto, Rossmann, SPAR, tegut and real which organize their groups centrally. In this case, the headquarter decides on the product offering for the whole store network of the group. Thus, we are automatically listed in all of the stores of these groups, as soon as we have concluded a contract with the respective group's headquarters. As a result, all stores of a Retailer can be reached directly with a single decision. However, this also means that we are not "close to the store". In this respect, we have no influence on the product placement and cannot respond flexibly to local demand. Even if our products sell well in certain regions, they may not appeal to the taste of the consumers in the majority of the stores of the respective

Retailer. In this case, the head office will generally decide against continuing the cooperation. If there are concerns about our products or parts of our product portfolio at such headquarters, there is little we can do to override them. After all, a decision in favor of one product has far-reaching consequences for the entire Group and is therefore, as experience shows, very thoroughly considered.

On the other hand, some of the Retailers we cooperate with have a decentralized organization. With these Retailers, we have also entered into agreements with the respective head office. In fact, however, each store of these supermarket chains decides locally which products to be offered to its customers. Therefore, there is a risk that some or even the majority of the stores may not list our products even though we have a cooperation with such Retailer. For example, to date we are only listed in around one third of all EDEKA and less then half of all REWE stores. Thus, a considerable amount of EDEKA and REWE stores do not offer our products in their assortment. The fact that such a gross number of such stores have not yet included our products in their assortments offers scope for further sales potential. For example, as of June 30, 2021 at one of the Retailers, our products were sold at only 1,934 of its 4,450 POS in Germany (Coverage of 43%), while at another Retailer, our products were offered at only 2,196 of 6,770 POS (Coverage of 32%). However, convincing the individual stores of our offering is very time-consuming and cost-intensive. Initially, we utilized the services of our own field sales force to achieve this. Since 2018, however, we have outsourced this task. Since 2020, Instasell GmbH & Co. KG has been cooperating with us on the bases of an agency agreement we entered into. The sales force of Instasell GmbH & Co. KG could prove to be insufficiently successful in terms of sales to accommodate our assortment at the individual stores. This could be due to insufficient sales efforts as much as to the inadequacies of the assortment itself. The COVID-19 pandemic has also made it difficult for our sales force to operate because certain Retailers have refused to let them into their stores at all. Existing POS could not be expanded further and potential sales increases could not be realized. It cannot be ruled out that we will lose partners we have already won among the respective stores. This could be due to countervailing negative market trends as well as increasing competition. In this case, all our investments in winning the respective store as distribution partner would have been in vain and we have to write off the corresponding investments to win this partner. Losses in terms of POS can entail to significant sales declines and call into question our ability to ever become profitable.

1.1.2.5 We increasingly rely on sales via online sales platforms.

Sales via online sales platforms such as amazon.com, rohlik.cz, snacky.ch and vekoop.de account become to an increasing degree significant for the growth of our sales. We rely on the online sales platform to present our products in a way that appeals to consumers, and also to direct them primarily to our offering when they are looking for purely plant-based products. If this is not the case and, for example, the offering of our competitors are displayed preferentially, this will have a negative impact on product sales via the respective online sales platform and we will either suffer sales losses or will not be able to generate sales in the planned amount. We can only secure lasting success in online sales if we succeed in promoting the perception of our brand among consumers in such a way that they search for our products directly on the respective online sales platforms or and on the basis of the frequent search queries, our products are displayed with preference among the overall range of purely plant-based products. If we do not succeed in this, we will not be able to generate the sales that are possible on online sales platforms and will not be able to achieve an important component for our future profitability.

1.1.2.6 Increased dependence on Retailers might reduce our economic flexibility.

We generate the majority of our sales with the Retailers. All these Retailers are large chains with significant purchasing power. They are often able to impose tough conditions on their suppliers. In 2018, for example, an exclusivity agreement with a major drugstore chain in Germany expired and we decided to supply other drugstores to avoid cluster risks. In response, the drugstore chain drastically reduced the range of our products in its offering. Because of this reduction as well as the consequences of the COVID-19 pandemic, we lost a significant amount of sales. The drugstore chain has already announced that it intends to completely revise its offering of purely plant-based foods. Therefore, we are now completely ending our supply relationship with this drugstore chain. As a result, we will no longer be able to generate any sales from the cooperation with this drugstore chain.

In addition, if a Retailer reduces the shelf space it allocates to purely plant-based products and especially to our products, it becomes more difficult for us to negotiate for a favorable positioning of our products in its stores and still be able to supply it on economically worthwhile terms. We could also be forced to align our business strategy with the Retailers' economic interests to such an extent that we would no longer have sufficient scope to improve other aspects of our business and may therefore forgo the realization of certain equally or even more rewarding business opportunities.

Hence, growing dependence on the Retailers could potentially force us to make concessions and to endure business decisions that might result in having a lower profit margin or fewer sales.

1.1.2.7 The structure of food retailing and wholesaling could change adversely, in particular due to market consolidation.

The Retailers are in strong competition with each other. It cannot be ruled out that this competition will lead to a change in the market structure and thereby to further concentration. Such consolidation or concentration, could be an increase in price pressure on the food trade and thus also on us as suppliers and increasingly as producer.

The increasing price pressure and the loss of customers could entail to us not being able to sell our products in the planned quantities and/or at the planned conditions. In addition, the Retailers also carry their own or other purely plant-based products that compete directly with our product portfolio for sales space and consumers. There is a risk that the Retailers might primarily decide to offer products of our competitors or replace our products with their own private labels. Since they do not have to include the marketing costs for their private labels in their price calculations, the Retailers can offer private labelled products at much more favorable prices. This would in particular appeal to the taste of price sensitive German consumers and we might lose market shares and thereby sales.

1.1.2.8 Our significant investments in marketing may not result in additional sales of our products.

We regard the perception of our brand as crucial to achieve increased consumer awareness in the food market. Only if consumers of purely plant-based food perceive our brand as appealing and demand our products to an increasing degree, the Retailers will include our products in their assortments or grant them greater space and present them preferentially to the consumers. Solely in this case, we will permanently obtain a market position that grant us some leverage in our negotiations with the Retailers. Furthermore there is the latent risk of our products being replaced by lower-priced private labels from the Retailers and indeed some of the Retailers already offer their own product lines for purely plant-based products. Ultimately, we can only partially compensate for this risk by building a stronger brand image. For this reason, we conducted for example a new TV/media campaign in Germany and Austria in 2020. Subsequently, we initiated a TV/media campaign from February 2021 to July 2021 whose digital parts are extended until the end of 2021 to create repeated and long term brand awareness in Germany among non and light category consumers.

If our marketing efforts to enhance our brand fail to create the recognition of consumers and the Retailers decide therefore not to increase or even maintain sales of our purely plant-based products, they will limit their cooperation with us. Consequently, we will lose market shares as a result and will have to endure a considerable reduction of our sales.

1.1.2.9 We are dependent on contract manufacturers and the delivery of goods/products in a qualitatively perfect condition.

We are increasingly expanding our own production facilities by the establishment of Production Site II. As of the date of the Prospectus, however, most of our products are developed or conceptualized in-house and then tendered to contract manufacturers (suppliers) for production purposes. Most of them are based in Germany, the rest in other European countries, namely the Netherlands, Switzerland, Austria, the United Kingdom, Bulgaria, France, Italy and Greece. Even after the aforementioned production site has been set up, a large part of our product portfolio will still be manufactured in this way. We also remain dependent on the supply of raw materials for our production sites. We are therefore dependent on those contract producers as well as suppliers. Raw and auxiliary materials as well as other materials might not be available, not in the required quality, not in time or not to the required extent. In addition, suppliers could fail to comply with legal requirements or fail to properly declare areas of origin. For example, the closures imposed due to the COVID-19 pandemic led to restrictions on sourcing our raw materials ingredients from certain countries in East Asia. As a result, we had to look for other sources of imports. In 2020, this applied in particular to cashew kernels for our product "Cashewbert". Therefore, a discontinuation or disruption of these supply relationships could have a significant impact on our development process and thus also on distribution. It cannot be ruled out that the continuous supply, in particular from foreign suppliers, is interrupted for whatever reason, for example due to disruptions in the operating process, strikes or natural disasters. There is also the possibility that suppliers may not extend existing supply contracts with us on acceptable terms or terminate them. If we are unable to find alternatives to these suppliers on short notice, we will have to deal with shortfalls in our product portfolio. Accordingly, our retail customers will lose confidence in us because we cannot keep up our supply chains. This will result in a loss of sales because we will lose POS or the sales per POS will be reduced.

1.1.2.10 Negative publicity might tarnish our reputation and thereby impair our business development.

As we rely on a positive or even outstanding perception of our brand, there could be significant negative consequences for us from negative reporting. Such reporting can also take the form of product tests by consumer magazines, rating portals on the Internet or by consumer protection organizations. Critical feedback regarding our individual products or ingredients or the product range as a whole can sometimes have a major impact on consumer behavior and at the same time negatively affect sales via the Retailers. Negative reporting could also impair our ability to retain Retailers and render our product portfolio appealing to consumers.

We may receive lasting negative press in particular if there are product recalls and a Retailer removes our products from its assortment. In 2016, for example, we had to recall our hemp protein powder (*Hanfproteinpulver*) due to its high level of tetrahydrocannabinol and the potential to endanger certain customer groups. In this context, it could already damage our reputation if one of our suppliers becomes the subject of negative reporting, especially with regard to the ingredients of their products.

Such negative publicity may be accelerated through social media, such as Facebook, Instagram and Twitter due to their immediacy and accessibility as a means of communication. Social media and websites immediately publish posts from users, often without filters or checks on the accuracy of the content posted. New and existing customers value readily available information concerning digital offerings and often act on such posts without further investigation or authentication. Allegations against us may be posted on social media, in Internet chat rooms or on blogs or websites by anyone on an anonymous basis. In addition, we may be the target of harassment or other detrimental conduct by third parties, including from our competitors.

Even if negative publicity is factually incorrect or based on isolated incidents, it could damage our reputation, diminish the value of our brands, undermine the trust and credibility we have established, have a negative impact on our ability to attract new or retain existing customers and require us to spend significant time and costs to address such negative publicity. For example, the news regarding the planned insolvency of the subsidiaries holding most of our Stores which we initiated as to align our business and asset structure to our strengthened cooperation with the Retailers was publicly perceived as a insolvency of our business as a whole and created the impression that our company doesn't exist anymore. If consumers lose confidence in our brand or our ability to supply them with purely plant-based products due to negative publicity about our products, demand for our products will collapse. Accordingly, we will lose sales and will not become profitable in the long term with our current business concept. After the listing, negative press might also adversely affect the stock market price of the Shares and cause the Shares held by our shareholders to lose value. We might not be able to develop new products that meet the growing demands of the consumers and can protect the intellectual property resulting from these product developments only to a limited extent.

The market for purely plant-based food is subject to constant change. It is shaped by trends such as sustainability, transparency and animal welfare. These trends also influence the development and sales of our production. The industry strives to take these trends into account and generate new trends. Limited retailer shelf capacity may result in existing products being removed from shelves or generally from sale or from the market when new products are added to the Retailer's range. There is a risk that we will prove unable to anticipate changing customer and consumer needs, introduce new flavorful product developments, and generate trends that meet the increasing demands of consumers and the Retailers.

We still operate our three own Stores in Berlin, Germany, where we sell our own products as well as numerous other products from other market participants. Therefore, we directly interact with the target groups relevant to us. We can immediately get an impression of their also changing consumption habits and react accordingly. The local concentration of these Stores in Berlin naturally means that we are not able to perceive other local trends to the same extent and may well develop our product portfolio past them.

In addition, the development of products with complex manufacturing processes is cost-intensive. If we therefore develop products that ignore a trend or the consumption habits of the consumers, the disadvantageous consequences for our business development are all the more serious. That is why we regularly evaluate the data available to us on consumer behavior in order to adjust our product lines accordingly. Such evaluations are necessarily linked to past or current consumer behavior and do not allow future consumption habits to be identified. We might invest in vain in the development, production and marketing of new products that cannot compete in the marketplace against competitors' products or fail to meet consumers' expectations. Accordingly, the Retailers will demand our products to a lesser extent and it becomes more difficult to win new customers among them.

If we cannot attract and retain new consumers, the Retailers might reduce the shelf space they allotted to our products or they might end to order our products altogether. We might lose POS and thereby will lose sales.

1.1.2.11 Contaminated, mispackaged, mislabeled or otherwise defective products could harm demand for our products.

With respect to quality control processes, we always have to fully comply with the (legal) standards set for our products. For example, as has happened in rare cases in the past, consumer complaints may arise due to, e.g. plastic film parts, stones or foreign organic material in our products. We have a well implemented food safety and quality management system as inter alia proven by our IFS Food Standard of the International Featured Standards and run every supplier and product through an risk analysis process and monitor them regularly. These standards and procedures cannot ensure to detect every pathogenic organisms and can occasionally evade even rigorous controls. This applies in particular to novel pathogenic organisms for which the aforementioned control systems are not at all or only insufficiently equipped. Furthermore, cross-contamination can occur.

In addition, we cannot guarantee that our supply chain and food safety controls and training will be fully effective in preventing all food safety issues associated with our products. These issues include occurrences of foodborne illnesses such as salmonella and E. coli. They could also include newly emerging illnesses, unknown and possibly resistant to our current precautionary measures. Some of these foodborne diseases, potentially giving rise to claims or allegations on a retroactive basis. We also rely on third parties to supply various ingredients for our products, such as cashew kernels for the production of our cheese alternatives. This makes it difficult for us to monitor food safety compliance across the entire production chain. Any failure by these third parties may increase the likelihood of contamination. In addition, we have no control over our products once they are sold to consumers or Retailers. Consumers may prepare our products in a manner that is inconsistent with our directions. Additionally, consumers or Retailers might store our products past the date by which they should be used. This could adversely affect the quality and safety of our products and result in foodborne illness even if the product was in good condition when delivered.

We also cannot rule out with absolute certainty that ingredients which are not purely plant-based might find their way into our products. If this occurs on a large scale, this might be to the detriment of our reputation, especially among consumers who have opted for a completely vegan lifestyle. Such consumers might then decide for product portfolios of our competitors.

As a result of these factors, we may inadvertently sell products that cause death, disease or injury to the consumers. If this happens, we could be required to recall the product. We could also face product liability claims, administrative fines or criminal charges. Any of these events could be detrimental to our reputation and cause consumers and the Retailers to lose trust in the quality of our products. Consequently, the demand for our products will decrease which will translate into a significant loss of sales.

Furthermore, the Retailers are trusted by many consumers. If they remove our products from their assortment due to actual or suspected contamination or other defects and publish this decision, our reputation could suffer serious and lasting damage. Any loss of confidence on the part of consumers in the ingredients used in our products or in the safety and quality of our products would be difficult and costly to overcome. In addition, even though they might not arise in connection with our products, food-borne illnesses or other food safety incidents could also adversely affect the price and availability of affected ingredients, resulting in higher costs, disruptions in supply and a reduction in our sales.

1.1.2.12 We depend on third-party service providers for the delivery of our products to customers.

We do not have our own logistics and use external logistics companies to supply our customers. Therefore, we are dependent on the smooth running of the logistics carried out by third parties. These include inter alia Nagel Group with whom we have concluded a supply contract until end of 2023 and NORDFROST. These contracted logistics companies temporarily store our purely plant based products in their own facilities, pick the order of the Retailers and then deliver the products to them. Nagel Group stores and delivers products which have to be chilled or can be stored at room temperature. NORDFROST stores the products which have to be frozen.

It cannot be ruled out that our logistics partners will not renew contracts or that existing contracts will be terminated, and that we, in the event of the expiration or termination of a contract, will not be able to conclude a contract with another logistics company at all or on equally favorable terms without a time delay or will do so only on less favorable terms. Such unfavorable changes in terms and costs, for example due to higher fuel costs, or the inability or refusal of third-party service providers to deliver our products in a safe and timely manner could harm our reputation and have an adverse effect on our business and ability to retain customers.

As our products consist of food, we are vulnerable to the risk of our products perishing during transportation due to temperature control failures or other operational difficulties. Furthermore, any deterioration in the financial condition of any third-party service provider could have an adverse impact on the quality of our delivery processes and distribution costs. Also, any changes in logistics or transportation law (*Transportrecht*), including the number of hours drivers can work for or road weight limits, may lead our third-party service to increase the prices they charge. If we are unable to pass price increases caused by transportation services on to our customers, our margins would decrease, reducing our profitability. In addition, we are almost entirely reliant on deliveries by road. Bad weather, particularly snow, congested roads in urban areas, traffic jams and/or road works have in the past rendered timely deliveries difficult or even impossible, and may do so again in the future. The aforementioned risks could have a particularly negative impact on our cost side and their elimination could be accompanied by increased capital expenditures.

1.1.2.13 We rely on third parties for the supply of ingredients to our products.

The recipes for our purely plant-based products are developed by certain food experts like food engineers and ecologists cooperating with us and we have also build up an in-house department in this regard. Where we do not manufacture these products ourselves, they are produced by third-party manufacturers. Even, in case we take over production ourselves, at least the ingredients must be supplied to us by third parties. Therefore, we heavily depend on our suppliers to deliver products and ingredients that meet our quality, food safety and production demands as well as volume requirements. In particular, we rely on our suppliers to comply with existing food law. If we are unable to detect any deficiencies, especially in terms of quality, safety or health or with respect to our supplier's compliance with food law, we run the risk of selling substandard, unsafe or otherwise defective products.

We also rely on our suppliers to adhere to production, growing, raising and farming standards that we believe are superior to conventional practices. If we are unable to source the right products, find or retain suitable suppliers or build an adequate delivery infrastructure for our products and ingredients, we may be unable to achieve our targeted growth. In addition, as we scale our business, we face the risk that our suppliers may not be able to grow at the same pace as we do. Accordingly, we may have to select and onboard new suppliers to meet growing demand. We may find this more difficult than expected or be unable to do so successfully.

With respect to our suppliers, we usually enter into supply contracts for food products and ingredients, such as for the cashew kernels for our "Cashewbert". For our other cheese alternative to be produced in the Production Site II, "Bluebert", we will also have to rely on cashew kernels. If any of these suppliers were to terminate their relationship with us or go out of business, cease operations during an order cycle (either temporarily or permanently), face financial distress or other kinds of business disruption, or if our relationship with suppliers in our network deteriorates, we may not be able to provide consumers with as wide a choice of products or the same quality of our products as before and our business operations may be negatively affected. If we are unable to find a replacement, particularly for less common ingredients, we might not be able to supply our products in the formulation agreed with the Retailer and may lose their trust in our ability to fulfill our delivery commitments. Thus, they will stop to order our purely plant-based products. This will translate into a loss of POS and thereby a loss of sales which could impair our ability to become profitable.

1.1.2.14 Our procurement policies may prove inadequate.

Our procurement policies for onboarding new suppliers by audits pursuant to the IFS Food Standard of the International Featured Standards may prove inadequate. If our third-party suppliers fail to comply with the relevant regulatory requirements or to meet our specifications for quality, we could be required to take costly corrective action and our reputation could suffer. Third-party suppliers may not maintain adequate controls with respect to product specifications and quality. Such suppliers may be unable to produce products on a timely basis or in a manner consistent with the requirements of applicable regulations or of our own standards. Problems with regard to our supplier structure can entail to production stoppages and delivery difficulties. These could become a serious burden on our reputation. Consequently, the Retailers may therefore increasingly refrain from including our products in their assortment. This will translate in a loss of POS and thereby a loss of sales which could impair our ability to become profitable.

1.1.2.15 We have to expect and deal with fluctuations in food prices.

The success of our business depends in part on our ability to anticipate and react to changes in food and supply costs and availability. We are susceptible to increases in costs as a result of factors beyond our control. These factors can include general economic conditions, market change, increased competition, the risk of inflation, harvest levels, seasonal fluctuations, shortages or interruptions, weather conditions, climate changes, global demand, food safety concerns, infectious diseases as the COVID-19 pandemic, changes in the regulatory environment or product recalls. In particular, we source most of our produce locally and are therefore exposed to price increases due, for example, to adverse weather conditions affecting the availability of the ingredients we use for our plant-based products.

Any increase in the prices of the ingredients critical to our offering or scarcity of such ingredients may adversely affect our operating results and we may be forced to temporarily suspend including such ingredients in our offering. We have already had to deal with rising raw material prices in recent financial years. In particular, a significant amount of our purely plant-based products in our assortment are based on pea proteins. Therefore, we are dependent on this raw material. In addition, our competitors will also need pea proteins for their production. Consequently, there is an increasing demand for peas and pea proteins on the world market. This may not be offset by increased pea cultivation. After all, climate change and the resulting dry periods may exacerbate this. Hence, we expect shortages and rising world market prices in the supply of peas and pea proteins. This will entail to rising prices for pea proteins. Accordingly, we might have to adjust the selling prices of our pea protein-based products to the rising raw material prices.

This could have a negative impact on demand for our products and reduce our sales. Similarly, delivery costs, which depend primarily on the cost of fuel, may be volatile. Should our procurement and/or delivery costs increase for reasons beyond our control, we may have to accept lower margins or increase prices which might translate into reduced sales.

1.1.2.16 We may not be able to attract and retain qualified employees and management personnel.

Our future success depends to a considerable extent on the continued involvement of our managers, executives and employees in other key positions. This applies in particular to the members of the Management Board as well as to other managers and specialists who play a key role in shaping the Company. These managers have particularly deep knowledge of our business. This applies in particular to our Chief Executive Officer and founder Jan Bredack. He not only possesses over many years of experience but also a wide range of business connections that are crucial to our success and further development.

In addition, as our operations have expanded, we employed a total of 98 employees as of the date of the Prospectus, of which 72 were employed by the Company (*unaudited*). We expect the total number of our employees to continue to increase in line with the overall expected growth of our business. In particular, if we succeed in building our Production Site II, we will need to attract and retain a large amount of new production employees. In our research and development department, we need highly qualified experts. Additionally, our competitors might expand or establish their own development departments. In this case, there could be competition for qualified personnel and our competitors might even poach our personnel.

Thus, we are dependent on our ability to attract and retain top management talents as well as qualified employees, in particular marketing, programming and sales personnel, because our existing teams may not be adequately staffed to handle the increased workload that may result from such continued growth. Competition for such qualified employees is intense. Due to our limited resources, it may be difficult for us to attract and retain the services of qualified employees. An inability to attract and retain qualified employees could adversely affect our ability to maintain and expand our operations and our competitive position which will in the medium run prevent us from becoming profitable.

1.1.2.17 Our insurance coverage might prove insufficient in view of the expansion of our production capacities.

In view of the planned expansion of our production capacities a number of risks arises which are usually covered by property and loss of earnings insurances. However, it is not yet clear whether we can insure ourselves against these risks effectively. We may only be able to negotiate an insurance coverage that includes significant retention amounts and limits. Furthermore, if any of our insurance providers becomes insolvent, we may not be able to successfully claim payment from such insurance provider. In the future, we may not be able to obtain coverage at current levels, or at all, and premiums for the insurance may increase significantly. If damage and production losses are not paid for by insurance, we will have to fall back on the Company's assets and our financial situation and cash flow will therefore come under pressure.

1.1.2.18 We may be unable to efficiently manage our inventory levels.

Some of our products correspond to a certain seasonal and occasional taste of the consumers. As a result, there is a risk that some of our stored ingredients or products will perish before they are sold. If we fail to correctly anticipate demand for our products, including changes resulting from shifting consumer preferences, the level of stored ingredients and other products may be too high or too low. If we underestimate demand and fail to source the requested ingredients or plant-based products from our suppliers in sufficient quantity and reasonable time, this may result in a loss of orders and the Retailers being dissatisfied with the delivery times or lack of delivery. If we overestimate demand, we may experience excess inventories, incur higher costs for maintaining such inventories and ultimately be forced to dispose unused ingredients and to record losses for write-offs on our inventories. In order to sell excess inventories, we may also choose to sell some ingredients at significant discounts, which may adversely affect our profit margins.

Regarding single ingredients we have outsourced this risk to our suppliers. They purchase ingredients pursuant to our forecasts. Additionally, we have implemented a procurement system which is connected to the development and movements of our inventory. It calculates automatically the reach of each product and is able to avoid the aforementioned inventory risks. Regarding shelf-ready products in our product portfolio such as purely plant-based pizza being already stored in our warehouse we still have to face the risk to miscalculate the right inventory level and can only partially counter it. Particularly when we commence our own production, it cannot be ruled out that we may produce more products than marketable. In this case, we may subsequently be unable to sell or only sell at a lower price than the advised price. This could lead to significant losses.

Any inability to efficiently manage our inventory levels entail lead to increased costs and reduce our customer base and therefore have a material adverse effect on our financial condition. In addition, a continued inability to procure sufficient quantities of products in high demand could also prevent or permanently restrict our future growth.

1.1.2.19 The behavior of individual competitors could lead to damage to the image of our individual products or our product range as a whole.

We claim that our products are completely free of animal ingredients and do not contain animal processing aids. However, our competitors could market products that do not meet such requirements or may even be dangerous for consumers. It cannot be ruled out that such conduct of our competitors could also have a negative impact on sales of comparable plant-based products other producers and thus also on our comparable products. After all, consumers are usually not in habit to differentiate. This could lead to an unpredicted decline in sales of the products manufactured and distributed by us.

1.1.2.20 Our profit forecast for the financial year ending December 31, 2021 could differ materially from our actual results of operations.

In the financial year ended December 31, 2020, we expected a negative EBITDA of approximately EUR 2,200 thousand and negative after tax results of approximately EUR 4,000 thousand in the financial year ended December 31, 2021. In the meantime, we have had to change this assessment. Based on developments in the six-month period ended June 30,2021, in particular because of one-time effects (financing costs) with regard to the private placement and costs of the Listing, the Company currently expects a negative EBITDA for the financial year ending December 31, 2021 in the amount of negative EUR 5,500 thousand. Furthermore, the Company expects negative after tax results for the financial year ending December 31, 2021 in the amount of negative EUR 8,000 thousand. Adjusted by the one-time effects and the costs incurred by the Listing, the Company expects that it would have been able to reach the initial forecast of a negative EBITDA of approximately EUR 2,200 thousand. We therefore published a new profit forecast for the financial year ending December 31, 2021 with respect to the EBITDA (Earnings before interest, taxes, depreciation and amortization) and after tax results, which is included in this Prospectus ("**Profit Forecast**"). The Profit Forecast reflects numerous assumptions made by the Management Board. Assumptions which are beyond our control include unforeseen events such as force majeure, the COVID-19 pandemic, the global economic and political development as well as the development of commodity prices. Assumptions which we can influence to a certain extent relate to the increase of our sales as well as personnel and marketing expenses. Such assumptions are inherently subject to significant business, operational, economic and other risks. The assumptions made in our Profit Forecast may therefore change or may not materialize at all. Should one or more of the assumptions underlying the Profit Forecast prove to be inappropriate or incorrect, our actual results of operations for the financial year ending December 31, 2021 could differ materially from such forecast and projections. As a result, investors should not place undue reliance on the Profit Forecast included in this Prospectus.

1.1.3 Risks related to our financial situation

1.1.3.1 Our current level of indebtedness may limit our future operations.

The financing of our daily activities relies on a revolving credit facility with Deutsche Bank AG Filiale Deutschlandgeschäft, Königs Wusterhausen, Germany, in the aggregate volume of up to EUR 1,995.0 thousand. Commerzbank has secured this credit facility with a surety (*Bürgschaft*) in the amount of EUR 2,000.0 thousand. We have almost fully utilized this credit line. As of June 30, 2021, the

Company had liabilities due to banks in the amount of EUR 2,116.7 thousand (*unaudited; Source: Unaudited Interim Financial Statements H1 2021*).

In addition, the Company has issued in total 5,730 outstanding unsubordinated, unsecured notes in bearer form (*Inhaberschuldverschreibungen*) in the amount of EUR 5,730.0 thousand with a nominal amount of EUR 1,000.0 each, a term of five years and an interest rate of 7.5% p.a. being due on February 24, 2025 (International Securities Identification Number (ISIN) DE000A254NF5 / German Securities Code (*Wertpapier-Kenn-Nummer (WKN)*) A254NF) ("**Notes**"). Due to the Notes, the Company's interest and similar expenses increased by EUR 301.6 thousand, or 53.0%, from EUR 569.3 thousand in the financial year ended December 31, 2019 to EUR 870.9 thousand in the financial year ended December 31, 2020. The funds used for the repayment of the interests are no longer available to us for our operating business. We may not be able to maintain sufficient cash reserves or to generate cash flows at levels sufficient to make interest payments and other payments on our indebtedness when due. If we prove unable to obtain the funds required to make payments when due, or if we otherwise fail to comply with the various requirements under our existing liabilities to banks, we would be in default. A default may permit the relevant lenders to accelerate the maturity of our liabilities to banks, which could cause a default on such liabilities. The existing liabilities to banks or any default thereunder could ultimately lead to our insolvency. In addition, the terms and conditions of the Notes still provide for certain undertakings, which might restrict or limit our ability to:

- pay dividends,
- acquire businesses, shares, undertakings or securities,
- transfer assets or
- create security over any of our assets.

Furthermore, there are other obligations under the Terms and Conditions for the Company, such as the reporting obligation to publish certain financial information on its website as its audited stand-alone financial statements within six months from the beginning of each financial year as well as the unaudited condensed interim financial statements for the first six months of each year within three months after the end of the reporting period. An infringement of any of those covenants or the occurrence of certain specified events will, subject to applicable cure periods and other limitations, result in an event of default and acceleration under the terms and conditions of the Notes. Upon the occurrence of any event of default under any of the terms and conditions of the Notes, the holders of notes might decide to declare all amounts outstanding thereunder, together with accrued interest, immediately due and payable if such event of default remains unremedied or is not waived.

We could also be in breach of any negative pledges and reporting obligations arising from other financial loans and trigger an event of default under these loan agreements as well. It is also conceivable that we could fail to meet a payment obligation under a particular loan agreement and thus also trigger termination under other loan agreements (cross-default).

Furthermore, the Company will also repay silent participations (*stille Beteiligungen*) and profit participation rights (*Genussrechte*) that were currently no longer recognized in the balance sheet in the meantime, thus ensuring that the shareholders have exclusive access to the unappropriated profit. This will lead to payments in the amount of EUR 557.5 thousand.

If our creditors, including the holders of Notes, accelerate the repayment owed to them under such other debt instruments for example in case of an event of default stipulated under the respective terms and conditions, we cannot assure that our assets and the assets of our subsidiaries would be sufficient to repay in full those amounts and to satisfy all other liabilities of our subsidiaries which would be due and payable. Furthermore, if it becomes known to the financial market that we infringed the terms and conditions of the Notes, potential lenders might become less willing to grant new credit lines or grant them only on more expensive conditions. This could limit our ability to reduce our costs of financing or cause us to become obligated to repay some or all of our debts early. Either of these circumstances could limit our ability to make certain investments, including the financing of our future operations, capital needs and business opportunities that may be in our interest, which would impair our profitability.

1.1.3.2 We might not be able to renegotiate credit lines maturing at short notice with credit-financing banks and/or conclude them on economically acceptable terms.

As of June 30, 2021, the liabilities of the Company amounted to EUR 23,734.0 thousand (*unaudited*) (of which EUR 2,116.7 thousand are attributable to liabilities to banks and EUR 9,466.5 thousand (*unaudited*) to other liabilities (*Source: Unaudited Interim Financial Statements H1 2021*). The maturity profile of the majority of liabilities in the amount of EUR 15,560.5 thousand is short-term, meaning that the remaining term does not exceed one year. The amount of liabilities with a remaining term of between one and five years accounts for EUR 8,173.5 thousand. The vast majority of these liabilities having a longer term than one year can be attributed to the Notes as well as crowd-funding facilities.

Overall, on the basis of its business planning and the liquidity planning derived from it, the Company is expected to be in a position to service all financial obligations and, in particular, the repayment of the borrowings held by the Company on time by the end of the financial year ended December 31, 2021. However, the liquidity situation as a whole remains tight and could lead to a deterioration in the liquidity situation and thus to a serious threat to the our continued existence, including insolvency. This would result in a total loss of the funds invested by investors.

1.1.3.3 Both the sales figures and earnings on which our planning is based and our assumed cost estimates are largely based on estimates and may prove to be incorrect.

Planning figures take into account the expectations of the Management Board at the respective time. For example, Veganz expects sales for the financial year ending December 31, 2021 in the amount of around EUR 32,000 thousand. The sales of the sales channel "Stores" are generated by Veganz Retail GmbH & Co. KG, a wholly-owned subsidiary of the Company, which operates our Stores. In the financial year ending December 31, 2021, Veganz Retail GmbH & Co. KG expects sales in the amount of EUR 3,000 thousand. We do not include these sales in a consolidated reporting. Rather, the Company only prepares and publishes unconsolidated financial statements. For this reason, the forecast figures are only comparable to a limited extent.

Such planning figures are primarily based on the announced orders from the Retailers. It is uncertain whether the assumptions and estimates made in our planning will actually occur. In particular, the announced orders of the Retailers can be changed, reduced or canceled in the course of the business year, even also at short notice. Furthermore, our business activities also give rise to a large number of costs, such as personnel and administrative costs. A significant part of these costs are fixed costs. We strive to reduce the costs of our business operations and keep them at a low level through control and cost-cutting measures such as the constant review of the profitability of our business activities and with regard to the demand-oriented acquisition of goods input required for the development and distribution of our products. This risk is likely to be exacerbated by the construction of Production Site II, which will significantly increase our fixed costs in the future.

Therefore, there is a risk that our earnings situation will not develop as planned due to negative deviations from earnings expectations included in the planning and expected cost developments.

If we do not succeed in halting our sales on constant level, further optimizing costs and sustaining the positive trend, and generating positive earnings on a sustained basis, this would have a material adverse effect on our growth and financial position.

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

In order to enhance our further growth and potential expansion to new markets, we will require additional capital. Any deterioration in the performance, prospects or perceived value of our business may challenge our ability to raise capital when needed. We may also fail to accurately project our capital needs and may not have sufficient capital to continue to run our business in the medium to long term. If we need capital but are unable to raise it on economically acceptable conditions 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 the relevant 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 the relevant covenants may trigger immediate prepayment obligations or may lead the relevant 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 financial position.

1.1.3.5 We could be exposed to recourse claims based on the winding up of our subsidiaries.

Due to the changes in our business activities, we are winded down a number of our subsidiaries. This could result in recourse claims against the Company. By order dated December 1, 2016, the local court (*Amtsgericht*) of Charlottenburg, Germany, (Insolvency Court) opened preliminary insolvency proceedings regarding the assets of Veganz Retail GmbH, a wholly-owned subsidiary of the Company. Inter alia, the insolvency administrator has maintained claims based on an insolvency contestation (*Insolvenzanfechtung*) in the amount of EUR 320.5 thousand against the Company. This exacerbated the losses we made as we had to write off intra-Group receivables from our insolvent subsidiary. It cannot be ruled out that further claims will be asserted against the Company in this connection. Hence, we are currently trying to achieve a settlement with the insolvency administrator as to limit our liability to EUR 100 thousand. It is uncertain whether the already negotiated settlement will be approved by the creditors of Veganz Retail GmbH. If this approval is not granted, we could be solely liable for the insolvency of Veganz Retail GmbH and could also become liable for the liquidation of other subsidiaries, e.g. for reasons of corporate law. This could have a negative impact on the Company's cash flows and financial position.

1.1.4 Risks related to regulatory, legal and tax matters

1.1.4.1 We may be adversely affected by changes in laws and regulations, in particular those governing the sale of food products and the food industry in general.

As a Germany-based producer and seller of purely plant-based food products we operate in a regulated sector. Therefore, we are required to comply with a wide range of laws and regulations relating primarily to the sale of food products, the state of such products, including numerous health and safety laws, consumer protection and employment matters. These laws and regulations are mostly harmonized in the EU, but may vary across jurisdictions. In addition, the application of such laws and regulations by local authorities may vary. Key laws and regulations applicable to our food products, business and operations include inter alia:

- Regulation (EC) No 178/2002 of the European Parliament and of the Council of January 28, 2002 on general principles and requirements of food law;
- Regulation (EC) No 852/2004 of the European Parliament and of the Council of April 29, 2004 on the hygiene of foodstuffs;
- Regulation (EC) No 1924/2006 of the European Parliament and of the Council of December 20, 2006 on nutrition and health claims made on foods;
- Regulation (EU) No 1169/2011 of the European Parliament and of the Council of October 25, 2011 on the provision of food information to consumers and the regulation on the adoption of national rules to regulation 1169/2011/EU;
- German Food, Commodity and Feed Act (*Lebensmittel- und Futtermittelgesetzbuch (LFGB)*);
- German Verification Act (*Mess- und Eichgesetz* (*MessEG*));
- Finished Pack Regulations (*Fertigpackungsverordnung*);
- German Food Hygiene Regulation (*Lebensmittelhygieneverordnung (LMHV)*);
- Directive 2001/95/EC of the European Parliament and of the Council of December 3, 2001 on general product safety, as amended, as transposed into national laws, with respect to product liability;
- local laws governing the sale of our products, such as the German Civil Code (*Bürgerliches Gesetzbuch*) as well as the German Commercial Code (*Handelsgesetzbuch*);
- Directive 2011/83/EU of the European Parliament and of the Council of October 25, 2011 on consumer rights, as amended, as transposed into national laws, with respect to consumer protection;
- Regulation (EU) 2018/290 of February 26, 2018 amending Regulation (EC) No 1881/2006 as regards maximum levels of glycidyl fatty acid esters in vegetable oils and fats, infant formula, follow-on formula and foods for special medical purposes intended for infants and young children;
- Regulation (EC) No 396/2005 of the European Parliament and of the Council of February 23, 2005 on maximum residue levels of pesticides in or on food and feed of plant and animal origin and amending Council Directive 91/414/EEC;
- Regulation (EC) No 1333/2008 of the European Parliament and of the Council of December 16, 2008 on food additives;
- Commission Regulation (EC) No 1881/2006 of December 19, 2006 setting maximum levels for certain contaminants in foodstuffs;
- Commission Regulation (EU) No 432/2012 of May 16, 2012 establishing a list of permitted health claims made on foods, other than those referring to the reduction of disease risk and to children's development and health;
- Regulation (EU) 2015/2283 of the European Parliament and of the Council of November 25, 2015 on novel foods, amending Regulation (EU) No 1169/2011 of the European Parliament and of the Council and repealing Regulation (EC) No 258/97 of the European Parliament and of the Council and Commission Regulation (EC) No 1852/2001;
- Commission Regulation (EC) No 2073/2005 of November 15, 2005 on microbiological criteria for foodstuffs;
- Commission Regulation (EC) No 1881/2006 of December 19, 2006 setting maximum levels for certain contaminants in foodstuffs;
- Commission Regulation (EC) No 2023/2006 of December 22, 2006 on good manufacturing practice for materials and articles intended to come into contact with food;
- Commission Regulation (EU) No 10/2011 of January 14, 2011 on plastic materials and articles intended to come into contact with food; and
- Regulation (EC) No 1935/2004 of the European Parliament and of the Council of October 27, 2004 on materials and articles intended to come into contact with food and repealing Directives 80/590/EEC and 89/109/EEC.

Since we terminated our online store activities in 2018, we collect personal data only to a limited extent. This is mainly done when interested parties sign up for the newsletters that we regularly send to our subscribers via email. The collection and processing of personal data is regulated in particular by the General Data Protection Regulation ("**GDPR**"). In Germany, the GDPR is supplemented and modified by the German Federal Data Protection Act (*Bundesdatenschutzgesetz* – "**Federal Data Protection Act**"). In addition to the GDPR and the Federal Data Protection Act, various sector-specific statutes set forth specific rules which apply to certain industries, businesses or processing activities. Violations of the GDPR may entail to significant fines and thus have a negative impact on our financial situation.

We also display the so-called Eaternity Score on Veganz packaging. In contrast to the so-called Nutri-Score, there is still no legitimizing legal basis for the use of the Eaternity Score. The use of this score therefore primarily involves a risk under competition law. As a competitor could take action against its use. In this case, extensive verification and proof of the accuracy of the information under the Eaternity Score would be required. This would not only be cost-intensive but could also have a negative impact on our reputation and thus on our sales.

Any changes in the laws and regulations applicable to our business and operations or changes to the application and interpretation of such laws and regulations by authorities and courts, may give rise to substantial compliance costs, adjustment expenses and other costs as well as fines in connection with our business activities, or prevent us from executing our strategy as planned. Even legislative initiatives and the corresponding public debates could result in significant uncertainty, regardless of whether such initiatives ultimately become law. An example for this might be the resolution of April 4, 2017 of the European Parliament on palm oil and deforestation of rainforests (2016/2222(INI)) which might instigate further legislative changes. We must comply with such laws and regulations to the extent they are applicable to us. Non-compliance may lead to adverse legal consequences, including liability claims, product recalls, the imposition of significant fines or penalties, criminal prosecution, and/or further authoritative acts, such as the requirement to change our production process, the product itself and/or the product label and could even lead to us having to temporarily or permanently stop our entire business and operations.

The modification or amendment of regulations relating to our operations could adversely affect our business by increasing compliance costs, including as a result of confidentiality or security breaches in case of non-compliance, and administrative burdens and may reduce our results of operations and cause significant restrictions and disruption to our business and operations which will put a burden on our cash flows and financial situation and might ensue increased expenditure.

1.1.4.2 We may be accused of infringing on the intellectual property of third parties.

As we use a variety of intellectual property for our business, third parties may allege that intellectual property we use infringes their intellectual property. Even unfounded allegations of infringement may adversely affect our reputation and business and may require significant resources to defend against. Regularly, a designer develops the respective intellectual property for us and we acquire the intellectual property right itself or use the respective intellectual property under license. It cannot be excluded that disputes arise in such a legal relationship as to how to proceed with the intellectual property.

From time to time in the ordinary course of business we have been, and we expect to continue to be, subject to claims alleging infringement of the trademarks and other intellectual property rights of third parties. These claims and any resulting litigation, if it occurs, could subject us to significant liability for damages. In addition, even if we prevail, litigation could be expensive and could result in the diversion of our Management Board's time and attention. Any claims from third parties may also result in limitations on our ability to use the intellectual property subject to the claims unless we are able to enter into agreements with the parties making the claims. For example, in the past we have been subject to complaints from other food manufacturers that the coloring of some of our packaging allegedly constituted an infringement of their copyrights.

Agreements with third parties may contain clauses regarding the protection of their intellectual property licensed to us. A violation of such clauses, such as the unauthorized sub-licensing or disclosure of a confidential source code, may require us to pay significant penalties, prevent us from utilizing such intellectual property in the future and may result in litigation against us. Restrictions on the use of intellectual property could have an adverse effect on our net assets and sales performance.

1.1.4.3 Our trademark protection may not be sufficient.

We hold trademark rights (word and figurative marks) to the name "Veganz" in particular for the European Union (Community trademark). In the Companyˈs balance sheet as of December 31, 2020, we capitalized this trademark in the amount of EUR 12,551.0 thousand. We currently have the name "Veganz" monitored only in Germany by Clarivate Analytics (Deutschland) GmbH. Most of our product names are not yet protected by trademark law. Several of our trademarks, e.g. in Australia, are also still in the registration process and hence our trademark protection there is still incomplete. Therefore, there is a pending risk that registration might be refused. In certain jurisdictions, we do not protect our product names. This applies, for example, to Australia and the United States of America. The application filed in 2015 to register the Union word mark "Veganz "and the Union word/figurative mark "Veganz" with the heart above the V in black and white internationally with the Canadian Trademark Registry was not pursued further and ultimately rejected. Furthermore, we have registered a number of domain names, in particular a number of spelling and country extension derivations of veganz.com, www.veganz.de; www.veganz.com and www.veganz.at. Domain names are generally regulated by internet regulatory bodies and both domains and trademarks are also subject to trademark laws and other related laws of each country in which they are used. If we cannot obtain or maintain our trademarks as well as our internet domains on reasonable terms and prevent third parties from registering and utilizing domains and trademarks that interfere with them, we may be forced to incur significant additional expenses or be unable to operate our business as intended. Furthermore, the regulations governing domain names and laws protecting trademarks and similar proprietary rights could change (e.g., through the establishment of additional generic or country code top level domains or changes in registration processes), which may prevent us from using these rights as intended. Insufficient protection of our intellectual property may entail to a reduction in future earnings if other manufacturers are able to produce or market products that are similar to those developed by us. This could impair our competitive position and result in loss of sales.

1.1.4.4 We may not be able to protect our intellectual property against infringements from third parties.

The recipes for the plant-based food products we develop are not protectable as intellectual property. The legal situation is different regarding production processes (*Herstellungsverfahren*) designed by us. In principle, these can be protected as patents (*Patent*) in Germany, for example. The development of a manufacturing process requires a considerable amount of investment in terms of time and funds. Due to its patentability, it grants us a product niche from which we alone can serve the market.

However, we may not be able to obtain effective protection for such intellectual property or other proprietary know-how in all relevant countries. If the laws and regulations applicable to the intellectual property change, this may make it even more difficult to protect such intellectual property effectively. In addition, we may be required to spend significant funds on monitoring and protecting our intellectual property and there is no guarantee that we can discover all infringements, misappropriations or other violations of our intellectual property and pursue them successfully. Furthermore, in the case of patented manufacturing processes, it is not entirely impossible that these may be circumvented in a legal manner.

If we initiate litigation against infringements of our intellectual property, such litigation may prove costly and there is no guarantee that we will ultimately be successful and that the rulings we obtain will adequately remedy the damage we have suffered. Where we rely on contractual agreements to protect our intellectual property, such agreements may be found to be invalid or unenforceable. Furthermore, some of our intellectual property could be challenged or found invalid through administrative processes or litigation, and third parties may independently develop or otherwise acquire equivalent intellectual property. Thus, they might be in a position to develop products similar to our own which would impair our competitive position and reduce our sales significantly.

1.1.4.5 Our business is subject to the general tax environment in the jurisdictions in which we operate and any changes to this tax environment may increase our tax burden.

Our business is subject to the general tax environment in the jurisdictions in which we operate. These are in particular in the DACH Region. Our ability to use tax loss carryforwards and other favorable tax provisions depends on national tax laws and their interpretation in these countries. Changes in tax legislation, administrative practices or case law could increase our tax burden and such changes might even occur retroactively. Furthermore, tax laws may be interpreted differently by the competent tax authorities and courts, and their interpretation may change at any time, which could lead to an increase of our tax burden. 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.

The last binding tax audit with respect to the Company took place in 2020 with respect to the periods from the financial year ended December 31, 2014 up to and including the financial year ended December 31, 2017. Taxes actually assessed in future tax audits for periods not yet covered by tax audits 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. In addition, certain shareholders have granted us loans between 2019 and 2020 in the amount of EUR 2,690.0 thousand. It cannot be ruled out that the interest granted on these loans will be classified as hidden profit distributions (*verdeckte Gewinnausschüttung*) by the competent tax authorities. Accordingly, the assessment basis (*Bemessungsgrundlage*) for the Company's taxation would have to be adjusted for the relevant taxation periods and the Company's tax burden would increase, as the interest paid would at least partially not be deductible as operating expenses. In addition, our subsidiary Veganz Retail Berlin GmbH i. L. might not be able to claim its tax-loss carryforwards (*Verlustvorträge*) due to its insolvency proceedings in self-administration. For the financial years ended December 31, 2018 up to and including the financial year ended December 31, 2020, the tax burden is still not determined and could be higher than we expected. The Company has also in the meantime accumulated considerable tax-loss carryforwards (s*teuerliche Verlustvorträge*) in the amount of EUR 2,703.6 thousand which it can utilize to reduce its tax burden. Enabling and ensuring the long-term usability of existing tax-loss carryforwards (s*teuerliche Verlustvorträge*) are subject to the proviso of the existing loss carryforwards of the Company not dropping away, whether partially or as a whole. For example, the loss carryforwards could drop away in their entirety in the event of what is known as a "detrimental acquisition of an ownership interest" in the Company within the meaning of Section 8c para. 1 sentence 1 of the German Corporate Income Tax Act (*Körperschaftsteuergesetz*). This might prove to be an obstacle for the participation of new anchor shareholders and thus limit the Company's growth opportunities which might impair the value of the Shares. Furthermore, the competent tax authorities could revise their original tax assessments (e.g., with respect to the recognition of invoiced value-added taxes). For example, the tax authorities could question the current practice of the payments for social contributions for Jan Bredack. Any tax assessments deviating from our expectations could lead to an increase in our tax burden and might have an adverse effect on our cash-flows. In addition, we may be required to pay interest on these additional taxes as well as late filing penalties.

1.1.4.6 We may be forced to repay certain public subsidies.

As to finance the establishment and construction of Production Site II, we also applied for subsidies of a maximum 30% of the overall investment sum to the Federal State Brandenburg in the form of a grant (*Zuschuss*) and a subsidized loan with an interest rate of 3% per annum. The granting of these subsidies is subject to certain conditions and requirements. If we do not comply with these conditions we may be obligated to repay the subsidies. An obligation to repay certain subsidies could have a material adverse effect on our financial position and cash flows.

1.1.5 Risks related to our internal control

1.1.5.1 Our internal controls, reporting and risk management procedures may prove inadequate and we may fail to comply with the additional legal requirements that will be applicable to us following the Listing.

Since the merger of Veganz GmbH as transferring legal entity (*übertragender Rechtsträger*) with the Company as acquiring legal entity (*übernehmender Rechtsträger*) as registered with the commercial register on November 25, 2019 ("**Merger**"), our business activities has been operating in the legal form of a German stock corporation (*Aktiengesellschaft* or *AG*). Under German corporate law, the management of a German stock corporation (*Aktiengesellschaft* or *AG*) is responsible for maintaining adequate internal controls, among other things, over financial reporting. In line with this requirement, we have implemented risk management and reporting measures designed to identify disproportionate factual and legal risks promptly, control them and avoid their escalation to the extent possible. Therefore, we are certified according to the IFS Broker Standard of the International Featured Standards and have implemented, inter alia, a quality and product safety management system as well as resource management. Logistics, incl. warehousing, service provider, suppliers and products are subjected to an annual risk analysis. These risk analysis for each product and service provider, as well as supplier evaluations, result in measures that we implement as to reduce the risk, for example through audits, adjustment of the analysis plans or the change of suppliers.

This risk management and our reporting policies and procedures may prove to be unable to meet the increased risk monitoring demands within an appropriate timeframe, or may not always function properly or efficiently. We may also not be able to identify all risks associated with a certain operation; our management may also misinterpret the results of the risk management and reporting system. Furthermore, our internal control policies and procedures may not be sufficient to detect electronic fraud attempts through viruses, "back doors", "Trojan horses", "worms", etc.

Following the Listing, the Company will for the first time be subject to the legal requirements of a company listed on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) with simultaneous inclusion in the Basic Board thereof, including requirements relating to corporate governance, listing standards and timely reporting as well as securities and investor relations issues. There is no guarantee that we will be able to comply with these additional requirements without difficulties and inefficiencies. Any violations of applicable requirements could result in the presentation of incorrect financial information, cause us to incur significant additional costs and/or expose us to legal, regulatory or civil litigation or penalties and could harm our reputation and prevent or permanently restrict our future growth and thus prevent us from becoming profitable.

1.1.5.2 The members of the Management Board have limited experience managing a listed company. This may impair their ability to manage our day-to-day business.

Our Management Board has limited experience managing a company listed in the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) and simultaneously in the Basic Board thereof, in particular in dealing with public investors and in complying with numerous regulatory and other requirements applicable to public companies, including requirements relating to corporate governance, listing standards, notification requirements (e.g., with respect to the publication of ad hoc announcements and the publication of financial results), securities and investor relations matters. Compliance with the rules and regulations applicable due to the Listing will not only increase our costs of compliance with legal and financial requirements and may make some activities more difficult and time-consuming, but also require significant management attention and could distract our attention from the day-to-day operations. There can be no assurance that we will be able to respond to these additional requirements without difficulty or inefficiency and violations of applicable rules or regulations could result in significant additional costs and could expose us to regulatory or civil litigation or penalties imposed by the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) or the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*). In addition, the total amount of costs associated with the Listing may be higher than originally expected which will pressure on our net assets and financial situation.

1.1.5.3 Compliance monitoring procedures and facilities may not be adequate to prevent or detect any legal violations.

We have implemented procedures and facilities to ensure compliance with national and international laws and guidelines. Industry-standard codes of conduct, which are part of the relevant framework agreements, are concluded with suppliers and customers. Additionally, regular employee training courses are offered on data protection and antitrust issues. Furthermore, on December 2, 2019, the Companyˈs supervisory board (*Aufsichtsrat*) ("**Supervisory Board**") established an audit committee with regard to future audits of financial statements, risk management and compliance. These measures may not be sufficient to prevent or detect violations of law and criminal acts by employees. If employees accept or grant unfair advantages in connection with the initiation of business or engage in other corrupt business practices, this could lead to legal sanctions, such as fines or claims for damages, exclusion from or ineligibility for tenders and loss of contracts, and significant damage to our reputation. There can be no assurance that our existing and future compliance monitoring system will be adequate or fully followed by all employees. Significant risks to us could therefore not be identified in a timely manner and the necessary measures could not be taken in a timely manner which has a negative impact on our financial position, net assets and results of operations.

1.2. Risks specific to the Shares

1.2.1 Following the Offering, the Company's main shareholder will retain a significant influence over the Company and its interests may conflict with those of the Company and our other shareholders.

As of the date of Prospectus, Bredack Vermögensverwaltungsgesellschaft mbH, a wholly-owned subsidiary of Jan Bredack ("**Main Shareholder**"), holds 26.3% of the Companyˈs share capital and voting rights. Although the limited partners (*Kommanditisten*) of Veganz Beteiligungs-KG ("**VBKG**") are several investors and the Main Shareholder is not invested in the fixed capital (*Festkapital*) of VBKG, he is the sole general partner (*persönlich haftender Gesellschafter*) of VBKG and therefore controls VBKG, which holds 7.4% of the Companyˈs share capital and voting rights. Therefore, the Main Shareholder controls 33.7% of the Companyˈs share capital and voting rights. Following the successful completion of the Offering, the Main Shareholder, who is also the chairman of the Management Board and Chief Executive Officer, will continue to control at least 17.9% of the Company's share capital and voting rights (assuming placement of all 388,733 New Shares at the mid-point of the Price Range and full exercise of the Greenshoe option). With such stake in the Company's share capital and voting rights, the Main Shareholder will retain a significant influence over the Company following the Offering. The interests of the Main Shareholder may deviate from, or conflict with, the interests of the Company or other shareholders of Company.

In light of expected attendance at the Company's shareholders' meeting, the size of the Main Shareholder's stake may result in a position of the Main Shareholder to pass shareholder resolutions, e.g. to determine the allocation of profit and therefore our dividend policy and also adopt certain resolutions on other significant matters, such as amendments to the Company's articles of association ("**Articles of Association**") or capital measures. The remaining stake of the Main Shareholder may have the effect of making certain transactions more difficult or impossible without his support and may have the effect of delaying, postponing or preventing certain major corporate actions, including a change of control in the Company, and could thus prevent mergers, consolidations, acquisitions or other forms of combination that might be advantageous for investors.

1.2.2 Future issuances of debt or equity securities by the Company could adversely affect the market price of the Shares, and future issuances of shares could substantially dilute the interests of the Company's then existing shareholders.

In the future, we may require additional capital to finance our business operations and growth. We may therefore seek to raise such capital through the issuance of additional equity securities or debt securities (potentially including conversion rights, e.g. convertible bonds or option bonds) or by implementing future stock option or employee participation programs. An issuance of additional equity securities or securities containing a right to convert into equity, such as convertible debentures and option debentures, could potentially reduce the market price of the Shares and would dilute the economic and voting rights of its then existing shareholders if made without granting subscription rights to them. As the timing and nature of any future offering would depend on market conditions at the time of such an offering, we cannot predict or estimate the amount, timing or nature of future offerings. If such offerings are made without granting subscription rights to the Company's existing shareholders, this could substantially dilute the economic and voting rights of such existing shareholders and reduce the value of their interests in the Company. Such dilution may also arise from the acquisition of, or investments in, companies in exchange for newly issued shares of the Company.

In addition, three private persons currently participate in a virtual stock option program of the Company (*Virtuelles Beteiligungsprogramm* – "**VSOP**"). An exercise event is triggered under the VSOP in the event of the Listing. We assume that all three option holders will exercise their options after the Listing. Under the VSOP, the option holders are generally entitled to receive a settlement in cash. Alternatively, they can also be compensated with shares. The settlement must be take place within twelve months after receipt of the exercise notice from the option holder by the Company. If the VSOP is settled in shares, such new shares may be issued using the Authorized Capital 2021/Ib as resolved by the Companyˈs extraordinary shareholdersˈ meeting (*außerordentliche Hauptversammlung*) on October 6, 2021 ("**Authorized Capital 2021/Ib**"). Under the Authorized Capital 2021/Ib, the Management Board is authorized to increase the Company's share capital in the period up to October 5, 2026 by issuing new shares against contributions in cash or in kind on one or more occasions by up to a total of EUR 28,600.00. Besides, we aim to launch a further stock option program for the existing Management Board and selected employees. Furthermore, the Company committed itself to a former member of the Management Board to pay a severance payment in connection with its departure. This severance payment is to consist partly of shares. Following the Listing, these shares may also to be created from the Authorized Capital 2021/Ib and allocated to this former member of the Management Board excluding the subscription rights of the shareholders. If such option programs will be settled using authorized capital of the Company, this could substantially dilute the economic and voting rights of such existing shareholders and reduce the value of their interests in the Company.

In addition, such dilution may occur as a result of the acquisition of companies or interests in companies in exchange for newly issued shares, the granting of options to our business partners and the exercise of stock options by our employees under future stock option plans or the issuance of shares to employees under future employee stock option plans. Even if subscription rights have been granted to shareholders, it is possible that investors in certain countries may not be able to acquire or exercise subscription rights due to local laws. Shareholders thus bear the risk that such future offerings could reduce the market price of the Shares and/or dilute their shareholdings.

1.2.3 The Shares have not been publicly traded and there is no guarantee that an active and liquid market for the Shares will develop.

Prior to the Listing, the Shares have not been publicly traded. The offer price will be determined by way of a book building process. There is no guarantee that the offer price determined and established in this manner will correspond to the price at which the Shares will be traded on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) after the Offering, or that, following the Listing, an active trading in the Shares will develop or be maintained. The failure to develop or maintain an active trading may have a material adverse effect on the liquidity of the Shares and we cannot assure that the market price of the Shares will not decline below the offer price following the Offering. Consequently, investors may not be in a position to sell their shares in the Company quickly or at or above the relevant offer price.

1.2.4 Our share price could fluctuate significantly, and investors could lose all or part of their investment.

Following this Listing, our share price will be affected primarily by the supply and demand for our Shares and could fluctuate significantly in response to numerous factors, many of which are beyond our control, including, but not limited to, fluctuations in actual or projected results of operations, changes in projected earnings or failure to meet securities analysts' earnings expectations, the absence of analyst coverage on our Company, changes in trading volumes in the Shares, changes in macroeconomic conditions, the activities of competitors and suppliers, changes in the market valuations of similar companies, changes in investor and analyst perception in the Company or our industry, changes in the statutory framework in which we operate and other factors, and can therefore be subject to substantial fluctuations.

In addition, general market conditions and fluctuations of share prices and trading volumes generally could lead to pricing pressures on the Shares, even though there may not be a reason for this based on our business performance or earnings outlook. Public perception of the Company as a (vegan) food company could result in our share price moving in line with the prices of other shares in companies of this nature, which have traditionally tended to be more volatile than the share prices of companies operating in other industries.

Furthermore, only shareholders of the Company holding more than 2,000 Existing Shares have entered into a lock-up agreement with the Sole Global Coordinator. Therefore, the remaining shareholders of the Company could sell their Existing Shares in whole or in part after the Listing. A simultaneous sale of a large number of Shares could therefore influence the share price of the Shares.

If our share price or the trading volume in the Shares decline as a result of the materialization of any or all of these events, investors could lose part or all of their investment in the Shares.

1.2.5 Future sales by the Main Shareholder or other major shareholders of the Company could depress the price of the Shares.

Sales of a substantial number of the Shares by the Main Shareholder or other major shareholders in the public market following the successful completion of the Offering, or the perception that such sales might occur, could depress the market price of the Shares and could impair the Company's ability to raise capital through the sale of additional equity securities. If, following the waiver or expiration of a lock-up, the Company's existing shareholders or one or more other shareholders of the Company, including the Main Shareholder, effect a sale or sales of a substantial number of the Shares in the stock market, or if the market believes that such sales might take place, the market price of the Shares could decline.

1.2.6 The Company may not be able to or may decide not to pay dividends and the size of any dividend payments may fluctuate.

The Company has not yet paid any dividends to its shareholders and does currently not intend to pay dividends for the foreseeable future. Under German corporate law, dividends may only be distributed from the net retained profit (*Bilanzgewinn*) of the Company. The net retained profit is calculated based on our unconsolidated financial statements prepared in accordance with German generally accepted accounting principles of the German Commercial Code *(Handelsgesetzbuch).* In addition, certain reserves must be established by law and have to be deducted when calculating the distributable profit. Such accounting principles differ from International Financial Reporting Standards, as adopted by the European Union, in material respects. The Company's ability to pay dividends therefore depends upon, among other things, its results of operations, financing and investment requirements, as well as the availability of distributable profit.

Our ability to pay dividends therefore depends upon the availability of sufficient net retained profits. Additionally, the size of any dividend payment may fluctuate due to changes in the net retained profits. Any proposal to pay dividends in the future will be at the discretion of the Management Board and will depend upon the Company's results of operations, financial condition, contractual restrictions, including restrictions imposed by existing or future financing agreements, restrictions imposed by applicable laws and other factors management deems relevant. In particular, the Company's current financing arrangements contain, and the Company's future financing arrangements may contain, covenants which impose restrictions on its business and on its ability to pay dividends under certain circumstances. For example, pursuant to the terms and conditions of the Notes, the Company commits not to undertake any payment of a dividend or other distribution of shares in the profit as well as the repayment of capital to shareholders, if the Company's equity ratio on the basis of the Company's financial statements immediately prior to the distribution falls below 20%.

Consequently, we may not be able to or may decide not to pay dividends in the foreseeable future, or at all. Any of the aforementioned factors, individually or in combination, could restrict the Company's ability to pay dividends.

1.2.7 The Company may invest or spend the proceeds of the Offering in ways with which shareholders may not agree or in ways which may not yield a return or enhance the price of the Shares.

The Company may decide to use the net proceeds the Company receives from the Offering differently from its intention as of the date of the Prospectus. The Company's management will have considerable discretion in the application of the net proceeds, and shareholders will not have the opportunity, as part of their investment decision, to assess whether the proceeds are being used appropriately.

1.2.8 Claims of holders of Shares are subordinated to claims by all other third parties, including creditors, employees and debt investors, so that shareholders may not be able to recover parts or all of their investments in case of an insolvency of the Company.

In case of an insolvency of the Company, investments in the Shares are not secured by collateral and the claims of shareholders are subordinated to claims by all other third parties, including creditors, employees and debt investors. This means that only after the claims of other third parties have been paid, any remaining assets may be distributed to shareholders. Accordingly, in case of an insolvency of the Company it is highly likely that investors would lose a significant part or all of their investment.

1.2.9 The Listing involves a lower level of transparency and no protection under German takeover law as would be the case with a listing on the Regulated Market (*regulierter Markt*).

The Shares will only be included in the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) in the segment Scale. Consequently, the provisions of the German Securities Trading Act (*Wertpapierhandelsgesetz*) and the German Securities Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz* – "**WpÜG**") do not apply. This results in a lower degree of transparency of shareholdings, because only a shareholding exceeding 25% of the Shares must be disclosed. In addition, the WpÜG does not apply to the Company, as no market segment on which the Shares shall be traded following the Listing is an organized market (*organisierter Markt*) within the meaning of Section 1 para. 1 WpÜG. Therefore, even if a shareholder of the Company gains control of the Company, i.e., at least 30% of the Company's voting rights pursuant to Section 29 para. 2 WpÜG, such shareholder will neither be required to publish this fact nor to make a mandatory takeover offer (*Pflichtangebot*) to the other shareholders of the Company pursuant to Section 35 WpÜG. In the event of a public (takeover) offer for the Shares, the provisions of the WpÜG are not applicable. Consequently, the bidder is neither obliged to treat all shareholders equally nor are the Management Board and Supervisory Board prevented from hampering the public takeover offer.

2. GENERAL INFORMATION

2.1. Responsibility statement

The following persons assume responsibility for the contents of this prospectus ("**Prospectus**") pursuant to Section 8 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*) and Article 11 para. 1 sent. 2 of 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, and repealing Directive 2003/71/EC, as amended ("**Prospectus Regulation**"), and declare that, as of the date of the Prospectus, the information contained in the Prospectus is, to the best of their knowledge, in accordance with the facts, and that the Prospectus makes no omission likely to affects its import:

- Veganz Group AG, a stock corporation (*Aktiengesellschaft* or *AG*) established under the laws of the Federal Republic of Germany ("**Germany**"), having its registered seat in Berlin, Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Charlottenburg, Germany ("**Commercial Register**"), under the registration number HRB 219813 B, with business address at Warschauer Straße 32, 10243 Berlin, Germany, and Legal Entity Identifier ("**LEI**") 391200WJ0J8QYRQNC671 (telephone: +49 (0)30 2936378 0; website: www.veganz.de) ("**Company**" and, together with its subsidiaries, "**Veganz**", "**Group**", "**we**", "**us**" or "**our**");
- M.M.Warburg & CO (AG & Co.) Kommanditgesellschaft auf Aktien, a German partnership limited by shares (*Kommanditgesellschaft auf Aktien* or *KGaA*), having its registered seat in Hamburg, Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Hamburg, Germany, under the registration number HRB 84168, with business address at Ferdinandstraße 75, 20095 Hamburg, Germany, and LEI MZI1VDH2BQLFZGLQDO60 (telephone: +49 (0) 40 3282 0; website: www.mmwarburg.de) ("**M.M.Warburg**" or "**Sole Global Coordinator**"); and
- Quirin Privatbank AG, a German stock corporation (*Aktiengesellschaft* or *AG*) having its registered seat in Berlin, Germany, registered with the Commercial Register under the registration number HRB 87859 B, with business address at Kurfürstendamm 119, 10711 Berlin, Germany, and LEI 5299004IU009FT2HTS78 (telephone: +49 (0) 030 89021 300; website: www.quirinprivatbank.de) ("**Quirin Privatbank**" and, together with the Sole Global Coordinator, "**Underwriters**").

2.2. General disclaimers

If any claims are asserted before a court of law based on the information contained in the Prospectus, the investor appearing as plaintiff may have to bear the costs of translating the Prospectus prior to the commencement of the court proceedings pursuant to the national legislation of the member states of the European Economic Area ("**EEA**").

The information contained in the Prospectus will not be supplemented subsequent to the date hereof, except for any significant new factor, material mistake or material inaccuracy relating to the information included in the Prospectus which may affect the assessment of the Offer Shares and which arises or is noted between the time when the Prospectus is approved and the closing of the offer period, which will be disclosed in a supplement to the Prospectus pursuant to Article 23 of the Prospectus Regulation without undue delay. The obligation to supplement the Prospectus pursuant to Article 23 of the Prospectus Regulation will no longer apply following the end of the date of the closing of the Offer Period (as defined below) which is expected to occur on November 3, 2021.

Information on the Company's website and information accessible via this website as well as any website mentioned in this Prospectus is neither part of, nor incorporated by reference into, this Prospectus, and such information has not been scrutinized or approved by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – "**BaFin**"), Marie-Curie-Straße 24-28, 60439 Frankfurt am Main, Germany (telephone: +49 (0) 228 4108 0; website: www.bafin.de).

2.3. Competent authority approval

It is stated that

(a) this Prospectus has been approved by BaFin as competent authority under the Prospectus Regulation;

(b) BaFin only approved this Prospectus as meeting the standards of completeness, comprehensibility and consistency pursuant to the Prospectus Regulation;

(c) such approval should not be considered as an endorsement of the Company that is the subject of this Prospectus;

(d) such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Prospectus;

(e) investors should make their own assessment as to the suitability of investing in the Shares.

2.4. Purpose of the Prospectus

The Prospectus relates to the public offering in Germany of 547,120 ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) of the Company ("**Offer Shares**"), each such Offer Share representing a notional value of EUR 1.00 in the Company's share capital and with full dividend rights as of January 1, 2021, ("**Public Offering**"), comprising:

- 388,733 new ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) of the Company from a capital increase against contributions in cash resolved by the Company's management board (*Vorstand*) ("**Management Board**") on October 25, 2021, approved by the Company's supervisory board (*Aufsichtsrat*) ("**Supervisory Board**") on the same day, utilizing the Authorized Capital 2021/Ia as resolved by the Company's extraordinary shareholders' meeting (*außerordentliche Hauptversammlung*) on October 6, 2021 ("**IPO Capital Increase**"), ("**New Shares**"),
- 87,024 existing ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) of the Company, comprising 62,024 existing ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) of the Company from the holdings of Veganz Beteiligungs-KG, a German limited partnership (*Kommanditgesellschaft* or *KG*), having its registered seat in Berlin, Germany, registered with the Commercial Register under the registration number HRA 49293, with business address at Warschauer Straße 32, 10243 Berlin, Germany, and LEI 52990043MCQ9M85TGV78 ("**VBKG**"), and 25,000 existing ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) of the Company from the holdings of Vegan Angels GmbH, a German limited liability company (*Gesellschaft mit beschränkter Haftung* or *GmbH*), having its registered seat in Berlin, Germany, registered with the Commercial Register under the registration number HRB 164203 B, with business address at Marienstraße 19/20, 10117 Berlin, Germany, and LEI 391200XQE0TA6RHP5J83 ("**Vegan Angels**" and, together with VBKG, "**Selling Shareholders**"), ("**Sale Shares**"), and
- 71,363 existing ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) of the Company comprising 48,650 existing ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) of the Company from the holdings of Katjesgreenfood GmbH, a German limited liability company (*Gesellschaft mit beschränkter Haftung* or *GmbH*), having its registered seat in Dusseldorf, Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Dusseldorf, Germany, under the registration number HRB 92926, with business address at Kaistraße 16, 40221 Dusseldorf, Germany, and LEI 529900VKPRYPWGYT0G73 ("**Katjesgreenfood**" and, together with Vegan Angels, "**Lending Shareholders**"), and 22,713 existing ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) of the Company from the holdings of Vegan Angels in connection with a potential over-allotment ("**Over-Allotment Shares**"). The total number of Over-Allotment Shares will not exceed 15% of the final number of New Shares and Sale Shares placed in the Offering (as defined below).

The Lending Shareholders have granted M.M.Warburg acting as stabilization manager ("**Stabilization Manager**") an option to acquire up to 71,363 existing ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) of the Company at the Offer Price, less agreed commissions ("**Greenshoe Option**"), for the sole purpose of enabling the Stabilization Manager to perform its redelivery obligation under the securities loan from the Lending Shareholders. The Greenshoe Option may only be exercised during the Stabilization Period (as defined below) and will terminate 30 calendar days after the commencement of trading of the Company's shares.

The offering consists of the Public Offering and private placements of the Offer Shares in certain jurisdictions outside Germany except for the United States of America ("**United States**"), Canada, Japan and Australia ("**Offering**"). Outside the United States, the Offer Shares will be offered and sold only in "offshore transactions" in compliance with Regulation S under the United States Securities Act of 1933, as amended ("**Securities Act**"). The Offer Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. There will be no public offering of the Offer Shares in the United States.

2.5. Forward-looking statements

The 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 the Prospectus. This applies, in particular, to statements in the Prospectus containing information on Veganz's plans and expectations regarding its business growth and profitability, and general economic conditions to which Veganz is exposed. In some cases, forward-looking statements can be identified by the use of forward-looking terminology or subjective assessments, which may include words such as "anticipate", "believe", "contemplate", "continue", "could", "expect", "intend", "plan", "potential", "predict", "project", "should", "target" and "would" or the negative of these words or other similar terms or expressions.

The forward-looking statements contained in the Prospectus 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 Veganz's actual results, including its financial condition and profitability, to differ materially from or fail to meet the expectations expressed or implied in the forward-looking statements. These expressions can be found in several sections of the Prospectus, particularly in the sections of the Prospectus describing risk factors, markets and competition, Veganz's business and recent developments and outlook, and wherever information is contained in the Prospectus regarding the Company's intentions, beliefs, or current expectations relating to its future financial condition and results of operations, plans, liquidity, business outlook, growth, strategy and profitability, as well as the economic and regulatory environment to which Veganz is subject. Forward-looking statements should not be relied upon as predictions of future events.

In light of these uncertainties and assumptions, future events mentioned in the Prospectus may not occur. In addition, the forward-looking estimates and forecasts reproduced in the Prospectus from third-party sources could prove to be inaccurate (for more information on the third-party sources used in the Prospectus, see "*2.6 Sources of market data*"). 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.

Forward-looking statements included in the Prospectus speak only as of the date of the Prospectus and neither the Company nor the Underwriters assume any obligation, except as required by law, to update any forward-looking statement or to conform any such statement to actual events or developments. The Company may not actually achieve the plans, intentions or expectations disclosed in the forward-looking statements. These forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments.

2.6. Sources of market data

Unless otherwise specified, the information contained in the Prospectus on the market environment, market developments, growth rates, market trends and competition in the markets in which Veganz operates are based on the Company's assessments and estimates, These assessments and estimates are, in turn, based in part on internal market observations and on data from independent third parties.

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

- Accenture, How COVID-19 will permanently change consumer behavior – Fast-changing consumer behaviors influence the future of the CPG industry, published April 2020 (https://www.accenture.com/_acnmedia/PDF-134/Accenture-COVID19-Consumer-Behaviour-Survey-Research-PoV.pdf) ("**Accenture Consumer Research 2020**");
- Across Magazine, Europeˈs Food Retail Sector in the Corona-Year 2020, published April 14, 2021 (https://www.across-magazine.com/europes-food-retail-sector-in-the-corona-year-2020-the-storm-of-the-century/) ("**Across – Food Market in the Corona-Year 2020**");
- Acumen Research and Consulting: Vegan Food Market Global Industry Analysis, Market Size, Opportunities and Forecast, 2019 – 2026, published 2019 ("**Acumen – Vegan Food Market**");
- AGROFOR International Journal, Vol. 1, Issue No. 2, 2016, Global Food Market – New Factors Influencing Development (https://www.researchgate.net/publication/311545807_GLOBAL_FOOD_MARKET_-_NEW_FACTORS_INFLUENCING_DEVELOPMENT) ("**AGROFOR Vol. 1, Issue No. 2, 2016**");
- A.T. Kearney Analysis, How will Cultured Meat Alternatives Disrupt the Agricultural and Food Industry?, published 2019 (https://gastronomiaycia.republica.com/wp-content/uploads/2019/06/estudio_futuro_alimentos.pdf) ("**Kearney – Disruption of the Food Industry**");
- A.T. Kearny Analysis, Lebensmittel: Regional ist keine Eintagsfliege, published June 2014 (https://gastronomiaycia.republica.com/wp-content/uploads/2019/06/estudio_futuro_alimentos.pdf; https://www.markant-magazin.com/sites/default/files/downloads/A.T.%20Kearney_Regionale%20Lebensmittel.pdf) ("**Kearney – Food Trends**");
- Bundesministerium für Ernährung und Landwirtschaft, Forsa-Umfrage Ernährungsverhalten, May 2020 (https://www.bmel.de/SharedDocs/Meldungen/DE/Presse/2020/200524-fleischkonsum-ernaehrungsverhalten.html) ("**BMEL Forsa-Survey**");
- Bundesregierung, Ernährung und Gesundheit, Vegane Ernährung kann Risiken haben, August 2016 (https://www.bundesregierung.de/breg-de/aktuelles/vegane-ernaehrung-kann-risiken-haben-417018) ("**Federal Government**");
- Bundesvereinigung der Deutschen Ernährungsindustrie, Market Info – The German Food Markets (https://www.bve-online.de/english/market-info) ("**BVE Market Info**");
- Byron Sharp - How Brands Grow: What Marketers Don't Know Hardcover, 2010 ("**Sharp - How Brands Grow**");
- Capgemini Research Institute, How sustainability is fundamentally changing consumer preferences, published 2020 (https://www.capgemini.com/wp-content/uploads/2020/07/20-06_9880_Sustainability-in-CPR_Final_Web-1.pdf) ("**Capgemini Research 2020**");
- Civey survey commissioned by Veganz from May 2021 ("**Civey Brand Monitoring**");

- CO2 -Rechner des Umweltbundesamts (https://www.uba.co2-rechner.de/de_DE/) ("**Federal Environment Agency, CO_2 Calculator**");
- Das Bündnis für klimapositives Verhalten e. V., Marketing For Future Awards 2021 (https://www.klimapositivesverhalten.org/m4f-award-21) ("**Marketing For Future Awards 2021**");
- Deutsche Gesellschaft für Ernährung e.V., Fachinformationen, Flexitarier (https://www.dge.de/wissenschaft/weitere-publikationen/fachinformationen/flexitarier-die-flexiblen-vegetarier/) ("**BMEL Forsa-Survey**");
- Deutsche Gesellschaft für Qualität e.V., survey conducted in Germany in 2019, published March 19, 2020 (https://www.dgq.de/aktuelles/presse/ein-trend-wird-zum-lebensstil-mehrheit-der-deutschen-achtet-beim-lebensmitteleinkauf-auf-nachhaltigkeit/) ("**DGQ Survey**");
- Eaternity (https://eaternity.org/score/clients) ("**eaternity**");
- Emplifi, Top 5 Most Engaging FMCG Food Brand Instagram Accounts in Germany, published September 25, 2020 (https://twitter.com/emplifi_io/status/1309447821788024832) ("**FMCG Food Brands**");
- EU Commission, EU Agricultural Outlook 2019-2030, published 2019 (https://ec.europa.eu/info/sites/default/files/food-farming-fisheries/farming/documents/agricultural-outlook-2019-report_en.pdf) ("**EU Agricultural Outlook**");
- EU Commission, Global food supply and demand, No. 16, published September 2019 (https://ec.europa.eu/info/sites/default/files/food-farming-fisheries/farming/documents/market-brief-food-challenges-sep2019_en.pdf) ("**EU Analysis of Global Food**");
- EU Commission, Summer 2021 Economic Forecast: Reopening fuels recovery, published July 7, 2021 (https://ec.europa.eu/info/business-economy-euro/economic-performance-and-forecasts/economic-forecasts/summer-2021-economic-forecast_en) ("**EU Commission Forecast**");
- EU Horizon 2020 research and innovation programme (No 862957), The Smart Protein project, Plant-based foods in Europe, Retail Scanning Data Nielsen, published 2021 (https://smartproteinproject.eu/wp-content/uploads/Smart-Protein-Plant-based-Food-Sector-Report.pdf) ("**EU Smart Protein Project**");
- Euromonitor International, Economies and Consumers, global food market represents consumer expenditure on food and catering, value at fixed 2016 exchange rate, Euromonitor International Ltd. ("**Euromonitor International**");
- Eurostat, GDP down by 0.3% and employment down by 0.3% in the euro area, published June 8, 2021 (https://ec.europa.eu/eurostat/documents/2995521/11563119/2-08062021-AP-EN.pdf/eead4cc5-f4f2-a087-9ded-a1b15bf2394a?t=1623140343558) ("**Eurostat Press Release**");
- Expert Market Research, Global Vegan Food Market: By Product Type: Dairy Alternatives, Meat Substitutes, Egg Alternative, Vegan Bakery, Confectionery, Plant-Based Snacks, Others; By Distribution Channel; Regional Analysis; Historical Market and Forecast (2016-2026); Market Dynamics; Competitive Landscape; Industry Events and Developments (https://www.expertmarketresearch.com/reports/vegan-food-market) ("**Expert Market Research 2020**");
- Food Federation Germany, The German food sector, From farm to fork (https://www.lebensmittelverband.de/en/food/industry-sector) ("**Food Federation Germany**");
- Forsa, Representive Survey on the Nutrition Report 2021, published February 19, 2021 (https://www.bmel.de/SharedDocs/Downloads/DE/_Ernaehrung/forsa-ernaehrungsreport-2021-tabellen.pdf;jsessionid=2A4BE665809EA27B2DB35250615 26CD9.live832?__blob=publicationFile&v=2) ("**Forsa Survey Nutrition Report**");
- Good Food Institute, U.S. retail market data for the plant-based industry, published 2021 (https://gfi.org/marketresearch/) ("**Good Food Institute**");
- Innovationsranking: Food-Marken sind die Lieblinge der Kunden, published 2021 (https://www.handelsblatt.com/unternehmen/innovationweek/verbraucherumfrage-innovationsranking-food-marken-sind-die-lieblinge-der-kunden/27157780.html?ticket=ST-3589303-vRD4kcBTZaScBSBxLbXe-ap5) ("**Handelsblatt, June 5, 2021**");
- ifo Schnelldienst 1/2021, 74. Jahrgang, Brandt/Bunde/Rumscheidt/Wohlrabe, Branchenentwicklung 2020/2021: Eine Übersicht für die Industrie, den Handel und den Dienstleistungssektor, published January 20, 2021 (https://www.ifo.de/DocDL/sd-2021-01-brandt-etal-branchen-dialog-branchenentwicklung.pdf) ("**ifo Branch Development 2021**");
- ifo Schnelldienst 5/2020, 73. Jahrgang, Rumscheidt, Branchen im Fokus: Lebensmitteleinzelhandel, published May 13, (https://www.ifo.de/DocDL/sd-2020-05-rumscheidt-lebensmittel-einzelhandel.pdf) ("**ifo Food Retail 2020**");
- ING Research: Big things have small beginnings – Growth of meat and dairy alternatives is stirring up the European food industry, published October 2020 ("**ING Research 2020**");
- KATALYSE Institut, Veränderung der globalen Ernährungsgewohnheiten, published May 2014 (https://www.katalyse.de/wp-

content/uploads/2014/05/2010TAB_GutachtenWandelErnaehrungsgewohnheiten05_2014.pdf) ("**KATALYSE Institut**");

- KPMG, Online Shopping Studien, published April 2021 (https://home.kpmg/de/de/home/themen/2021/04/online-shopping-studie.html) ("**KPMG Online Shopping**");
- KPMG Trends im Handel – Erfolgreich in Zeiten von Omni Business (https://einzelhandel.de/images/presse/Studie_Trends_Handel_2025.pdf) ("**KPMG 2025**");
- Lebensmittelzeitung vom 19. August 2021: Mit Potenzial zum Massenmarkt v. Britta Rosbach ("**Lebensmittelzeitung - August 19, 2021**");
- Mintel, Deutschland dominiert weiterhin bei veganen Produkteinführungen, published July 30, 2018 (https://de.mintel.com/pressestelle/deutschland-dominiert-weiterhin-bei-veganen-produkteinfuehrungen) ("**Mintel Launches in Germany**");
- Mintel, Großbritannien löst Deutschland als Spitzenreiter für vegane Produkteinführungen ab, published February 11, 2019 (https://de.mintel.com/pressestelle/grossbritannien-loest-deutschland-als-spitzenreiter-fuer-vegane-produkteinfuehrungen-ab) ("**Mintel Product Launches UK**");
- Open to export, Food and Drink sector in Switzerland (https://opentoexport.com/article/food-and-drink-sector-in-switzerland/) ("**Open to Export Swiss Market**");
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- Rentokil, Globale Trends Lebensmittelindustrie (https://www.rentokil.com/de/lebensmittelindustrie/globale-trends/) ("**Rentokil Global Trends**");
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Information on the aforementioned websites and information accessible via these websites is neither part of, nor incorporated by reference into, the Prospectus, and such information has not been scrutinized or approved by BaFin.

It should be noted, in particular, that reference has been made in the Prospectus to information concerning markets and market trends. Such information was obtained from the aforementioned sources. Where information has been sourced from a third party, 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.

2.7. Documents available for inspection

For the period during which the Prospectus remains valid, the following documents will be available on the Company's website (www.veganz.de) under the "Investor Relations" section:

- the Company's articles of association (*Satzung*) ("**Articles of Association**");
- the audited unconsolidated financial statements as of and for the financial year ended December 31, 2018 of the former Veganz GmbH, Berlin, Germany ("**Veganz GmbH**"), which was merged as transferring legal entity (*übertragender Rechtsträger*) with the Company as acquiring legal entity (*übernehmender Rechtsträger*) with registration in the Commercial Register on November 25, 2019 ("**Merger**"), prepared in accordance with generally accepted accounting principles of the German Commercial Code (*Handelsgesetzbuch* – "**HGB**") ("**Audited Financial Statements 2018**");
- the separate audited unconsolidated cash flow statements of Veganz GmbH for the financial year ended December 31, 2018, prepared in accordance with generally accepted accounting principles of the HGB ("**Audited Cash Flow Statements 2018**");
- the separate audited unconsolidated statement of changes in equity of Veganz GmbH for the financial year ended

December 31, 2018, prepared in accordance with generally accepted accounting principles of the HGB ("**Audited Statement of Changes in Equity 2018**");

- the audited unconsolidated interim financial statements of Veganz GmbH as of and for the three-month period ended March 31, 2019, prepared in accordance with generally accepted accounting principles of the HGB ("**Audited Interim Financial Statements Q1 2019**");
- the separate audited unconsolidated statement of changes in equity of Veganz GmbH for the three-month period ended March 31, 2019, prepared in accordance with generally accepted accounting principles of the HGB ("**Audited Statement of Changes in Equity Q1 2019**");
- the audited unconsolidated financial statements of the Company as of and for the financial year ended December 31, 2019, prepared in accordance with generally accepted accounting principles of the HGB ("**Audited Financial Statements 2019**");
- the separate audited unconsolidated statement of changes in equity of the Company for the financial year ended December 31, 2019, prepared in accordance with generally accepted accounting principles of the HGB ("**Audited Statement of Changes in Equity 2019**");
- the audited unconsolidated financial statements of the Company as of and for the financial year ended December 31, 2020, prepared in accordance with generally accepted accounting principles of the HGB ("**Audited Financial Statements 2020**");
- the separate audited unconsolidated statement of changes in equity of the Company for the financial year ended December 31, 2019, prepared in accordance with generally accepted accounting principles of the HGB ("**Audited Statement of Changes in Equity 2020**");
- the unaudited unconsolidated interim financial statements of the Company as of and for the six-month period ended June 30, 2021 prepared in accordance with generally accepted accounting principles of the HGB ("**Unaudited Interim Financial Statements**"); and
- the separate audited unconsolidated statement of changes in equity of the Company for the six-month period ended June 30, 2021, prepared in accordance with generally accepted accounting principles of the HGB ("**Audited Statement of Changes in Equity H1 2021**" and, together with the Audited Financial Statements 2018, the Audited Cash Flow Statements 2018, the Audited Statement of Changes in Equity 2018, the Audited Interim Financial Statements Q1 2019, the Audited Statement of Changes in Equity Q1 2019, the Audited Financial Statements 2019, the Audited Statement of Changes in Equity 2019, the Audited Financial Statements 2020 and the Audited Statement of Changes in Equity 2020, "**Audited Financial Information**").

Until the Merger, Veganz GmbH operated our business activities and the Company did not have any business activities. Upon effectiveness of the Merger, the Company continued our business activities as the universal legal successor (*Gesamtrechtsnachfolger*) of Veganz GmbH.

The aforementioned financial statements are included in the section "*21 FINANCIAL INFORMATION*" beginning on page F-1.

The Company's future financial statements will be available on the Company's website (www.veganz.de) under the "Investor Relations" section and published in the Federal Gazette (*Bundesanzeiger*).

Information on the Company's website (www.veganz.de) and information accessible via this website is neither part of, nor incorporated by reference into, this Prospectus.

2.8. Currency

In the Prospectus,

- "**EUR**" and "**Euro**" refer to the single European currency adopted by certain participating member states of the European Union ("**EU**"), including Germany; and
- "**USD**" refers to the legal currency of the United States (so-called "United States dollar").

2.9. Presentation of financial information

ECOVIS Audit AG Wirtschaftsprüfungsgesellschaft, Berlin, Germany ("**ECOVIS**"), audited the German language the Audited Financial Statements 2018, the Audited Interim Financial Statements Q1 2019, the Audited Financial Statements 2019 and the Audited Financial Statements 2020 in accordance with Section 317 HGB and in compliance with the German generally accepted standards for financial statement audits promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer in Deutschland e.V.* – "**IDW**") and issued German language unqualified independent auditor's reports (*Bestätigungsvermerke des unabhängigen Abschlussprüfers*) thereon. In addition, ECOVIS audited the separate Audited Cash Flow Statements 2018, the Audited Statement of Changes in Equity 2018, the Audited Statement of Changes in Equity Q1 2019, the Audited Statement of Changes in Equity 2019, the

Audited Statement of Changes in Equity 2020 and the Audited Statement of Changes in Equity H1 2021 in accordance with "IDW Auditing Practice Statement: Audit of Additional Elements of Financial Statements (IDW AuPS 9.960.2)" promulgated by the IDW and issued unqualified auditor's reports (*Bestätigungsvermerk des unabhängigen Abschlussprüfers*) thereon.

Where financial information is labelled "audited" in the following tables, it has been taken from the Audited Financial Information.

The label "unaudited" in the following tables indicates financial information that has been taken or derived from (i) the Unaudited Interim Financial Statements H1 2021, (ii) the Company's internal accounting records or internal reporting systems or (iii) has been calculated based on financial information from the aforementioned sources.

Unless indicated otherwise, all financial information presented in the tables below is shown in thousands of Euro (in EUR thousand). 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. Furthermore, differences and ratios are calculated based on rounded figures and may therefore deviate from differences or ratios calculated based on rounded 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 equals zero, while a zero ("0.0") signifies that the relevant figure is available but has been rounded to zero.

To compare figures over more than two periods, a compound annual growth rate ("**CAGR**") may be shown, which indicates the annual mean rate of growth for each year of the relevant period.

2.9.1 Emphasis of matter in the independent auditor's report on the Audited Financial Statements 2018

The unqualified independent auditor's report as of June 13, 2019 on the Audited Financial Statements 2018 prepared in accordance with generally accepted accounting principles of the HGB contains the following emphasis of matter paragraph regarding the Company's ability to continue as a going concern (*translation of the original German language text*):

> "*We refer to the Company's explanations in the management report in Section 4.2 Risk report. It is explained there that the Company's ability to continue as a going concern is dependent on the continued financial support of the existing owners as well as potential new owners. Since the establishment of the Company, the owners have however, at all times, provided sufficient equity. At the beginning of June 2019, the owners made additional funds available to finance the Company. Management thereby currently considers the Company's liquidity position to be provided for. Appropriate mitigating measures have already been implemented. Our audit opinions with respect to this matter are not modified*."

In section 2.1 of the management report of the Company as of and for the financial year ended December 31, 2018, the following is stated (*translation of the original German language text*):

> "*Veganz GmbH as parent company of the Veganz group realized substantial sales growth in comparison with the prior year from EUR 817 thousand to EUR 17,412 thousand. This was primarily attributable to the consolidation of the Veganz group over the last two years. In August 2018, the subsidiary, Veganz Wholesale GmbH & Co. KG, was finally absorbed into the parent company. As such, all external sales to food retailers and drugstores are now bundled at the level of Veganz GmbH.*
>
> *In the reporting period, at group level, sales declined by 14.7% to EUR 20,817 thousand. As such, budgeted sales of EUR 22.7 million were not achieved with the shortfall amounting to approximately 8%. The deficit as compared with the budget was primarily attributable to a delay in market entry into France as well as the not yet completed transformation of the business model.*
>
> *As in the prior year, the cost of sales ratio amounted to 75%.*
>
> *In contrast, the annual results improved from negative EUR 4,895 thousand to negative EUR 3,784 thousand. The improvement of the results primarily resulted from the significant negative effect on results in the prior year due to write-offs of the subsidiary Veganz Retail GmbH. This entity began insolvency proceedings under own management in financial year 2017, which are still ongoing. Management expects the proceedings to be complete in the summer of 2019.*
>
> *However, the operating costs, which increased overproportionately to the simultaneous sales decline, led to negative pre-tax results (EBT) of EUR 3,875 thousand in 2018 and thereby to a deficit in comparison with the budgeted amount of EUR 3,092 thousand.*
>
> *Overall, these effects led to overindebtedness from the balance sheet perspective totaling EUR 5,439 thousand. As of the balance sheet date the liabilities amounted to EUR 10,574 thousand. As a consequence, management initiated a restructuring program to reduce the Company's overindebtedness. Simultaneously, to strengthen equity, discussions were held with the current owners as well as with potential new investors to eliminate this situation. Currently the Company plans to issue bearer bonds in the third quarter of 2019, which are predominantly intended to relieve the strain on the economic equity*."

In section 4.2 of the management report of the Company as of and for the financial year ended December 31, 2018, the following is stated (*translation of the original German language text*):

"*As a result of not having achieved budgeted sales as well as the net loss for the year, Veganz is overindebted and remains dependent on the support of the owners as well as new strategic investors. However, at all times since the establishment of the Company, the owners provided sufficient equity. As such, we currently consider the financial situation of the Company to be provided for. Appropriate mitigating measures as described in paragraphs 2.1 and 4.3 have already been initiated.*

Beyond that, risks in terms of future developments endangering the Company's ability to continue as a going concern primarily relate to the consolidation of the Veganz group which will, at a minimum, continue in the upcoming financial year, should the budgeted sales not be achieved.

The sales targets can, in particular, be jeopardized by not sufficiently attending to strategic trade partners and / or a deterioration of the conditions as a result of the assertion of market power on the demand side. Furthermore, our business model has the latent risk of our products being replaced by lower priced own brands of the trade partners. Veganz's business model, as the link between the Company's suppliers and trading companies, puts the Company under double-sided margin pressure which can only partially be staved off by innovative strength and brand power.

There is insurance for possible claims for damages or liability which limits the financial consequences with respect to liquidity, the financial position and financial performance.

The risk of imponderable environmental risks within the Company is low as all wastes are disposed of in an environmentally responsible manner.

The risks presented can negatively impact sales and pre-tax results. An assessment of the probability of occurrence is currently not finally possible due to the existing uncertainties."

In section 4.3 of the management report of the Company as of and for the financial year ended December 31, 2018, the following is stated (*translation of the original German language text*):

"*In the upcoming years the Veganz group will further advance the consolidation of the business model and the associated substantial simplification of the company structure (Veganz GmbH as central operating company). As a result of public debate which has ensued with respect to climate protection, Veganz – with its strategic focus on sustainability and low ecological footprint as a result of a vegan diet – is encouraged and confident with respect to the realization of the planned growth goals. Decisive influencing factors are primarily the expansion of the wholesale business with existing partners as well as securing new partners for the sale of products of the own brand. This also applies to the expansion of our international business.*

The Veganz group will not, however, be able to achieve this restructuring in conjunction with the ambitious sales goals on its own as a result of which the search for appropriate investors to strengthen the equity base is a key element with respect to the Company's continued existence. The Company is currently planning to emit a subordinated bearer bond in the third quarter of 2019, which is primarily intended to provide relief for the economic equity. Furthermore, at the beginning of June 2019, the owners provided additional funding in the form of short-term loans totaling EUR 390 thousand.

As such, management plans sales of EUR 28.1 million in 2019 and EUR 31.2 million in 2020. As a result of the ongoing restructuring expenses, slightly positive pre-tax results are projected for 2019 and 2020."

2.9.2 Emphasis of matter in the independent auditor's report on the Audited Interim Financial Statements Q1 2019

The unqualified independent auditor's report as of September 10, 2021 on the Audited Financial Statements Q1 2019 prepared in accordance with generally accepted accounting principles of the HGB contains the following emphasis of matter paragraph regarding the Company's ability to continue as a going concern (*translation of the original German language text*):

"*We refer to the Company's explanations in the notes. It is explained there that the Company's ability to continue as a going concern is dependent on the financial support of the existing shareholders as well as potential new shareholders. Our audit opinions with respect to this matter are not modified*."

In the section "General information on the interim financial statements" of the notes of the Company to the the Audited Financial Statements Q1 2019 the following is stated (*translation of the original German language text*):

"*The Company is in a crisis in terms of financial performance as well as financing. Nonetheless, valuation was based on the going concern principle. Management already resolved upon and began to implement restructuring and financing measures, which are to provide for the continuity of business operations in a sustainable manner. At the same time, discussions were initiated with the existing shareholders and potential new investors in order to strengthen the Company's equity base and eliminate this situation*."

2.9.3 Emphasis of matter in the independent auditor's report on the Audited Financial Statements 2019

The unqualified independent auditor's report as of June 26, 2020 on the Audited Financial Statements 2019 prepared in accordance with generally accepted accounting principles of the HGB contains the following emphasis of matter paragraph regarding the Company's ability to continue as a going concern (*translation of the original German language text*):

> "*We refer to the Company's explanations in the management report in Section 4.2 Risk report. It is explained there that the Company's ability to continue as a going concern is dependent on the continued financial support of the existing shareholders as well as potential new shareholders. Since the establishment of the Company, the owners have however, at all times, provided sufficient equity. Corresponding mitigating measures have already been introduced. In order to sustainably provide for the Company's financial and liquidity position, further crowdfunding financing of EUR 2 million (subordinated loan) was carried out at seedmatch. Furthermore, the transformation of terms of third-party borrowings was further advanced by virtue of the emission of the bond (WKN A254NF) as of 2/25/2020. Simultaneously, to strengthen equity, discussions were held with the existing owners / shareholders as well as with potential new investors so as to sustainably eliminate this situation. As such, in the year 2019 (2020) the owners/ shareholders provided Veganz with further loans of EUR 490 (200) thousand. A comprehensive process for the raising of additional equity was started in May of the current year 2020 and is to be accompanied by short-term external interim financing of EUR 2 million during the middle of 2020 to provide liquidity to secure the planned sales growth. The board of directors thereby currently considers the Company's liquidity position to be provided for. Our audit opinions with respect to this matter are not modified*."

In section 2.3 of the management report of the Company as of and for the financial year ended December 31, 2019, the following is stated (*translation of the original German language text*):

> "*In many respects the year 2019 was a year of transformation for the Veganz Group. The consolidation course of recent years was successfully continued. Along with the merger of Veganz GmbH into Veganz Group AG, the brand Veganz was newly positioned. The product portfolio was optimized and innovative new products were developed. The sales organization was strengthened, an important new strong sales channel – discounters – was tapped and international sales expansion was advanced. This provided for the reversal of the sales declines of previous years, caused by the closure of the supermarkets outside of Berlin as well as the business model transformation from wholesaler to branded products, to strong sales growth. At group level sales growth amounted to 12.6% from EUR 23,661 thousand in the year 2018 to EUR 26,647 thousand in the year 2019, whereby the second half year with accelerated growth of approximately 40% (in comparison with the prior year) had a disproportionate impact. A significant growth driver was the increase in brand awareness. The growth in the second half year also continued in the first quarter of 2020 (+40%).*
>
> *The predominant portion of this amount was generated by Veganz Group AG. On a full year basis – thereby including Veganz GmbH (1/1-3/31/2019) – Veganz Group AG was able to increase sales from EUR 20,817 thousand (including Veganz Wholesale until 8/31/2018) to EUR 23,872 thousand and thereby by 14.7%. 95% of the budgeted sales of EUR 25,362 thousand were realized in the reporting period, as portions of the international expansion were shifted into the subsequent financial year. On the other hand, Veganz Group AG achieved a pleasing sales increase in comparison with the prior year due, among other things, to the introduction of new products as well as the activation of new international customers, such as for example Sonae Portugal and Coop Dänemark. A substantial increase in sales was achieved not least because of a television / media campaign conducted in the third quarter in conjunction with a successful promotional listing in the discount channel (LIDL). On the whole, Veganz realized the highest brand sales in the short company history.*
>
> *The cost of goods sold ratio (COGS ratio) improved in comparison with the prior year from 75.0% to 68.8%. This is primarily attributable to the continuous and systematic improvement of the product portfolio as well as by achieving improved procurement terms.*
>
> *In terms of operating costs, as a result of the consolidation course significant savings could be realized primarily with respect to cost items which do not develop proportionately to sales such as personnel costs and costs of facilities. Nonetheless the adopted transformation course as well as special costs with respect to consolidation had a negative effect, in particular with respect to general administrative costs. Already in the first half of 2020 these effects were substantially lower. Despite this positive development, the annual results declined and thereby did not meet the expectations for 2019 driven by investments in the product portfolio (e.g., "Laxs", protein drinks, pizza), sales (establishment of field service to 23 area managers) and marketing (TV media campaigns) from EUR 3,783 thousand to EUR 4,592 thousand. Furthermore, non-recurring costs in conjunction with the merger as well as the bond issuance at the beginning of 2020 had an impact. On the whole, in 2019 an EBITDA of EUR 3,228 thousand was realized in comparison with the negative EUR 2,821 thousand in 2018. This was below the budgeted amount.*
>
> *In order to sustainably finance the Company's growth, a further crowdfunding financing of approximately EUR 2,000 thousand (subordinated loan) was carried out by Seedmatch in 2019. Furthermore, the transformation with respect to terms of borrowings was further advanced by virtue of the emission of the bond (WKN A254NF) as of 2/25/2020. Simultaneously, to strengthen the equity, discussions were held with the existing owners / shareholders as well as with potential new investors so as to sustainably eliminate this situation. As such, in the year 2019 (2020) the owners / shareholders provided Veganz*

with further loans of EUR 490 (200) thousand. The process of taking on additional equity was started in May of the current year 2020 and is expected to be concluded by the end of 2020."

In section 4.2 of the management report of the Company as of and for the financial year ended December 31, 2019, the following is stated (*translation of the original German language text*):

"*As a result of the net loss for the year, Veganz Group AG is in a strained financial / liquidity situation and remains dependent on the support of the shareholders as well as new investors. However, at all times since the establishment of the Company, the owners respectively now the shareholders provided sufficient equity. As such, we currently consider the financial situation of the Company to be provided for. Corresponding mitigating measures as described in paragraph 2.3 have already been initiated (among other things the taking on of new equity).*

Beyond that, risks in terms of future developments endangering the Company's ability to continue as a going concern primarily relate to not achieving the planned sales goals, not least in the wake of the corona pandemic as well as the associated limitations of the sales activities and with respect to new product developments. In addition, there may be constraints with respect to the existing service and supply relationships – depending on scope and type. Nonetheless, based on the first half of 2020, the board of directors still expects the planned sales to be achieved – thereby clear double-digit growth in comparison with 2019, as the positive market trend with respect to vegan food products and the Company's successful go-to-market strategy can overcompensate the negative effects of the crisis.

The sales targets can, in particular, be jeopardized by not sufficiently attending to strategic trade partners and / or a deterioration of the conditions as a result of the assertion of market power on the demand side. Veganz Group AG's business model, as the link between the Company's suppliers and trading companies, puts the Company under double-sided margin pressure which can only partially be staved off by innovative strength and brand power. Furthermore, the business model has the latent risk of our products being replaced by lower priced own brands of the trade partners. To counteract this, it is important that a continued positive brand image is portrayed and that attention is drawn to the advantages of sustainable food products. As per a survey, two thirds of the European consumers are willing to change their diet for climate and environmental protection. However, the same survey found that 57% of those surveyed desired further information with respect to sustainably produced food products and were therefore in favor of a compulsory label with information regarding sustainability. On the basis of its mission and the Eaternity logo, Veganz meets the consumers' needs.

There is insurance for possible claims for damages or liability which limit the financial consequences with respect to liquidity, the financial position and financial performance.

The risk of imponderable environmental risks within the Company is low as all wastes are disposed of in an environmentally responsible manner.

The risks presented are assessed and considered in the course of Company planning as well as ongoing (planning reviews). Nonetheless, these could still impact sales, EBITDA and pre-tax results for the upcoming years. An assessment of the probability of occurrence is currently not finally possible due to the existing uncertainties."

2.9.4 Emphasis of matter in the independent auditor's report on the Audited Financial Statements 2020

The unqualified independent auditor's report as of June 2, 2021 on the Audited Financial Statements 2020 prepared in accordance with generally accepted accounting principles of the HGB contains the following emphasis of matter paragraph regarding the Company's ability to continue as a going concern (*translation of the original German language text*):

"*We refer to the Company's explanations in the management report in Section 2.3 Business development and 4.2 Risk report. It is explained there that the Company's ability to continue as a going concern is dependent on the financial support of the existing shareholders as well as potential new shareholders. Our audit opinions with respect to this matter are not modified*."

In section 2.3 of the management report of the Company as of and for the financial year ended December 31, 2020, the following is stated (*translation of the original German language text*):

"*In 2020 the global economy was faced with enormous new types of challenges. Virtually all companies were negatively affected by the COVID-19 pandemic and were forced to react quickly to the new circumstances. The Veganz Group acted particularly quickly and effectively and was thereby able to survive this year marked by crisis unscathed and without the need for financial support. The highest priority was given to protecting the employees via flexible and comprehensive home-office regulations, hygienic concepts for the emergency skeleton staff in the office, tests and later the offering of vaccinations. In the early months of the pandemic the field sales force could not visit markets as a result of which sales growth with trade partners primarily attended to by the field service declined slightly. Overall, the board of directors determined that the COVID-19 pandemic had a negative effect on sales totaling approximately EUR 630 thousand with a negative EBITDA impact of approximately EUR 280 thousand, not least because of the extraordinary costs in conjunction with the afore mentioned measures to protect the employees. With respect to the entire year, the Veganz Group was, however, able to* *achieve the revenue goals of approximately EUR 28 million and was even able to exceed the goals in the supermarket business of Veganz Retail Berlin by approximately 10%. As such, revenue growth (gross) at group level totaled approximately 13% increasing from EUR 26,647 thousand in 2019 to EUR 30,214 thousand in 2020. In addition, at the Company level the planned slightly negative EBITDA as well as the negative pre-tax results of approximately EUR 2.5 million were not realized in 2020.*

In terms of costs, the costs of goods sold ratio increased in comparison with the prior year from 68.8% to 70.1% as a result of measures to increase sales such as promotional campaigns in the discount channel and increases of sales deductions (e.g., cash discounts). However, with the strategic rethinking in conjunction with an increased focus on profitability and value driven management in 2020, the course was already set for the sustainable reduction of the cost of sales ratio on the basis of the systematic optimization of the product mix as well as by pushing through improved procurement conditions. In terms of operational costs, as a result of the economies of scale in the business model, Veganz benefitted from a substantial increase in sales and the restructuring measures in particular with respect to personnel expenses and administrative costs which developed under proportionately in comparison with revenues.

Over the mid- to long-term the COVID-19 pandemic will contribute to a change in consumer behavior and will increase the speed of change in consumer thinking regarding climate protection and sustainability, with respect to which the Veganz Group is very well positioned. This allowed Veganz to benefit from the relocation of consumption from "out of home" to grocery stores and discounters in the wake of the limited opening of the food service industry. The business with grocery stores and discounters in Germany accounted for approximately 41% of Veganz Group AG's total sales, comprising an increase of more than 50% in comparison with the prior year. Significant growth drivers were the addition of further points of sale (PoS), the increase in the number of products (SKU) per POS and the increase in the number of sales per product, which is tied to brand recognition. On the basis of revenue growth exceeding 30% in Austria and 25% in Switzerland, Veganz was able to further solidify its role as driver of vegan innovation and market leader in the DACH region. In the current year 2021, the sales focus continues to lie on the DACH region, which generated 94% of the sales in 2020. Veganz is, however, increasing its sales territory outside of the core markets: as such the Company was, for example, able to secure customers among other places in Greece, Great Britain, Japan and Australia.

Only the drugstores suffered as a result of the consumers growing need for "one stop shopping", which is also reflected in Veganz Group AG's sales in this channel. The channel diversification, which was already initiated in 2019 with an increasing focus on grocery stores and discounters, was successfully continued in 2020 and was thereby able to offset the negative market trend in the drugstore channel. Veganz is also utilizing the change in sales channels to address the change in the product mix (focus on the segments refrigerated and frozen).

In addition, the sales network was expanded. As such, in 2019 Veganz began to invest in a Germany-wide field sales force with a total of 23 representatives for the brand Veganz at the PoS. Despite the limitations for a period of time as a result of COVID-19, at times this initiative showed good results, above all with respect to the trade partners EDEKA and REWE, and will thereby be continued at this level.

On the whole, the Company's transformation to the wholesale business with its own brand-range including the name change from Veganz GmbH to Veganz Group AG along with modifications in strategy and personnel has now successfully been completed. The Company is seeking sustainable profitable growth on the basis of the strategic change in management from that on the basis of sales growth to profitability. As a starting point, a Company-wide analysis and assessment on the basis of multi-tiered contribution margins (at the customer and product level) was carried out leading to the definition and implementation of value-based management. Incentivation of sales with an increased focus on profitability also contributes.

A bond was issued by Veganz Group AG in 2020 to provide sustainable growth financing, by year-end approximately EUR 3.4 million was subscribed. In the current year there were further subscriptions as a result of which the subscribed amount reached approximately EUR 3.9 million in May 2021. While the bond did not meet the expectations of financial investors, demand exceeded expectations with respect to private investors. For this reason, subsequent to the conclusion of the current financing round (refer to Authorized capital 2020/I), Veganz Group AG has decided to open itself up to a wider base of investors on the basis of an IPO.

In 2020 Veganz Group AG completely repaid the EUR 1.5 million working capital facility provided by Handelsbank and took on a further shareholder loan of EUR 2 million.

The business model leads to an imminent liquidity gap due to the advance financing of goods as a result of which Veganz Group AG finds itself in a strained financial and liquidity position in times of continuously rising sales but negative annual results. As a result of a lack of financial resources for the advance financing of orders with a sales volume of approximately EUR 2 million could not be taken on. To counteract this, to provide for a sustainable financial and liquidity position and to head off the current over indebtedness, in the summer of 2020 Veganz Group AG already initiated a process to take on new equity (pre-IPO).

This process was delayed, due among other things to the COVID-19 pandemic. To provide for the required equity, at the beginning of the year Veganz Group AG began a parallel process for the issuance of shares within the scope of a private *placement. On this basis the enormous popularity and brand recognition is to be used to secure financing from a wide range of small investors. The equity base is to be sustainably strengthened by utilizing the Authorized capital 2020/I thereby adding EUR 11.25 million. There are already binding commitments for new equity of EUR 6.5 million. In addition, existing loans as well as old liabilities are to be converted to equity of EUR 3.75 million at the beginning of the third quarter of 2021. The Company is still in the process of negotiations with respect to the remaining amount for the complete utilization of the Authorized capital 2020/I of approximately EUR 1 million. The board of directors expects the negotiations to be successfully completed by June 30, 2021. Due to the overwhelming demand, the board of directors decided to prepare the imminent IPO following the private placement in 2021. The Company is seeking to list the shares of Veganz Group AG in the over-the-counter market of a German exchange*."

In section 4.2 of the management report of the Company as of and for the financial year ended December 31, 2020, the following is stated (*translation of the original German language text*):

"*As a result of the net loss for the year as well as the overindebtedness, Veganz Group AG remains in a strained financial / liquidity situation and is dependent on the support of the shareholders as well as new investors. However, at all times since the establishment of the Company, the owners respectively the shareholders provided sufficient equity. Furthermore, the board of directors is very optimistic with respect to the successful conclusion of the current ongoing financing round in the near future (as described in section 2.3). The board of directors thereby considers the future financial situation of the Company to be provided for.*

Beyond that, risks in terms of future developments endangering the Company's ability to continue as a going concern primarily relate to not achieving the planned revenue goals, not least in the wake of the corona pandemic as well as the associated limitations of the sales activities and with respect to new product developments. In addition, there may be constraints with respect to the existing service and supply relationships – depending on scope and type. Nonetheless, based on the first half of 2021, the board of directors still expects the planned sales to be achieved – thereby clear double-digit growth in comparison with 2020, as the positive market trend with respect to vegan food products and the Company's successful go-to-market strategy can overcompensate the negative effects of the crisis.

The sales targets can, in particular, be jeopardized by not sufficiently attending to strategic trade partners and / or a deterioration of the conditions as a result of the assertion of market power on the demand side. Veganz Group AG's business model, as the link between the Company's suppliers and trading companies, puts the Company under double-sided margin pressure which can only partially be staved off by innovative strength and brand power. Furthermore, the business model has the latent risk of our products being replaced by lower priced own brands of the trade partners. To counteract this, it is important that a continued positive brand image is portrayed and that attention is drawn to the advantages of sustainable food products. As per a survey, two thirds of the European consumers are willing to change their diet for climate and environmental protection. However, the same survey found that 57% of those surveyed desired further information with respect to sustainably produced food products and were therefore in favor of a compulsory label with information regarding sustainability. On the basis of its mission and the Eaternity logo, Veganz meets the consumers' needs.

Along with these direct risks with respect to sales, in terms of core operational risks a delay or complications with respect to the establishment of the second production site must be addressed. As Veganz is currently in the early planning phase, project success is not yet assured. The Company believes that experienced project planners and technicians provide a strong likelihood of successful project development.

There is insurance for possible claims for damages or liability which limit the financial consequences with respect to liquidity, the financial position and financial performance.

The risk of imponderable environmental risks within the Company is low as all wastes are disposed of in an environmentally responsible manner.

The risks presented are assessed and considered in the course of Company planning as well as ongoing (planning reviews). Nonetheless, these could still impact sales, EBITDA and pre-tax results for the upcoming years. An assessment of the probability of occurrence is currently not finally possible due to the existing uncertainties."

2.10. Alternative performance measures

Throughout the Prospectus, we present financial information that is not prepared in accordance with generally accepted accounting principles of the HGB, or any other internationally accepted accounting principles, including EBITDA and EBITDA margin, adjusted EBITDA and adjusted EBITDA margin as well as gross profit and gross profit margin (together, "**Alternative Performance Measures**"). The Alternative Performance Measures are alternative performance measures as defined in the guidelines issued by the European Securities and Markets Authority on October 5, 2015 on alternative performance measures ("**ESMA-Guidelines**").

We define the Alternative Performance Measures as follows:

- EBITDA is the abbreviation for "earnings before interest, taxes, depreciation and amortization" ("**EBITDA**"). In order to calculate EBITDA, firstly, the sales and other operating income are summed up. Subsequently, the cost of materials consisting of the cost of raw materials, consumables and supplies and of purchased merchandise, the personnel expenses, consisting of wages and salaries as well as social security, pension and other benefit costs, and other operating expenses are subtracted.

- EBITDA margin is defined as EBITDA as a percentage of sales.
- We calculate Adjusted EBITDA based on the EBITDA of the Company (see above) adjusted for certain one-off operating expenses such as (i) expenses for the Notes (as defined below), (ii) equity expenses, (iii) costs of the Merger (as defined below), (iv) costs for the Production Site I (as defined below) as well as (v) other non-operating expenses ("**Adjusted EBITDA**"). For purposes of our internal management, we define non-operating effects as effects that do not reflect the regular operating performance of the Company's business. As a result of these adjustments, Adjusted EBITDA provides a more transparent presentation of the Company's operating developments and enables a better assessment of the Company's operating earnings potential.
- Adjusted EBITDA margin is defined as Adjusted EBITDA as a percentage of sales.
- We define Gross Profit as sales less cost of materials, i.e. the cost of raw materials, consumables and supplies and of purchased merchandise ("**Gross Profit**"). Gross Profit serves as a measure for the efficiency of the value creation of companies.
- Gross Profit margin is defined as Gross Profit as a percentage of sales.

We present the Alternative Performance Measures because we use them to measure the Company's operating performance and liquidity 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 the Company's performance. These Alternative Performance Measures may enhance management's and investors' understanding of the Company's financial performance and liquidity by excluding items that are outside of the Company's ongoing operations, such as taxes on income, costs of capital, non-cash expenses, gains and losses from M&A transactions, restructuring expenses and payments and other non-recurring items.

Such Alternative Performance Measures should not be considered as alternatives or substitutes for profit or loss for the period as indicators of the Company's performance or profitability or as alternatives or substitutes for cash flow from operating, investing or financing activities as an indicator of the Company's liquidity or other data from the Company's unconsolidated financial statements prepared in accordance with HGB.

Furthermore, Alternative Performance Measures are not recognized under HGB or any other generally accepted accounting principles, should not be considered as substitutes for an analysis of the Company's operating results prepared in accordance with HGB, and may not be comparable to similarly titled financial measures published by other companies due to differences in the way the Alternative Performance Measures are calculated.

Even though the Alternative Performance Measures are used by us to assess ongoing operating performance and liquidity and these types of measures are commonly used by investors, they have important limitations as analytical tools, and they should not be considered in isolation or as substitutes for analysis of the Company's results or cash flows as reported under HGB. For example, some of the limitations for the Alternative Performance Measures include the following:

- they exclude certain tax payments that may represent a reduction in cash available to us;
- they do not reflect any cash capital expenditure requirements for the assets being depreciated and amortized that may have to be replaced in the future;
- they do not reflect changes in, or cash requirements for, our working capital needs;
- they do not reflect the significant interest expense, or the cash requirements necessary to service interest payments on our debts; and
- the further adjustments made in calculating Adjusted EBITDA are those that management consider are not representative of our underlying operations and therefore are, by definition, subjective in nature.

For further information on the Alternative Performance Measures, including a reconciliation to HGB measures, see "*9.1 Alternative Performance Measures*".

3. THE OFFERING

3.1. Subject matter of the Offering

The Offering relates to the sale of 547,120 Offer Shares, i.e. ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag ((Stückaktien)*) of the Company, each such Offer Share with a notional value of EUR 1.00 in the Company's share capital and with full dividend rights as of January 1, 2021, comprising:

- 388,733 New Shares;
- 87,024 Sale Shares from the holdings of the Selling Shareholders; and
- 71,363 Over-Allotment Shares from the holdings of the Lending Shareholders.

The total number of Over-Allotment Shares will not exceed 15% of the final number of New Shares and Sale Shares placed in the Offering.

The Offering consists of the Public Offering and private placements in certain jurisdictions outside Germany except for the United States, Canada, Japan and Australia. Outside the United States, the Offer Shares will be offered and sold only in offshore transactions in compliance with Regulation S under the Securities Act. The Offer Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. There will be no public offering of the Offer Shares in the United States. The Offer Shares will be offered and sold only in "offshore transactions" in compliance with Regulation S under the Securities Act.

In connection with the Offering, the Company, together with the Sole Global Coordinator, intends to apply for the inclusion to trading on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) with simultaneous inclusion in the Basic Board of the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), of

- up to 388,733 New Shares, and
- 834,666 existing ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) of the Company ("**Existing Shares**" and, together with the New Shares, "**Shares**"),

corresponding to the Company's entire share capital after registration of the IPO Capital Increase with the Commercial Register, each such Share representing a notional value of EUR 1.00 in the Company's share capital and with full dividend rights as of January 1, 2021 ("**Listing**"). Pursuant to § 17 para. 1 lit. b) of the "General Terms and Conditions of Deutsche Börse AG for the Regulated Unofficial Market on Frankfurter Wertpapierbörse" (*Allgemeine Geschäftsbedingungen der Deutsche Börse AG für den Freiverkehr an der Frankfurter Wertpapierbörse*) ("**DBAG General Terms and Conditions**"), the submission of the Prospectus with Deutsche Börse Aktiengesellschaft, Frankfurt am Main, Germany ("**DBAG**"), is a requirement for the Listing since the Offer Shares are offered to the public requiring the preparation and publication of a prospectus.

M.M.Warburg is acting as Sole Global Coordinator and Sole Bookrunner. Quirin Privatbank is acting as Co-Lead Manager.

3.2. Terms of the Offering

3.2.1 Price Range

The price range for the Offering within which purchase orders may be placed is EUR 85.00 to EUR 110.00 per Offer Share ("**Price Range**").

3.2.2 Offer Period

The period during which investors may submit purchase orders for the Offer Shares is expected to begin on October 27, 2021 and expected to expire on November 3, 2021 ("**Offer Period**"). On the last day of the Offer Period, purchase orders may be submitted (i) until 12:00 hrs Central European Time ("**CET**") by retail investors and (ii) until 14:00 hrs CET by institutional investors.

Institutional investors may place purchase orders directly with the Underwriters during the Offer Period.

Retail investors can place purchase orders in the Offering in Germany one day after the beginning of the Offer Period, i.e. beginning on October 28, 2021, through the subscription functionality (*Zeichnungsfunktionalität*) DirectPlace© of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) in the exchange electronic trading system of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) ("**XETRA©**") trading system for the collection and settlement of subscription offers ("**DirectPlace©**").

Investors who want to submit purchase orders for the Offer Shares through DirectPlace© must submit them to their respective depositary bank between October 28, 2021 and November 3, 2021, at 12:00 hrs CET. This requires that the depositary bank (i) has been admitted as a trading participant to the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) or has access to trading on the

Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) via an accredited trading participant; (ii) is connected to XETRA©, and (iii) is authorized and able to use DirectPlace© according to the "Terms of use for the subscription functionality" (*Nutzungsbedingungen der Deutsche Börse AG für die Xetra-Zeichnungsfunktionalität*) (such depositary bank, a "**Trading Participant"**).

The Trading Participant issues purchase orders for the investor at the investor's request through DirectPlace©. Purchase orders can have price limits (in 10 Euro cent increments) within the Price Range. In its function as order book manager, Baader Bank Aktiengesellschaft, Unterschleißheim, Germany ("**Order Book Manager**"), records DirectPlace© of all purchase orders of the Trading Participant in a central order book and will, at the end of the Offer Period and after instruction by the Sole Global Coordinator, accept these in full or in part or not accept these as part of the allocation in consideration of any limits. By accepting of the purchase orders, the Order Book Manager concludes a sale and purchase agreement for the respective number of Offer Shares. It is subject to the condition precedent that the Offer Shares have not been created on the value date or have not been provided.

Multiple purchase orders by investors are allowed. Purchase orders can be freely revoked until the end of the Offer Period, unless otherwise agreed individually. It is possible to withdraw from a properly made purchase order until the end of the Offer Period. Usually, even in the event of a partial or full withdrawal or reduction in a purchase order, it will not be necessary to reimburse overpaid amounts, since the allocation of the Offer Shares shall take place after the end of the Offer Period by way of payment against delivery and investors therefore do not pay the Offer Price in advance. If, in individual cases, an investor already paid the amounts and then withdraws its purchase order in full or in part, or reduces its purchase order, the paid amount will be reimbursed to the investor immediately to the bank account used for the deposit.

3.2.3 Changes to the terms of the Offering

Subject to the publication of a supplement to this Prospectus, if required, the Company, the Selling Shareholders, the Lending Shareholders and the Sole Global Coordinator reserve the right to reduce the total number of Offer Shares, to increase or decrease the upper limit and/or the lower limit of the Price Range and/or to extend or shorten the Offer Period. Reductions in the number of Offer Shares, changes to the Price Range or an extension or shortening of the Offer Period will not invalidate any offers to purchase Offer Shares that have already been submitted. If such changes require the publication of a supplement to this Prospectus, investors who submitted purchase orders prior to the publication of the supplement have the right to withdraw these offers to purchase within three working days following the publication of such supplement pursuant to Article 23 para. 1 of the Prospectus Regulation in conjunction with Article 21 para. 2 of the Prospectus Regulation, provided that the significant new factor, material mistake or material inaccuracy requiring the publication of a supplement to this Prospectus arose or was noted before the closing of the Offer Period or the delivery of the Offer Shares. Instead of withdrawing their offers to purchase placed prior to the publication of the supplement, investors may change their orders or place new limited or unlimited offers to purchase within two working days following the publication of the supplement.

Any changes to the terms of the Offering will be published by means of electronic media such as Reuters or Bloomberg, and, if required, by Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, as amended ("**MAR**"), the German Securities Prospectus Act (*Wertpapierprospektgesetz*), or the German Securities Trading Act (*Wertpapierhandelsgesetz* – "**WpHG**"), as an ad-hoc release via an electronic information dissemination system, on the Companyˈs website (www.veganz.de) under the "Investor Relations" section and as a supplement to the Prospectus.

Investors who have submitted purchase orders will not be notified individually. Under certain conditions, the Underwriters may terminate the underwriting agreement entered into between the Company, the Selling Shareholders, the Lending Shareholders and the Underwriters on October 25, 2021 ("**Underwriting Agreement**"), even after commencement of trading (*Aufnahme des Handels*) of the Shares on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) (see "*19 UNDERWRITING*"). If the Underwriting Agreement is terminated, the Offering will not take place, in which case any allotments already made to investors will be invalidated and investors will have no claim for delivery. Claims with respect to subscription fees already paid and costs incurred by an investor in connection with the subscription will be governed solely by the legal relationship between the investor and the financial intermediary to which the investor submitted its purchase order. Investors who engage in short-selling bear the risk of being unable to satisfy their delivery obligations.

3.2.4 Determination of the Offer Price and the final Number of Offer Shares

After expiry of the Offer Period, the Offer Price and the final number of the Offer Shares will be determined at the end of the book-building process by the Company and the Selling Shareholders after consultation with the Sole Global Coordinator. This is expected to take place on or about November 3, 2021. The Offer Price and the final number of the Offer Shares will be set on the basis of the purchase orders submitted by investors during the Offer Period that have been collated in the order book prepared during a book building process. These orders will be evaluated according to the prices offered and the expected investment horizons of the respective investors. This method of setting the Offer Price is, in principle, aimed at achieving the highest possible Offer Price. Consideration will also be given to whether the Offer Price and the number of Offer Shares to be placed allow for the reasonable expectation that the share price will demonstrate a steady performance in the secondary market given the demand for the Shares as reflected in the order book. Attention will be paid not only to the prices offered by investors and the number of investors interested in purchasing shares at a particular price, but also to the composition of the Company's shareholder structure that would result at a given price, and expected investor behavior. The Company and the Selling Shareholders will not specifically charge any expenses and taxes related to the Offering to investors.

The Offer Price and the final number of Offer Shares (i.e., the results of the Offering) are expected to be published on or about November 3, 2021, by means of an ad-hoc release on an electronic information dissemination system and on the Company's website (www.veganz.de) under the "Investor Relations" section. After the Offer Price has been set, the Offer Shares will be allotted to investors on the basis of the purchase orders then available. Investors who have placed orders to purchase Offer Shares with the Underwriters can obtain information from the Underwriters about the Offer Price and the number of Offer Shares allotted to them on the business day following the determination of the Offer Price. Book-entry delivery of the allotted Offer Shares against payment of the Offer Price is expected to take place on the day of commencement of trading of the Shares on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) and simultaneously in the Basic Board of the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). Should the placement volume prove insufficient to satisfy all orders placed at the Offer Price, Underwriters reserve the right to reject orders, or to only accept them in part.

Investors will not be charged expenses by the Company, the Selling Shareholders, the Lending Shareholders or the Underwriters in connection with the Offering. Investors will have to bear customary transaction and handling fees charged by their brokers through which they hold their securities.

3.3. Expected timetable for the Offering

The following is the expected timetable of the Offering, which may be extended or shortened:

October 26, 2021	Approval of the Prospectus by BaFin
	Publication of the Prospectus on the Company's website (www.veganz.de) under the "Investor Relations" section
	Application for the Listing
October 27, 2021	Commencement of the Offer Period
October 28, 2021	Commencement of the use of DirectPlace©
November 3, 2021	Close of the Offer Period and of the use of DirectPlace©
	Determination of the Offer Price and the final number of Offer Shares placed in the Offering
	Publication of the Offer Price and the final number of Offer Shares placed in the Offering in the form of an ad hoc announcement on an electronic information dissemination system and on the Company's website (www.veganz.de) under the "Investor Relations" section
November 4, 2021	Allotment of Offer Shares to investors
November 8, 2021	Registration of the consummation of the IPO Capital Increase with the Commercial Register
	Decision of DBAG on the Listing
November 9, 2021	Inclusion of the Shares to trading on the Regulated Unofficial Market of the Frankfurt Stock Exchange
November 10, 2021	Commencement of trading in the Shares in the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) and simultaneously in the Basic Board of the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*)
	Book-entry delivery of the Offer Shares placed in the Offering against payment of the Offer Price (as defined below) (settlement and closing)

The Prospectus and any supplements thereto (if any) will be published on the Company's website (www.veganz.de) under the "Investor Relations" section.

3.4. Information on the Shares

3.4.1 Share capital of the Company and governing law

As of the date of the Prospectus, the Company's share capital amounts to EUR 834,666.00 and is divided into 834,666 Existing Shares. The Existing Shares are ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) of the Company, each such Existing Share with a notional value of EUR 1.00 in the Company's share capital and with full dividend rights as of January 1, 2021. The Company's share capital has been fully paid up.

The Existing Shares were created pursuant to the laws applicable to a German stock corporation (*Aktiengesellschaft* or *AG*), in particular the German Stock Corporation Act (*Aktiengesetz* – "**AktG**").

As part of the IPO Capital Increase, up to 388,733 New Shares will be issued from the IPO Capital Increase. Upon registration of the IPO

Capital Increase, the Company's share capital will be increased from EUR 834,666.00 by up to EUR 388,733.00 to up to EUR 1,223,399.00. The consummation of the IPO Capital Increase is expected to be registered with the Commercial Register, on or about November 8, 2021.

3.4.2 Voting rights

Each Share carries one vote at the Company's shareholders' meeting (*Hauptversammlung*). All Shares confer the same voting rights. There are no restrictions on voting rights. Major shareholders do not have different voting rights.

3.4.3 Dividend and liquidation rights

Each Share carries full dividend rights as of January 1, 2021.

The paying agent of the Company is M.M.Warburg.

In the event of the Company's liquidation, any proceeds will be distributed to the holders of the Shares in proportion to their interest in the Company's share capital.

3.4.4 Form and certification of the Shares

All Shares are ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*). The Existing Shares and the New Shares will be represented by one global share certificate each, which will be deposited with Clearstream Banking Aktiengesellschaft, Mergenthalerallee 61, 65760 Eschborn, Germany ("**Clearstream**"). The global share certificate for the New Shares is expected to be delivered to Clearstream on or about November 3, 2021.

Section 3 para 4 sentence 3 of the Articles of Association excludes the shareholders' right to receive individual share certificates. As long as the Company is not listed on the stock exchange, the global certificate must be deposited with one of the places specified in Section 10 para. 1 no. 2 lit. a-c AktG. As long as the global certificate has not been deposited in this way and the Company is not listed on the stock exchange, Section 67 AktG shall apply *mutatis mutandis*.

All Shares provide holders thereof with the same rights and no Shares provide any additional rights or advantages.

3.4.5 Currency of the securities issue

The Shares are denominated in EUR.

3.4.6 ISIN/WKN/ Trading symbol / Common code

International Securities Identification Number (ISIN):.. DE000A3E5ED2

German Securities Code (*Wertpapier-Kenn-Nummer* – "**WKN**"): A3E5ED

Trading symbol: .... VEZ

Common code:.. 239865291

3.4.7 Delivery and settlement

The book-entry delivery of the allotted Offer Shares against payment of the Offer Price is expected to take place on or about November 10, 2021. The Offer Shares will be made available to investors as co-ownership interests (*Miteigentumsanteile*) in the respective global share certificate deposited with Clearstream.

The Offer Shares purchased in the Offering will be credited to a securities deposit account maintained by a German bank with Clearstream.

3.4.8 Transferability of the Shares

The Shares are freely transferable in accordance with the legal requirements for bearer shares (*Inhaberaktien*). Except for the restrictions set forth in the Prospectus under "*3.9 Lock-up agreements*" and "*19.6 Selling restrictions*", there are no prohibitions on disposals or restrictions with respect to the transferability of the Shares.

3.5. Identification of target market

Solely for the purpose of fulfilling the product governance requirements set forth in

- Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014 on markets in financial instruments, as amended ("**MiFID II**");
- Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 of April 7, 2016 supplementing MiFID II; and
- German implementing measures (together, "**MiFID II Requirements**"), and disclaiming any and all liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Requirements) may otherwise have with respect thereto, the Offer Shares have been subject to a product approval process.

As a result, it has been determined that the Offer Shares are:

- compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and
- eligible for distribution through all distribution channels as permitted by MiFID II ("**Target Market Assessment**").

Notwithstanding the Target Market Assessment, the price of the Offer Shares may decline and investors could lose all or part of their investment. The Offer Shares offer no guaranteed income and no capital protection, and an investment in the Offer Shares is suitable only for investors who:

- do not need a guaranteed income or capital protection;
- either alone or together with an appropriate financial of other adviser, are capable of evaluating the merits and risks of such an investment; and
- who have sufficient resources to be able to bear any losses that may result from such investment, including up to the total amount invested.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering. For the avoidance of doubt, the Target Market Assessment does not constitute:

- an assessment of suitability or appropriateness for the purposes of MiFID II; or
- a recommendation to any investor or group of investors to invest in, or purchase, sell or take any other action whatsoever with respect to the Offer Shares.

3.6. Allotment criteria

The allotment of Offer Shares to retail investors and institutional investors will be determined by the Company and the Selling Shareholders after consultation with the Sole Global Coordinator. There are no agreements in place among the Company, the Selling Shareholders and the Underwriters as to the allotment procedure. The ultimate decision on the allotment of Offer Shares to investors rests with the Company and the Selling Shareholders.

Allotments will be made on the basis of the quality of the individual investors (including with respect to expected holding strategy and order size), as well as other important allotment criteria to be determined by the Company and the Selling Shareholders after consultation with the Sole Global Coordinator. With respect to the purchase orders of retail investors and purchase orders via DirectPlace©, the Company, the Selling Shareholders and the Underwriters will adhere to the "Principles for the Allotment of Share Issues to Private Investors" (*Grundsätze für die Zuteilung von Aktienemissionen an Privatanleger*) issued on June 7, 2000 by the German Commission of Stock Exchange Experts (*Börsensachverständigenkommission*) of the German Federal Ministry of Finance (*Bundesministerium der Finanzen*). The details of the allotment procedure with respect to purchase orders via DirectPlace© will be stipulated after expiration of the Offer Period and published in accordance with the above-mentioned allotment principles.

3.7. Stabilization measures, over-allotment and Greenshoe Option

In connection with the placement of the Offer Shares and to the extent permitted by Article 5 para. 4 MAR in conjunction with the regulatory technical standards issued, the Stabilization Manager may make over-allotments and take stabilization measures in accordance with Article 5 paras. 4 and 5 MAR in conjunction with Article 5 through 8 of Commission Delegated Regulation (EU) 2016/1052 of March 8, 2016 supplementing MAR.

Stabilizations measures may be taken on any trading venue where the Shares are traded. Such measures aim at supporting the market price of the Shares during the Stabilization Period (as defined below), thereby alleviating selling pressure generated by short-term investors and maintaining an orderly market in the Shares. These measures may result in the market price of the Shares being higher than would otherwise have been the case. Moreover, the market price may temporarily be at an unsustainable level.

The Stabilization Manager is under no obligation to take any stabilization measures. Therefore, stabilization measures may not necessarily occur and may cease at any time. Such measures may be taken from the first day of trading in the Shares on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) and simultaneously in the Basic Board of the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and must end no later than 30 calendar days thereafter ("**Stabilization Period**").

Under the possible stabilization measures, investors may, in addition to the New Shares and the Sale Shares, be allocated up to 71,363 Over-Allotment Shares as part of the allocation of the Offer Shares ("**Over-Allotment**"). For the purpose of such a potential Over-Allotment, the Stabilization Manager, acting in the name and for the account of the Underwriters, will be provided with up to 71,363 Existing Shares from the holdings of the Lending Shareholders in the form of a securities loan. The total number of Over-Allotment Shares will not exceed 15% of the final number of New Shares and Sale Shares placed in the Offering.

The Lending Shareholders have granted the Stabilization Manager the Greenshoe Option for the sole purpose of enabling the Stabilization Manager to perform its redelivery obligation under the securities loan granted by the Lending Shareholders. The Greenshoe Option may only be exercised during the Stabilization Period and will terminate 30 calendar days after the commencement of trading of the Shares.

The Stabilization Manager may exercise the Greenshoe Option to the extent Over-Allotment Shares were allocated to investors in the Offering. The number of Shares acquired under the Greenshoe Option is to be reduced by any shares of the Company held by the Stabilization Manager when the Greenshoe Option is exercised, if such shares were acquired by the Stabilization Manager in the context of stabilization measures. The Stabilization Manager is entitled to exercise the Greenshoe Option during the Stabilization Period even if such exercise follows any sale of Shares by the Stabilization Manager which the Stabilization Manager had previously acquired as part of any stabilization measures (so-called "refreshing the shoe").

Public announcements regarding stabilization measures will be made in accordance with Article 6 of Commission Delegated Regulation (EU) 2016/1052 of March 8, 2016 supplementing MAR (i) prior to the start of the Offering, (ii) by the end of the seventh daily market session following the date any stabilization measures were taken, and (iii) within one week after the end of the Stabilization Period. Any exercise of the Greenshoe Option will be disclosed to the public promptly in accordance with Article 8 lit. (f) of Commission Delegated Regulation (EU) 2016/1052 of March 8, 2016 supplementing MAR.

3.8. Listing and commencement of trading

The Company, together with the Sole Global Coordinator, expects to apply for the Listing on October 26, 2021. The decision of DBAG on the Listing pursuant to § 9 para. 1 of the DBAG General Terms and Conditions is expected to be granted and announced on or about November 8, 2021. The decision on the Listing will be made solely by DBAG at its discretion. Trading in the Shares on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) and simultaneously in the Basic Board of the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) is expected to commence on or about November 10, 2021.

3.9. Lock-up agreements

3.9.1 Company

In the Underwriting Agreement, the Company agreed with the Underwriters that, for a period of twelve months following the first day of trading of the Shares on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (currently expected to take place on or about November 10, 2021), without the prior written consent of the Sole Global Coordinator, which consent may not be unreasonably withheld or delayed, the Company will not:

- issue, sell, offer to sell, undertake to sell or otherwise dispose of, directly or indirectly, any shares of the Company from a capital increase or from treasury stock;
- directly or indirectly issue, sell, offer, undertake to sell or otherwise dispose of or act to issue or propose to the Company's shareholders' meeting the adoption of a resolution on the issue of securities convertible into shares of the Company or representing a right to acquire shares of the Company;
- announce or carry out any capital increase from authorized or conditional capital;
- propose a capital increase to its shareholders' meeting for resolution; or
- enter into any transactions (including derivative transactions) or take any other measures which economically correspond to the above measures.

The lock-up commitment of the Company shall not apply to (i) the IPO Capital Increase, (ii) issue or sale of any shares or other securities, including actual or virtual options, under management participation plans to former and future employees, supporters, former, current and future members of executive bodies, service providers and business partners of the Company or its subsidiaries or their respective investment vehicles, (iii) the issue of shares against contributions in kind in connection with any acquisition, equity investment or joint venture directly to the partner in any such acquisition, equity investment or joint venture, provided that the parties to the joint venture or acquiring entity to which such shares are issued, agree towards the Sole Global Coordinator to be bound by the same lock-up undertaking as the Company, and (iv) a capital increase from company funds (*Kapitalerhöhung aus Gesellschaftsmitteln*).

3.9.2 Major existing shareholders

For a period commencing on October 25, 2021 and ending twelve months following the first day of trading of the Shares on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (currently expected to take place on or about November 10, 2021), the Company's existing shareholders ("**Existing Shareholders**") whose shareholdings in the Company exceed or equal the minimum threshold of 2,000 Existing Shares ("**Restricted Shareholders**") agreed with the Sole Global Coordinator that, they will not without the prior written consent of the Sole Global Coordinator, which consent may not be unreasonably withheld or delayed:

- offer, pledge, allot, distribute, sell, contract to sell, sell any option or contract to purchase, purchase any option to sell, grant any option, right or warrant to purchase, transfer or otherwise dispose of, directly or indirectly, Shares (including, but not limited to, the issuance or sale of any securities exchangeable into Shares);
- cause or approve, directly or indirectly, the announcement, execution or implementation of any increase in the share capital of the Company or a direct or indirect placement of Shares (except for any authorized or contingent capital or capital increase from company funds (*Kapitalerhöhung aus Gesellschaftsmitteln*));
- propose, directly or indirectly, any increase in the share capital of the Company to any meeting of the shareholders for resolution, or vote in favor of such a proposed increase (except for any authorized or contingent capital or capital increase from company funds (*Kapitalerhöhung aus Gesellschaftsmitteln*));
- cause or approve, directly or indirectly, the announcement, execution or proposal of any issuance of financial instruments constituting options or warrants convertible into Shares; or
- enter into or perform any transaction economically equivalent to those described above, in particular enter into any swap or other agreement that transfers to another, in whole or in part, the economic risk of ownership of Shares, whether any such transaction is to be settled by delivery of Shares, in cash or otherwise.

The lock-up commitment of the Restricted Shareholders shall not restrict (a) any transfer of Shares to affiliates of the Restricted Shareholder or to any other shareholders that held Shares immediately prior to the Offering, (b) future pledges, charges or any other security interest granted to the Sole Global Coordinator or its affiliates having been agreed by the Sole Global Coordinator, (c) any transfers of shares to the Sole Global Coordinator and/or its affiliates pursuant to enforcement of any security interest entered into pursuant to (b), and (d) any transfers of shares received by the Sole Global Coordinator or its affiliates in accordance with (c) and (d), provided in each case that such transferee(s) agree(s) towards the Sole Global Coordinator to be bound by the same lock-up commitment for the then remaining term of the lock-up commitment. The lock-up commitment shall also not apply (a) if tax liabilities incur in arisen in connection with any (allowed) disposal of Shares, but only insofar as the sale of the Shares is necessary to pay such tax liabilities, (b) to subscription rights relating to New Shares, (c) to the subscription or acquisition of New Shares in course of a capital increase of the Company within the Restricted Period, and (d) to the tender, sale and transfer of Shares in a public offer for the Shares regardless of whether the public offer is subject to the provision of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz* – "**WpÜG**") or not.

The Sole Global Coordinator may waive the lock-up undertakings during the Restricted Period in full or in part in its absolute discretion.

3.9.3 Jan Bredack (CEO) and Bredack Vermögensverwaltungsgesellschaft mbH

For a period commencing on October 25, 2021 and ending 36 months following the first day of trading of the Shares on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (currently expected to take place on November 10, 2021), Jan Bredack (CEO) and Bredack Vermögensverwaltungsgesellschaft mbH ("**BVV**"), a wholly-owned subsidiary of Jan Bredack, agreed with the Sole Global Coordinator that they will neither directly nor indirectly, without the prior written consent of the Sole Global Coordinator:

- offer, pledge, allot, distribute, sell, contract to sell, sell any option or contract to purchase, purchase any option to sell, grant any option, right or warrant to purchase, transfer or otherwise dispose of, directly or indirectly, securities of the Company (including, but not limited to, the issuance or sale of any securities exchangeable into Shares);
- cause or approve, directly or indirectly, the announcement, execution or implementation of any increase in the share capital of the Company or a direct or indirect placement of Shares (except for any authorized or contingent capital or capital increase from company funds (*Kapitalerhöhung aus Gesellschaftsmitteln*));
- propose, directly or indirectly, any increase in the share capital of the Company to any meeting of the shareholders for resolution, or vote in favor of such a proposed increase (except for any authorized or contingent capital or capital increase from company funds (*Kapitalerhöhung aus Gesellschaftsmitteln*));
- cause or approve, directly or indirectly, the announcement, execution or proposal of any issuance of financial instruments constituting options or warrants convertible into Shares; or
- enter into or perform any transaction economically equivalent to those described above, in particular enter into any swap or other agreement that transfers to another, in whole or in part, the economic risk of ownership of Shares, whether any

such transaction is to be settled by delivery of Shares, in cash or otherwise.

The lock-up commitment of Jan Bredack and BVV shall not restrict (a) any transfer of the Existing Shares held by them as of the date of the Prospectus or (ii) any new Shares issued by the Company through a capital increase within the lock-up period and acquired by them to affiliates of the Shareholders or to any other shareholder that held Shares immediately prior to the IPO, (b) future pledges, charges or any other security interest granted to the Sole Global Coordinator or its affiliates having been agreed by the Sole Global Coordinator, (c) any transfers of Shares to the Sole Global Coordinator and/or its affiliates pursuant to enforcement of any security interest entered into pursuant to (b), and (d) any transfers of Shares received by the Sole Global Coordinator or its affiliates in accordance with (c) and (d), provided in each case that such transferee(s) agree(s) towards the Sole Global Coordinator to be bound by the same lock-up commitment for the then remaining term of the lock-up commitment. The lock-up commitment shall also not apply (a) if tax liabilities incur in connection with claims of Jan Bredack or BVV under incentive programs or arisen in connection with any (allowed) disposal of Shares, but only insofar as the sale of the Shares is necessary to pay such tax liabilities, (b) to subscription rights relating to New Shares, (c) to the subscription or acquisition of New Shares in course of a capital increase of the Company within the Restricted Period, and (d) to the tender, sale and transfer of Shares in a public offer for the Shares regardless of whether the public offer is subject to the provision of the WpÜG or not.

3.10. Designated sponsor

M.M.Warburg has been mandated as designated sponsor of the Shares traded on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) ("**Designated Sponsor**"). Pursuant to the designated sponsor agreement expected to be entered into between M.M.Warburg and the Company, M.M.Warburg will, among other things, place limited buy and sell orders for the Shares in the electronic trading system of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) during regular trading hours. This is intended to achieve greater liquidity in the market for the Shares.

3.11. Interests of parties participating in the Offering

The Company will receive the net proceeds from the sale of the New Shares. Accordingly, the Company has an interest in the success of the Offering on the best possible terms.

The Selling Shareholders will receive the net proceeds from the sale of the Sale Shares. Accordingly, the Selling Shareholders have an interest in the success of the Offering on the best possible terms.

To the extent Over-Allotment Shares are sold and the Greenshoe Option is exercised, the Lending Shareholders will receive the proceeds from the sale of Over-Allotment Shares and the Shares under the Greenshoe Option. Accordingly, the Lending Shareholders have an interest in the success of the Offering on the best possible terms.

In connection with the Offering and the Listing, the Underwriters have entered into the Underwriting Agreement with the Company, the Selling Shareholders and the Lending Shareholders. The Underwriters have been appointed by the Company as Underwriters and M.M.Warburg has been appointed as Sole Global Coordinator and Sole Bookrunner as well as applying and supporting Capital Market Partner within the meaning of the DBAG General Terms and Conditions by the Company. M.M.Warburg in its capacity as Sole Global Coordinator and Sole Bookrunner is acting for the Company, the Selling Shareholders and the Lending Shareholders on the Offering and coordinates the structuring and execution of the Offering. The Underwriters therefore have an interest in the success of the Offering on the best possible terms.

M.M.Warburg has been appointed to act as Designated Sponsor. M.M.Warburg will receive a commission for its activities upon successful completion of the Offering.

The Underwriters and any of their respective affiliates, acting as investors for their own accounts, may acquire Offer Shares in the Offering, and in such capacity may retain, purchase or sell for their own account such shares or related investments and may offer or sell such shares or other investments outside the Offering. In addition, the Underwriters or any of their respective affiliates may enter into financing arrangements, including swaps or contracts for differences, pursuant to which the Underwriters or their respective affiliates may, from time to time, acquire, hold or dispose of shares in the Company.

The Underwriters or their respective affiliates have, and may from time to time in the future continue to have, business relations with Veganz and the Existing Shareholders, including lending activities or investment banking activities, or may perform services for Veganz or the Existing Shareholders in the ordinary course of business.

Other than the interests described above, there are no material interests with respect to the Offering. None of the aforementioned interests in the Offering constitute a conflict of interests or a potential conflict of interests. Consequently, there are no conflicts of interests with respect to the Offering.

3.12. Subscription by Existing Shareholders, members of the Management Board and Supervisory Board or other persons in the amount of more than 5%

In the last twelve months prior to the approval of the Prospectus, Michael Durach, member of the Supervisory Board, purchased 27,457 Existing Shares for a price of EUR 47.40 per Share. The Company is not aware of any Existing Shareholder, member of the Management Board or member of the Supervisory Board which intends to subscribe for any Offer Shares as part of the Offering.

4. PROCEEDS AND COSTS OF THE OFFERING

The Company will only receive the net proceeds from the sale of the New Shares (i.e., 388,733 New Shares). The Company will not receive any proceeds from the sale of the Sale Shares and the potential sale of the Over-Allotment Shares.

Assuming (i) an Offer Price at the mid-point of the Price Range and (ii) placement of the maximum number of New Shares, the Company estimates that

- gross proceeds attributable to the Company would amount to approximately EUR 37,901.5 thousand,
- costs of the Company related to the Offering of the New Shares, including commissions payable to the Underwriters (including a possible discretionary fee), are expected to total approximately EUR 3,193.2 thousand, and
- net proceeds attributable to the Company (assuming payment of the discretionary fee in full) would amount to approximately EUR 34,708.3 thousand.

The Selling Shareholders will receive the net proceeds from the sale of the Sale Shares (i.e., 87,024 Existing Shares). The Lending Shareholders will receive the net proceeds from the potential sale of the Over-Allotment Shares (i.e., up to 71,363 Existing Shares). Neither the Selling Shareholders nor the Lending Shareholders will receive any proceeds from the sale of the New Shares.

Assuming (i) an Offer Price at that at the mid-point of the Price Range and (ii) placement of the maximum number of Sale Shares, the Company estimates that

- gross proceeds attributable to the Selling Shareholders would amount to approximately EUR 8,484.8 thousand,
- costs of the Selling Shareholders related to the Offering of the Sale Shares, including commissions payable to the Underwriters (including a possible discretionary fee), are expected to total approximately EUR 679.0 thousand, and
- net proceeds attributable to the Selling Shareholders (assuming payment of the discretionary fee in full) would amount to approximately EUR 7,805.8 thousand.

Assuming (i) an Offer Price at that at the mid-point of the Price Range and (ii) full exercise of the Greenshoe Option, the Company estimates that

- gross proceeds attributable to the Lending Shareholders would amount to approximately EUR 6,957.9 thousand,
- costs of the Lending Shareholders related to the Offering are expected to total approximately EUR 347.9 thousand, and
- net proceeds attributable to the Lending Shareholders (assuming payment of the discretionary fee in full) would amount to approximately EUR 6,610.0 thousand.

5. REASONS FOR THE OFFERING AND USE OF PROCEEDS

The Company intends to pursue the Offering to receive the net proceeds resulting from the sale of the New Shares. The Company will not receive any proceeds from the sale of the Sale Shares and the potential sale of the Over-Allotment Shares. Assuming completion of the Offering at the mid-point of the Price Range and payment of the discretionary fee in full, the Company would receive net proceeds of approximately EUR 34,708.3 thousand from the Offering. Assuming an Offer Price at the mid-point of the Price Range, we currently intend to use these net proceeds in the following order of priority:

- approximately 35% for the establishment for a new production site in Werder (Havel), Germany, in the Federal State of Brandenburg, Germany, for the production of plant-based fish alternatives (smoked salmon, shrimp, tuna) and textured protein used to make unrefrigerated meat substitutes as well as cheese alternatives ("**Production Site II**");
- approximately 40% for investments in the organic growth, e.g. for research and development, expansion of field force, marketing and further expansion in selected European countries;
- approximately 15% for investments in the inorganic growth, e.g. for strategic flexibility regarding the establishment of new sales channels and potential M&A opportunities, the acquisition of IP rights as well as the vertical integration of our production; and
- the remainder of 10% for general corporate purposes, e.g. refinancing, working capital requirements and operating expenses.

The Selling Shareholders will not receive any proceeds from the sale of the New Shares and the Over-Allotment Shares. The Selling Shareholders intend to partially divest their shareholding in the Company to receive the net proceeds from the sale of the Sale Shares and to ensure sufficient free float and trading liquidity in the Shares.

The Lending Shareholders will not receive any proceeds from the sale of the New Shares and the Sale Shares. The Lending Shareholders intend to receive the net proceeds from the potential sale of the Over-Allotment Shares and to facilitate stabilization measures.

6. DIVIDEND POLICY; RESULTS AND DIVIDENDS PER SHARE

6.1. General provisions relating to profit allocation and dividend payments

The shareholders' share of the Company's profits is determined based on their respective interests in the Company's share capital. For a German stock corporation (*Aktiengesellschaft* or *AG*) such as the Company, the distribution of dividends for any given financial year and the amount and payment date thereof are resolved by the Company's shareholders' meeting (*Hauptversammlung*) of the subsequent financial year, based upon either a joint proposal by the Management Board and the Supervisory Board or upon the Management Board's proposal or the Supervisory Board's proposal, with the Company's shareholders' meeting not bound by those proposals. Notwithstanding currently applicable exemptions under Article 2 Section 1 para. 5 of the German Act on Reducing the Effects of the COVID-19 Pandemic in Civil, Insolvency and Criminal Procedure Law (*Gesetz zur Abmilderung der Folgen der COVID-19-Pandemie im Zivil-, Insolvenz- und Strafverfahrensrecht*) dated March 27, 2020 as extended by the Act on the Further Reduction of the Procedure for the Relief of Reaming Debt (*Gesetz zur weiteren Verkürzung des Restschuldbefreiungsverfahrens*) dated December 22, 2020 ("**COVID-19 Act**"), the shareholders' meeting must be held within the first eight months of each financial year. The COVID-19 Act has been extended until August 31, 2022.

Dividends may only be distributed from the Company's distributable profit (*Bilanzgewinn*). The distributable profit is calculated based on the Company's unconsolidated annual financial statements prepared in accordance with generally accepted accounting principles of the HGB. Accounting principles set forth in the HGB differ from International Financial Reporting Standards (IFRS), as adopted by the EU, in material respects.

When determining the distributable profit, net income or net loss for the year (*Jahresüberschuss/-fehlbetrag*) must be adjusted for profit/loss carry-forwards (*Gewinn-/Verlustvorträge*) from the previous financial year and withdrawals from, or appropriations, to retained earnings (*Gewinnrücklagen*). Certain reserves must be set aside by law and deducted when calculating the distributable profit available for distribution.

The Management Board must prepare unconsolidated financial statements (balance sheet, income statement and notes to the unconsolidated financial statements) and a management report for the previous financial year by the statutory deadline and present these to the Supervisory Board and the auditors immediately after preparation. At the same time, the Management Board must present a proposal for the allocation of the Company's distributable profits to the Supervisory Board pursuant to Section 170 para. 2 AktG. Pursuant to Section 171 AktG, the Supervisory Board must review the unconsolidated financial statements, the Management Board's management report and the proposal for the allocation of the distributable profit and report to the Company's shareholders' meeting in writing on the results of such review.

The resolution of the Company's shareholders' meeting on the allocation of the Company's distributable profits requires a simple majority of the votes cast to be passed. If the Management Board and the Supervisory Board adopt the financial statements, they can allocate an amount of up to half of the Company's net income for the year to other retained earnings. Additions to the legal reserves and loss carry-forwards must be deducted in advance when calculating the amount of net income/net loss for the year to be allocated to other retained earnings. The Company's shareholders' meeting may also resolve to allocate further amounts to retained earnings or carry such amounts forward as profit in the resolution on the appropriation of the distributable profits. Notifications of any distribution of dividends resolved upon are published in the German Federal Gazette (*Bundesanzeiger*) without undue delay after the Company's shareholders' meeting.

The COVID-19 Act provides in deviation from general rules that the Management Board may, with the consent of the Supervisory Board, decide to pay an interim dividend from the retained profits to shareholders. However, the relevant provisions under the COVID-19 Act currently apply only to shareholders' meetings held in and interim dividends paid out in 2021 and 2022.

Dividends resolved by the Company's shareholders' meeting are due and payable in compliance with the rules of the respective clearing system on the third business day following the relevant Company's shareholders' meeting, unless a later due date is specified in the dividend resolution or the Articles of Association. Since all of the Company's dividend entitlements are evidenced by one or more global share certificates deposited with Clearstream, Clearstream will transfer the dividends to the shareholders' depository banks for crediting to their accounts. German depository banks are under an obligation to distribute the funds to their customers. Shareholders using a depository bank located outside Germany must inquire at their respective depository bank regarding the terms and conditions applicable in their case. To the extent dividends can be distributed by the Company in accordance with generally accepted accounting principles of the HGB and corresponding decisions are taken, there are no restrictions on shareholder rights to receive such dividends.

Generally, withholding tax (*Kapitalertragsteuer*) is withheld from dividends paid.

Any dividends not claimed within three years become time-barred pursuant to the general statute of limitations. Once the statute of limitations applies, the right to receive the relevant dividend payments passes to the Company.

6.2. Dividend policy and dividend per Share

Between the incorporation of Veganz GmbH on November 5, 2012 and the date of the Prospectus, neither Veganz GmbH nor the

Company made any distributions of profits or reserves to its shareholders.

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. The Company is not in a position to make any statements on the amount of future retained earnings or on whether retained earnings will exist at all in the future. The Company, therefore, is unable to guarantee that dividends will be paid in the foreseeable future.

In addition, pursuant to the terms and conditions of the notes in bearer form, ranking pari passu among themselves issued by the Company and due February 24, 2025 (ISIN DE000A254NF5 / WKN A254NF) ("**Notes**"), the Company commits not to undertake any payment of a dividend or other distribution of shares in the profit as well as the repayment of capital to shareholders, if the Company's equity ratio on the basis of the Company's financial statements immediately prior to the distribution falls below 20% (see "*12.13.5 Notes*").

7. CAPITALIZATION AND INDEBTEDNESS; STATEMENT ON WORKING CAPITAL

*The following tables show the Company's capitalization and indebtedness (i) as of August 31, 2021 derived from the accounting records of the Company, adjusted for the effects of (ii) the capital increases registered with the Commercial Register on September 22, 2021 and September 30, 2021 ("**Capital Increases**") (see "16.1.2 Development of the share capital") and (iii) the effects of the IPO Capital Increase and the Offering, and (iv) total numbers as adjusted for the effects of the foregoing, the IPO Capital Increase and the Offering. The adjustments in (ii) and (iii) are based on the assumption that they had taken place on August 31, 2021. For simplification purposes no tax effects were considered.*

Investors should read the following tables in conjunction with "9 MANAGEMENT'S DISCUSSION AND ANALYSIS OF NET ASSETS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS", "21 FINANCIAL INFORMATION", and additional financial information contained elsewhere in the Prospectus.

7.1. Capitalization

	Actual as of August 31, 2021	As adjusted for the Capital Increases	As adjusted for the effects of the IPO Capital Increase and the Offering	Total
	(i)	(ii)	(iii)	(iv)
	(unaudited) (in EUR thousand)			
Total current debt (including current portion of non-current debt)[1]	**9,911.3**	**–**	**–**	**9,911.3**
Thereof guaranteed	0.0	–	–	0.0
Thereof secured	0.0	–	–	0.0
Thereof unguaranteed/unsecured	9,911.3	–	–	9,911.3
Total non-current debt (excluding current portion of non-current debt)[2]	**12,808.6**	**–**	**–**	**12,808.6**
Thereof guaranteed	0.0	–	–	0.0
Thereof secured	0.0	–	–	0.0
Thereof unguaranteed/unsecured	12,808.6	–	–	12,808.6
Equity[3]	**(3,264.6)**	**5,268.0**	**37,901.5**	**39,904.9**
Share capital	756.6	78.1	388.7	1,223.4
Legal reserve(s)[4]	9,678.9	5,189.9	37,512.8	52,381.6
Other reserves[5]	(13,700.1)	–	0.0	(13,700.1)
TOTAL	**19,455.3**	**5,268.0**	**37,901.5**	**62,624.8**

(1) Comprising current liabilities to banks and trade liabilities as shown in the unaudited and unconsolidated interim accounting statements of the Company as of June 30, 2021.

(2) Comprising non-current liabilities including notes, subordinated loans and crowdfunding as shown in the unaudited and unconsolidated interim accounting statements of the Company as of June 30, 2021.

(3) Referred to as total equity in the unaudited and unconsolidated interim accounting statements of the Company as of June 30, 2021.

(4) Referred to as capital reserve in the unaudited and unconsolidated interim accounting statements of the Company as of June 30, 2021.

(5) Referred to as accumulated deficit in the unaudited and unconsolidated interim accounting statements of the Company as of June 30, 2021.

7.2. Indebtedness

	Actual as of August 31, 2021	As adjusted for the Capital Increases	As adjusted for the effects of the IPO Capital Increase and the Offering[1]	Total
	(i)	(ii)	(iii)	(iv)
	(unaudited) (in EUR thousand)			
A. Cash[2]	11,267.9	–	34,708.3	45,976.2
B. Cash equivalents	0.0	–	0.0	0.0
C. Other current financial assets	0.0	–	0.0	0.0
D. Liquidity (A.)+(B.)+(C.)	**11,267.9**	**–**	**34,708.3**	**45,976.2**
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)[3]	(2,179.9)	–	–	(2,179.9)

F. Current portion of non-current debt(4)	(6,308.6)	–	–	(6,308.6)
G. Current financial indebtedness (E.)+(F.)	**(8,488.5)**	–	–	**(8,488.5)**
H. Net current financial indebtedness (G.)-(D.)	**2,779.4**	**–**	**34,708.3**	**37,487.7**
I. Non-current financial debt (excluding current portion and debt instruments)	0.0	–	–	0.0
J. Debt instruments(5)	(6,500.0)	–	–	(6,500.0)
K. Non-current trade and other payables	0.0	–	–	0.0
L. Non-current financial indebtedness (I.)+(J.)+(K.)	**(6,500.0)**	**–**	**–**	(6,500.0)
M. Total financial indebtedness (H.)+(L.)	**(3,720.6)**	**–**	**34,708.3**	**30,987.7**

(1) The adjustments reflect (i) the increase of the Company's share capital by EUR 388.7 thousand from EUR 834.7 thousand to EUR 1,223.4 thousand against cash contribution in connection with the IPO Capital Increase, and (ii) expected gross proceeds from this Offering attributable to the Company of EUR 37,901.5 thousand and costs of the Offering attributable to the Company of approximately EUR 3,193.2 thousand.

(2) Shown as cash and cash equivalents in the unaudited and unconsolidated interim accounting statements of the Company as of June 30, 2021.

(3) Comprising current liabilities to banks as shown in the unaudited and unconsolidated interim accounting statements of the Company as of June 30, 2021.

(4) Comprising non-current subordinated loan liabilities as shown in the unaudited and unconsolidated interim accounting statements of the Company as of June 30, 2021.

(5) Comprising non-current debt instruments (Notes) as shown in the unaudited and unconsolidated interim accounting statements of the Company as of June 30, 2021.

7.3. Lease liabilities

As of August 31, 2021, current financial debt includes current lease liabilities in the amount of EUR 500.4 thousand; non-current financial debt includes non-current lease liabilities in the amount of EUR 142.7 thousand. In addition, the Company entered into profit participation (*Genussrechte*) agreements (see "*12.13.8 Profit Participation Rights*") and silent partnerships (*Stille Beteiligungen*) (see "*12.13.9 Silent Partnerships*") from which a nominal amount of EUR 557.5 thousand was still outstanding as of August 31, 2021. Such financial instruments do not qualify as contingent liabilities due to a previous loss participation but will be repaid from future earnings. The Company will repay the outstanding silent partnerships and amounts under the profit participation agreements in the financial year ending December 31, 2021 (see "*23.1 Recent developments*").

7.4. Contingent and indirect liabilities

As of August 31, 2021, there were no contingent or indirect liabilities of the Company.

7.5. Statement on working capital

In the Company's opinion, the working capital of the Group, excluding the net proceeds from the Offering attributable to the Company, is sufficient to meet the Group's present requirements over at least the next twelve months from the date of the Prospectus.

8. DILUTION

As of June 30, 2021, the Company's net book value (i.e., total assets less total provisions and total liabilities) amounted to negative EUR 8,732,365.46 and would amount to negative EUR 13.08 per Existing Share based on 667,733 Existing Shares.

After June 30, 2021, the Company increased its share capital by EUR 166,933.00 to a total of EUR 834,666.00 through three capital increases from authorized capital (see "*16.1.2 Development of the share capital*"). As of June 30, 2021, assuming that such capital increases had been completed on June 30, 2021, the Company's net book value (i.e., total assets less total provisions and total liabilities) would therefore amount to EUR 2,535,612.04 and to EUR 3.04 per Existing Share based on 834,666 Existing Shares.

The dilutive effect of the Offering is illustrated in the table below, demonstrating the amount by which the Offer Price exceeds the net book value per Share after completion of the Offering and assuming the Offering had been completed on June 30, 2021 and adjusted for the effects of the three capital increases from authorized capital registered with the Commercial Register after June 30, 2021 (see "*16.1.2 Development of the share capital*").

In this respect, the net book value is adjusted for the effects of the completion of the Offering, assuming

- the execution of the IPO Capital Increase for the maximum number of New Shares, i.e. 388,733 New Shares, and
- an increase of the net book value by EUR 34,708.3 thousand (assuming placement of all New Shares at the mid-point of the Price Range and not taking into account any tax effects).

The adjusted net book value is expressed as a per share figure, assuming 1,223,399 Shares outstanding upon completion of the Offering (this per share figure being referred to as the "**Post-IPO Equity**").

	As of June 30, 2021	**Adjusted for the effects of the capital increases**
	(unaudited) (in EUR, unless otherwise specified)	
Net book value per Share	(13.08)	3.04
Gross proceeds from the Offering attributable to the Company (in EUR thousand)	37,901.5	37,901.5
Estimated total costs of the Offering to be borne by the Company (in EUR thousand)	3,193.2	3,193.2
Net proceeds from the Offering attributable to the Company (in EUR thousand)	34,708.3	34,708.3
Post-IPO Equity (net book value per Share)	24.59	30.44
Amount by which the Post-IPO Equity falls below the Offer Price (immediate dilution of new shareholders of the Company)	72.91	67.06
Percentage by which the Post-IPO Equity falls below the Offer Price (in %)	74.8	68.8
Percentage by which the Pre-IPO Equity falls below the Offer Price (in %)	113.4	96.9
Amount by which the Post-IPO Equity per share exceeds the net book value per Share immediately prior to the Offering (immediate accretion to the Existing Shareholders)	37.67	27.41
Percentage by which the Post-IPO Equity per share exceeds the net book value per Share immediately prior to the Offering (in %)	(288.0)	902.1

Each of the New Shares will have the same voting rights as the Existing Shares, i.e. each Share carries one vote at the Company's shareholders' meeting (*Hauptversammlung*).

Prior to the Offering, the Existing Shareholders together held 100% of the Company's share capital and the voting rights. Upon completion of the Offering (assuming a placement of all New Shares and Sale Shares at the mid-point of the Price Range as well as no exercise of the Greenshoe Option), the aggregate Shares held by the Existing Shareholders would amount to around 61.1% of the Company's share capital and the voting rights. Upon completion of the Offering (assuming a placement of all Offer Shares at the mid-point of the Price Range and full exercise of the Greenshoe Option), the aggregate Shares held by the Existing Shareholders would amount to around 55.3% of the Company's share capital and the voting rights.

9. MANAGEMENT'S DISCUSSION AND ANALYSIS OF NET ASSETS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following management's discussion and analysis of net assets, financial condition and results of operation together with our financial statements included the related notes and other financial information included elsewhere in the Prospectus as well as together with the sections "1 RISK FACTORS", "7 CAPITALIZATION AND INDEBTEDNESS; STATEMENT ON WORKING CAPITAL", "12 BUSINESS" and "21 FINANCIAL INFORMATION".

*We have taken or derived the financial information contained in the following text and tables from (i) the Audited Financial Information, (ii) the Unaudited Interim Financial Statements H1 2021 and (iii) the Company's internal accounting records or internal reporting systems (see "2.7 Documents available for inspection" and "2.9 Presentation of financial information"). Such financial information is taken or derived from the financial statements of two different companies, i.e. Veganz GmbH and the Company (i.e., Veganz Group AG): With registration in the Commercial Register on May 7, 2019, the Company (under its former legal name "Youco D19-H-39 Vorrats-AG") was incorporated as a German stock corporation (Aktiengesellschaft or AG) and shelf company with no business activities. Its first financial year was a short financial year commencing on April 1, 2019 and ending on December 31, 2019. Until the Merger between the Company and Veganz GmbH, Veganz GmbH operated our business activities and the Company did not have any business activities. Upon effectiveness of the Merger, the Company continued our business activities as the universal legal successor (Gesamtrechtsnachfolger) of Veganz GmbH. Due to the Merger in the financial year ended December 31, 2019, the financial information from the Company's income statement and the Company's statement of cash flows for the financial year ended December 31, 2019 are taken from (i) the Audited Interim Financial Statements Q1 2019 (referred to as "**Q1 2019**") and (ii) the Audited Financial Statements 2019 (referred to as "**Q2-4 2019**").*

Since the Company did not prepare consolidated financial statements in the past, the financial information contained in the following text and tables only relates to the Company and is unconsolidated, unless stated otherwise.

The Audited Financial Information and the Unaudited Interim Financial Statements H1 2021 have been prepared in accordance with generally accepted accounting principles of the HGB (see "2.7 Documents available for inspection" and "2.9 Presentation of financial information").

ECOVIS audited the German language the Audited Financial Statements 2018, the Audited Interim Financial Statements Q1 2019, the Audited Financial Statements 2019 and the Audited Financial Statements 2020 in accordance with Section 317 HGB and in compliance with the German generally accepted standards for financial statement audits promulgated by the IDW and issued German language unqualified independent auditor's reports (Bestätigungsvermerke des unabhängigen Abschlussprüfers) thereon. In addition, ECOVIS audited the separate Audited Cash Flow Statements 2018, the Audited Statement of Changes in Equity 2018, the Audited Statement of Changes in Equity Q1 2019, the Audited Statement of Changes in Equity 2019, the Audited Statement of Changes in Equity 2020 and the Audited Statement of Changes in Equity H1 2021 in accordance with "IDW Auditing Practice Statement: Audit of Additional Elements of Financial Statements (IDW AuPS 9.960.2)" promulgated by the IDW and issued unqualified auditor's reports (Bestätigungsvermerk des unabhängigen Abschlussprüfers) thereon.

Where financial information is labelled "audited" in the following tables, it has been taken from the Audited Financial Information. The label "unaudited" in the following tables indicates financial information that has been taken or derived from (i) the Unaudited Interim Financial Statements H1 2021, (ii) the Company's internal accounting records or internal reporting systems or (iii) has been calculated based on financial information from the aforementioned sources.

Unless indicated otherwise, all financial information presented in the text and tables below is shown in thousands of Euro (in EUR thousand). 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. Furthermore, differences and ratios are calculated based on rounded figures and may therefore deviate from differences or ratios calculated based on rounded 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 equals zero, while a zero ("0.0") signifies that the relevant figure is available but has been rounded to zero.

To compare figures over more than two periods, a CAGR (compound annual growth rate) may be shown, which indicates the annual mean rate of growth for each year of the relevant period.

Certain information in the management's discussion and analysis set forth below and elsewhere in the Prospectus includes forward looking statements that involve risks and uncertainties. Our actual results may differ materially from those discussed in these forward looking statements (see "2.5 Forward-looking statements").

9.1. Alternative Performance Measures

We use EBITDA and EBITDA margin, Adjusted EBITDA and Adjusted EBITDA margin as well as Gross Profit and Gross Profit margin as key performance indicators for the Company in order to assess the success of the Company's business. We believe that these indicators, which are Alternative Performance Measures (see "*2.10 Alternative Performance Measures*"), will be helpful for investors when assessing the Company's performance. The Alternative Performance Measures we present, i.e. EBITDA and EBITDA margin, Adjusted EBITDA and Adjusted EBITDA margin as well as Gross Profit and Gross Profit margin, are not prepared in accordance with HGB or any other internationally accepted accounting principles. These Alternative Performance Measures are alternative performance measures as defined in the ESMA-Guidelines. We present Alternative Performance Measures because we use them to measure the Company's operating performance and liquidity 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 the Company's performance. These Alternative Performance Measures may enhance management's and investors' understanding of the Company's financial performance and liquidity by excluding items that are outside of the Company's ongoing operations, such as taxes on income, costs of capital, non-cash expenses, gains and losses from M&A transactions, restructuring expenses and payments and other non-recurring items.

Such Alternative Performance Measures should not be considered as alternatives or substitutes for profit or loss for the period as indicators of the Company's performance or profitability or as alternatives or substitutes for cash flow from operating, investing or financing activities as an indicator of the Company's liquidity or other data from the Company's unconsolidated financial statements prepared in accordance with HGB.

Furthermore, Alternative Performance Measures are not recognized under HGB or any other generally accepted accounting principles, should not be considered as substitutes for an analysis of the Company's operating results prepared in accordance with HGB, and may not be comparable to similarly titled financial measures published by other companies due to differences in the way the Alternative Performance Measures are calculated.

Even though the Alternative Performance Measures are used by us to assess ongoing operating performance and liquidity and these types of measures are commonly used by investors, they have important limitations as analytical tools, and they should not be considered in isolation or as substitutes for analysis of the Company's results or cash flows as reported under HGB. For example, some of the limitations for the Alternative Performance Measures include the following:

- they exclude certain tax payments that may represent a reduction in cash available to us;
- they do not reflect any cash capital expenditure requirements for the assets being depreciated and amortized that may have to be replaced in the future;
- they do not reflect changes in, or cash requirements for, our working capital needs;
- they do not reflect the significant interest expense, or the cash requirements necessary to service interest payments on our debts; and
- the further adjustments made in calculating Adjusted EBITDA are those that management consider are not representative of our underlying operations and therefore are, by definition, subjective in nature.

9.1.1 EBITDA and EBITDA margin

EBITDA is the abbreviation for earnings before interest, taxes, depreciation and amortization. In order to calculate EBITDA, firstly, the sales and other operating income are summed up. Subsequently, the cost of materials consisting of the cost of raw materials, consumables and supplies and of purchased merchandise, the personnel expenses, consisting of wages and salaries as well as social security, pension and other benefit costs, and other operating expenses are subtracted.

EBITDA margin is defined as EBITDA as a percentage of sales.

The following table provides a reconciliation from sales to EBITDA and to EBITDA margin for the periods indicated:

	Financial year ended December 31,					Six-month period ended June 30,	
	2018	Q1 2019	Q2-4 2019	2019(1)	2020	2020	2021
	(audited, unless otherwise indicated)					(unaudited)	
	(in EUR thousands, unless otherwise indicated)						
Sales	17,411.8	4,946.2	18,926.1	23,872.3	26,765.3	13,108.3	15,555.4
+ Other operating income	975.1	36.7	109.5	146.2	474.2	266.5	121.4
– Cost of materials							
Cost of raw materials, consumables and supplies and of purchased merchandise	*13,060.0*	*3,251.3*	*13,183.7*	*16,435*	*18,775.1*	*9,104.9*	*10,653.6*
– Personnel expenses	3,034.4	739.8	2,025.7	2,765.5	2,924.3	1,265.1	1,699.1

Wages and salaries	2,507.1	624.7	1,658.4	2,283.1	2,432.0	1,019.2	1,431.3
Social security and retirement costs	527.4	115.1	367.3	482.4	492.3	245.9	267.8
– Other operating expenses	5,148.5	1,181.0	6,865.0	8,045.9	8,772.9	3,797.4	6,277.9
= EBITDA[(1)]	**(2,856.0)**	**(189.2)**	**(3,038.8)**	**(3,228.0)**	**(3,232.8)**	**(792.6)**	**(2,953.7)**
/ Sales	17,411.8	4,946.2	18,926.1	23,872.3	26,765.3	13,108.3	15,555.4
= EBITDA margin (in %)[(1)]	**(16.4)**	**(3.8)**	**(16.1)**	**(13.5)**	**(12.1)**	**(6.0)**	**(19.0)**

(1) Unaudited.

9.1.2 Adjusted EBITDA and Adjusted EBITDA margin

We calculate Adjusted EBITDA based on the EBITDA of the Company (see above) adjusted for certain one-off operating expenses such as (i) expenses for the Notes, (ii) equity expenses, (iii) costs of the Merger, (iv) costs for the Production Site I (as defined below) as well as (v) other non-operating expenses. For purposes of our internal management, we define non-operating effects as effects that do not reflect the regular operating performance of the Company's business. As a result of these adjustments, Adjusted EBITDA provides a more transparent presentation of the Company's operating developments, enables a better assessment of the Company's operating earnings potential and allows for a comparison of the performance of the Company on a more consistent basis.

Adjusted EBITDA margin is defined as Adjusted EBITDA as a percentage of sales.

The following table sets forth a reconciliation of sales to Adjusted EBITDA and Adjusted EBITDA margin for the periods indicated:

	Financial year ended December 31,					Six-month period ended June 30,	
	2018	Q1 2019	Q2-4 2019	2019	2020	2020	2021
	(unaudited, unless otherwise indicated)						
	(in EUR thousands, unless otherwise indicated)						
EBITDA	**(2,856.0)**	**(189.2)**	**(3,038.8)**	**(3,228.0)**	**(3,232.8)**	**(792.6)**	**(2,953.7)**
– Expenses for the Notes	–	–	(416.5)	(416.5)	(527.6)	(475.3)	(170.0)
– Equity expenses	–	–	–	–	(581.2)	(1.0)	(600.0)
– Costs of the Merger	–	–	(216.4)	(216.4)	–	–	–
– Costs for Production Site I	–	–	–	–	(63.1)	(8.5)	–
– Other non-operating expenses (Marketing, Administration, Procurement)	(515.3)	–	–	–	–	–	(83.1)
= Adjusted EBITDA	**(2,340.7)**	**(189.2)**	**(2,405.9)**	**(2,595.1)**	**(2,060.9)**	**(307.8)**	**(2,100.6)**
/ Sales	17,411.8[(1)]	4,946.2[(1)]	18,926.1[(1)]	23,872.3	26,765.3[(1)]	13,108.3	15,555.4
= Adjusted EBITDA margin (in %)	**(13.4)**	**(3.8)**	**(12.7)**	**(10.9)**	**(7.7)**	**(2.3)**	**(13.5)**

(1) Audited.

9.1.3 Gross Profit and Gross Profit margin

We define Gross Profit as sales less cost of materials, i.e. the cost of raw materials, consumables and supplies and of purchased merchandise. Gross Profit serves as a measure for the efficiency of the value creation of companies.

Gross Profit margin is defined as Gross Profit as a percentage of sales.

The following table provides the reconciliation of the Gross Profit and Gross Profit margin for the periods indicated:

	Financial year ended December 31,					Six-month period ended June 30,	
	2018	Q1 2019	Q2-4 2019	2019[(1)]	2020	2020	2021
	(audited, unless otherwise indicated)					(unaudited)	
	(in EUR thousands, unless otherwise indicated)						
Sales	17,411.8	4,946.2	18,926.1	23,872.3	26,765.3	13,108.3	15,555.4
– Cost of materials							
Cost of raw materials, consumables and supplies and of purchased merchandise	*13,060.0*	*3,251.3*	*13,183.7*	*16,435*	*18,775.1*	*9,104.9*	*10,653.6*
= Gross Profit[(1)]	**4,351.8**	**1,694.9**	**5,742.4**	**7,437.3**	**7,990.2**	**4,003.4**	**4,901.9**
/ Sales	17,411.8	4,946.2	18,926.1	23,872.3	26,765.3	13,108.3	15,555.4
= Gross Profit margin (in %)[(1)]	**25.0**	**34.3**	**30.3**	**31.2**	**29.9**	**30.5**	**31.5**

(1) Unaudited.

9.2. Key factors affecting our results of operations, financial conditions and cash flows

The key factors discussed below have contributed to the development of our results of operations, financial condition and cash flows during the periods for which financial information is included in the Prospectus, and we believe that these factors will continue to affect us in the future:

9.2.1 Demand for our products

Demand for plant-based food and, in particular, our products is a key driver affecting our sales and profitability. Being a multi-category supplier of purely plant-based food products, our product range includes around 120 products with 101 active products offered as of September 30, 2021 for all types of storage (ambient, chilled and frozen) and covers the most relevant food categories (*Company estimate*) consisting of breakfast ingredients, such as spreads or our recently introduced honey alternative "Ohnig", cheese alternatives, meat, fish and cold cut alternatives, protein products, ready meals, sweets and snacks. The development of the overall market we are addressing depends on a number of factors, some of which are beyond our control. Such external factors include economic conditions and customers' willingness to buy plant-based food or pay premium prices for plant-based food of superior quality. In this context, we believe to benefit from various macro-trends affecting the food industry such as a higher consumer awareness regarding ecological footprint and sustainability, healthier lifestyles, resource efficiency and product innovations in general and a trend towards plant-based nutrition particularly driven by the younger generations. We believe that climate change and climate disasters are also contributing to consumers becoming more aware of food that is prepared in a sustainable and animal friendly way.

In addition to external factors, our own strategy and the degree to which we are able to successfully implement this strategy influence the demand for our offering. We generate sales by attracting and retaining customers through our "Retail", "Stores" and "Food Service" sales channels.

Through our "Retail" sales channel, customers across are able to buy our products at various points of sale ("**POS**"). In the DACH region (Germany, Austria, Switzerland) as our core market, we currently sell our purely plant-based food products through well-known food retailers such as EDEKA, REWE, Coop, Aspiag or Kaufland as well as drugstore chains such as Budnikowsky, Rossmann, dm and Müller, and discounters such as LIDL, ALDI, Penny and Netto (together "**Retailers**"). Internationally, our purely plant-based food products are distributed through food Retailers such as SPAR (Italy, Hungary, Slovenia, Croatia, Greece, Cyprus), Kaufland International (Czech Republic, Slovakia, Romania, Bulgaria, Croatia, Poland), Coop (Denmark) and Sonae/Continente (Portugal). Internationally, our products are available through food Retailers such as Aspiag (Austria), SPAR (Italy, Hungary, Slovenia, Croatia, Greece, Cyprus), Kaufland International (Czech Republic, Slovakia, Romania, Bulgaria, Croatia, Poland), Coop (Switzerland, Denmark) and Sonae/Continente (Portugal/Poland). We also offer our products through our "Stores" sales channel at our own three stores in Berlin, Germany, ("**Stores**") as well as through our new "Food Service" sales channel via the bakery goods company Bakerman and the football club RB Leipzig. In addition, our products can also be purchased via (i) online sales platforms such as amazon.com, rohlik.cz, snacky.ch and vekoop.de and (ii) quick online commerce providers such as Gorillas, flink, Foodpanda and weezy, but sales are still on a low level.

Increasingly, we are striving to manufacture our products ourselves and have already established a small production site for cheese alternatives in Berlin, Germany ("**Production Site I**"). We intend to establish the Production Site II, which upon completion will – to our knowledge – constitute the largest production site for the manufacturing of cheese, meat and fish alternatives in Europe. The Production Site II will allow us to supply the market with a unique offering of cheese-alternatives based on cashew, fish-alternatives based on algae and pea-protein and meat-alternatives based on pea-protein (so called textured vegetable proteins). Through our Production Site II, we aim to secure a certain production know-how in the long term and to improve our margins through vertical integration, allowing us to supply the market with a unique and innovative offering (*Company estimate*).

After shifting our focus in 2017 and 2018 to solely concentrate on our own brand business, we swiftly expanded our business, with sales increasing at a CAGR of 24.0% between 2018 and 2020. In the financial year ended December 31, 2019, the Company's sales grew significantly by 37.1% to EUR 23,872.3 thousand from EUR 17,411.8 in the financial year ended December 31, 2018. In the financial year ended December 31, 2020, the Company's sales continued to grow by 12.1% to EUR 26,765.3 thousand. In the six-month period ended June 30, 2021, the Company's sales amounted to EUR 15,555.4 thousand and were 18.7% higher compared to the six-month period ended June 30, 2020.

9.2.2 Development of our sales channels

The positive development of our sales channels is key for our further growth. We reach our customers through our sales channels "Retail", "Stores" and "Food Service".

9.2.2.1 Retail

Our main sales channel "Retail" comprises the development and global distribution of our products under our "Veganz" brand. For our "Retail" channel we have a key account management with employees who are assigned to the individual customers/trading partners as contact persons and persons responsible. Furthermore, the marketing area is assigned here.

Through our "Retail" channel, we serve our so-called B2B (business-to-business) retail partners, who offer our products in drugstore and food retailing in Europe. In the DACH region (Germany, Austria, Switzerland) as our core market, we currently sell our purely plant-based food products through well-known food Retailers such as EDEKA, REWE, Coop, Aspiag or Kaufland as well as drugstore chains such as Budnikowsky, Rossmann, dm and Müller, and discounters such as LIDL, ALDI, Penny and Netto. Internationally, our purely plant-based food products are distributed through food Retailers such as SPAR (Italy, Hungary, Slovenia, Croatia, Greece, Cyprus), Kaufland International (Czech Republic, Slovakia, Romania, Bulgaria, Croatia, Poland), Coop (Denmark) and Sonae/Continente (Portugal). As of June 30, 2021, we were represented with our product portfolio at 22,264 POS globally, where at least one of our purely plant-based products is sold to a consumer also including, for example, temporary individual promotional activities inter alia at certain discounters like LIDL. This marks the preliminary culmination of a steady increase in POS in recent years from 9,999 POS as of December 31, 2018, by 76.4%, to 17,638 POS as of December 31, 2019 and, by 13.8%, to 20,073 POS as of December 31, 2020 globally. In the DACH region, the number of POS has increased concurrently from 9,299 POS as of December 31, 2018, by 75.2%, to 16,289 POS as of December 31, 2019, and, by 15.4%, to 18,797 POS as of December 31, 2020.

Within our "Retail" channel, we can achieve more growth by increasing the number of POS and/or the sales at the respective POS by positioning our product portfolio in the three relevant categories "ambient", "chilled" and "frozen" as well as by increasing the rotation of the respective products. On the one hand, there are Retailers such as ALDI, Budnikowsky, dm, LIDL, Müller, Netto, Rossmann, SPAR, tegut and real which organize their groups centrally. In this case, the headquarter decides on the product offering for the whole store network of the group. Thus, we are automatically listed in all of the stores of these groups, as soon as we have concluded a contract with the respective group's headquarters. This means that all stores of a Retailer can be reached directly with a single decision. On the other hand, some of the Retailers we cooperate with, especially the most dominant players in the German market REWE and EDEKA, have a decentralized organization. We have also entered into contracts with the respective head office. In fact, however, each store of these supermarket chains decides locally which products to be offered to its customers. With REWE, we recognized an increase of POS from 522 POS as of December 31, 2018 to 1,143 POS as of December 31, 2019 to 1,934 POS as of December 31, 2020. With EDEKA, on the other hand, we have seen an increase from 1,057 POS as of December 31, 2018 to 1,440 POS as of December 31, 2019 to 2,196 POS as of December 31, 2020.

The following table shows (i) the sales we generate with our top-performing retail customers in the six-month period ended June 30, 2021 as well as in the six-month period ended June 30, 2020, (ii) the percentage development between the two periods and (iii) a breakdown of the number of the POS as of June 30, 2021 per each Retailer:

Retailer	Sales in the six-month period ended June 30,		Sales growth between both periods	POS as of June 30, 2021
	2021	2020	(in %)	(numbers)
	(in EUR thousand)			
	(unaudited)			
REWE (Germany)	2,308.2	1,562.9	47.7	1,934
LIDL (Germany)	1,900.4	1,927.7	(1.4)	3,200
dm (Germany)	1,865.1	1,651.6	12.9	2,022
EDEKA (Germany)	1,499.0	928.8	61.4	2,196
Budnikowsky (Germany)	158.3	70.1	125.8	168
SPAR (Austria)	1,416.9	1,488.8	(4.8)	1,100
Coop (Switzerland)	1,212.1	1,259.2	(3.7)	450
Rossmann (Germany)	1,199.8	1,192.0	0.7	2,221
Kaufland (Germany)	1,075.5	603.0	78.4	697
LIDL (Switzerland)	311.5	25.8	1,106.9	148
Müller (Germany)	306.1	285.8	7.1	351
Other	2,302.5	2,112.7	9.0	7,777
TOTAL	**15,555.4**	**13,108.3**	**18.7**	**22,264**

In addition, our products are sold to customers via the online store of vekoop.de as our cooperation partner, as well as online sales platforms like amazon.com, rohlik.cz and snacky.ch. Such sales accounted for 1.1% of the Companyˈs sales (unaudited) in the six-month period ended June 30, 2021.

9.2.2.2 Stores

Our second sales channel "Stores" comprises our own Stores at three locations in Berlin Prenzlauer Berg, Friedrichshain and Kreuzberg. The sales of the sales channel "Stores" are generated by Veganz Retail GmbH & Co. KG, a wholly-owned subsidiary of the Company, which operates our Stores. In addition to our own products, the Stores also sell exclusively purely plant-based products from third-party suppliers. Our Stores are mainly used for brand building and testing new products and trends in the food market for purely plant-based products. In addition, they allow us to identify consumer trends at an early stage and profit from our own sales experience. Sales generated by our Stores increased from EUR 2,844.7 thousand in the financial year ended December 31, 2018 by 3.6% to EUR 2,946.9 thousand in the financial year ended December 31, 2019 and again by 17.4% to EUR 3,458.2 in the financial year ended December 31, 2020.

9.2.2.3 Food Service

Our third sales channel "Food Service" is our new sales channel existing since April 2021 and currently consisting of our cooperation with the bakery goods company Bakerman, a specialist in high-quality frozen bakery products, and the football club RB Leipzig.

Through the cooperation with Bakerman, purely plant-based snacks will be offered in Bakerman's bake-off stations under our "Veganz" brand being a pure licensing business. Bakerman develops certain pure plant-based baked goods. We then approve these developments and agree to them being sold under the "Veganz" brand. From October 2021 onwards, we expect to be represented with ten of our products at various baking stations of Bakerman.

Through the cooperation with RB Leipzig, we supply RB Leipzig with our pure plant-based products. In some cases, we deliver our products in the form of mere bulk goods in large quantities for further processing in the kitchen or at the catering station in the stadium. RB Leipzig offers our purely plant-based products for sale or have them offered for sale by the respective stadium caterers at Bundesliga matches, other home matches, as well as concerts and third-party events in the RB Leipzig's stadium, the Red Bull Arena. Our supply right includes both the sales area encompassing inter alia kiosks and the respective sales stands as well as the VIP catering. We are planning similar cooperations with other well-known football clubs and are currently in negotiations with VfL Wolfsburg and VfB Stuttgart.

Currently, we are also in close negotiations (*Company estimate*) with Aramark, one of Germany's largest caterers. Thereby, our product portfolio would inter alia be offered at the canteen of the production site of Airbus in Hamburg, Germany, and in the canteen of the European Central Bank in Frankfurt am Main, Germany, as Aramark operates the canteens at these locations. Initially, a test phase is planned here with a number of facilities supplied by Aramark, during which we will also be included in its offering. From 2022 onwards, we aim to further expand this offer together with Aramark.

Additionally, we plan to cooperate with caterers and have initiated negotiations and test runs with a catering company. It is planned, that we develop purely plant-based menus with our products and train the kitchen staff of the catering companies regarding their preparation. In addition, we aim to supply the canteens of the caterers with the pre-products for the purely plant-based menus and design the respective POS for the purely plant-based menus in the canteen with our marketing materials. On the one hand, we would be paid for our supplies and services within the framework of the cooperation and on the other hand, we would receive a license fee for the use of our brand.

We believe that this new sales channel involves significant sales potential and significantly higher margins (*Company estimate*) and that we can quickly add more B2B-customers. We also regard it as significant for our production in terms of capacity utilization.

9.2.3 Internationalization and geographical expansion

We sell our products particularly in Germany, Austria and Switzerland ("**DACH Region**"). The DACH Region accounted for 92.1% of sales in the six-month period ended June 30, 2021 and for 93.7% in the financial year ended December 31, 2020, growing at a CAGR of 14.7% from 2018 to 2020.

In addition, we also sell our products in other selected European countries as well as in Russia and in the Asia Pacific region. The European countries outside the DACH Region accounted for 6.9% of sales in the six-month period ended June 30, 2021 and for 6.3% in the financial year ended December 31, 2020. The countries outside Europe accounted for 1.0% of sales in the six-month period ended June 30, 2021 and for 0.1% in the financial year ended December 31, 2020, growing by 174.9% from 2018 to 2020. Expanding our business outside of the DACH Region throughout Europe is a strategic focus area for us since we expect non-DACH Region countries to be an additional source for our future growth. We believe that this expansion will enable us to increase our total addressable market and acquire and retain additional customers. Focus for international expansion is going to be on selected European countries with strong growth potential, such as the Nordics, Poland or France.

When evaluating a new market, we look at different criteria, including:

- partnership potential; number of point of sales with the respective customer;
- market size and growth potential;
- market success and size of competitors;
- market entry costs;
- cost of advertising; and
- distribution costs.

With increased focus on geographical expansion we do expect increased marketing and fulfillment costs as a percentage of sales.

9.2.4 Our cost base

To enable future growth, our operations, i.e. sourcing, production, product development, fulfillment, marketing and sales, personnel and administration, have to be set-up in a cost-efficient way. Our aim is to have costs growing at a slower pace than growth of sales, i.e. to drive economies of scale. From time to time, we make investments to create value that either results in incremental sales (e.g., country expansion), margin improvement (e.g., increased production capacity), or in reduction of costs (e.g., increased automation in production). The sum of our largest cost items, i.e. cost of materials, personnel expenses and other operating expenses (including costs marketing, rent, IT), grew at a CAGR of 19.8% from 2018 to 2020, while our sales grew at a CAGR of 24.0% at a faster rate. This shows that we have an efficient cost base proving our ability to manage our costs tightly and to drive scale. As a result, EBITDA margin increased from a negative of 16.4% in the financial year ended December 31, 2018 to negative 12.1% in the financial year ended December 31, 2020.

9.2.4.1 Cost of materials

The procurement of raw materials and packaging materials as well as goods sourced from third party manufacturers represents a high share of our total costs. Our procurement enables us to secure high quality material at attractive prices. Cost of materials comprises

- the purchase price we pay suppliers for ingredients;
- inbound shipping charges;
- the cost of primary packaging; and
- the cost of accessories, such as displays.

Cost of materials depends on various factors, including the negotiation of favorable terms and conditions with our suppliers, the product mix sold, economies of scale and our ability to manage the level of inventory by optimizing order sizes and cycles.

Cost of materials represents a major share of our cost base. Our ability to manage it effectively, therefore, is an important factor determining our results of operations. As a result of increased efficiencies in our supply chain driven by the reduction of costs of our packaging on the one hand and higher sales prices on the other hand, cost of materials measured as a percentage of sales decreased from 75.0% in the financial year ended December 31, 2018 to 70.2% in the financial year ended December 31, 2020.

One of our main commodities for our cheese alternatives "Cashewbert" are cashew kernels. The cheese alternative "Bluebert", which we will produce in the future, will also primarily consist of cashew kernels. Cashew production has increased steadily on a global scale over the last decades, with Asia producing more than half of the global cashew nut output in 2018. In the future we could face price volatility due to a growing demand in cashew kernels and failed harvest. We are currently working with an agricultural cooperative in Vietnam and have direct contracts on future delivery of cashew kernels. This to some extend limits the risk as we cut out intermediaries and have a direct source to this commodity.

We see potential for future reduction of cost of materials by leveraging our increasing negotiating power, increasing our own production capacities, further increasing our direct relationships with growers, and continuous recipe optimization. As we recently experienced with our Production Site I, a key aspect for improvement of our cost of materials arises through vertical integration from our new Production Site II. The establishment of Production Site II allows us to reduce costs through supply-chain improvement and furthermore improve commodity pricing through potential own indoor farming.

We monitor the cost of materials with our own internal cost planning which enables us to forecast demand based on historical data and seasonality to improve our total availability. Given that the cost of materials represents a major share of our costs, we have also invested in a software system which enables us to manage our supply chain with a high degree of efficiency and better interaction with our suppliers. With this software system we are capable of exchanging all relevant documents with our suppliers efficiently. In both systems there are special approval processes implemented that ensure the right conditions, like quality, quantity and prices.

9.2.4.2 Fulfillment costs

Our fulfillment set up allows us to have low inventory levels (and associated working capital) and an efficient and reliable delivery to our customers. Fulfillment costs primarily comprise

- freight costs charged by external service providers, such as Kraftverkehr Nagel and NORDFROST, as well as
- warehousing and incoming goods control, picking of orders, labelling for export markets outside usual language cluster.

We record fulfillment costs in our income statement under other operating expenses. To avoid cost increases we did a national wide logistic & warehouse tender for our ambient and chilled portfolio which has been finished in April and ended in a new contract with better conditions with the same logistic company. This contract is valid for the next two years and backdated since January 1, 2021. We analyzed all costs and even the warehouse location according to our supplier and customer structure. In the six-month period ended June 30, 2021, the Company recorded a decrease of the fulfillment costs quote to 10.3% compared to 12% in the financial year ended December 31, 2020.

9.2.5 Marketing

Our marketing activities are led by our dedicated internal team, which is divided into three departments: Research and Data Insights, Creative Team and Communication Team. Marketing activities focus on our key target groups (vegans, vegetarians and flexitarians) and their communication profiles. With generated customer insights, we understand the market for purely plant-based food. We aim to build a strong vegan and vegetarian community around our brand, making us one of the top-5 most engaged food brands on Instagram in 2020 (*Source: FMCG Food Brands*) and the number one brand on purely plant based BBQ sausages (*Source: Vegconomist – August 12, 2021*). In addition to our own media channels (Instagram, Facebook, website, email), we also have a strong connection with market-relevant NGOs such as PETA, Deutsches Tierschutzbüro and Sea Sheperd, as well as bloggers and influencers.

Our strong media campaigns have twice won the Marketing for Future Award (2020, 2021) from the Alliance for Climate Positive Behavior (*Source: Marketing For Future Awards 2021*) and have increased our unsupported brand awareness (*ungestützte Markenbekanntheit*) in Germany to now 25% compared to other leading vegan brands like Rügenwalder Mühle (60%) and Katjes (42%) as well as inter alia Oatly (18%), Simply V (10%), Garden Gourmet (10%), Share (7%), The NU Company (3%) or Vantastic Food (3%) (*Source: Veganz Brand Monitoring Germany via Civey, sample size > 5.000, Question: "Von welcher dieser Marken haben Sie schon einmal gehört?"*) and increased our rotation in an effective combination of TV, online video, influencer and POS activities. In addition, we entered into the cooperations with Bakerman and RB Leipzig.

From the brand relaunch 2019 until today, the main goal of all marketing activities was to raise brand awareness and position the brand as tasty, sustainable, innovative and transparent in the market. Recent internal insights on psychological consumer research confirmed a strong implicit position of the brand on adventure and excitement. Veganz aims to strengthen its position in the consumers mind by cooperating and communicating in relevant media like a partnership with RB Leipzig, a football team in the Bundesliga as Germany's first national football league.

9.2.6 Seasonality

We see regular fluctuations of purchasing patterns throughout the year, especially regarding products that contain chocolate. The second half of the year is normally stronger in sales in the food industry and we experience higher sales in the fourth quarter of a year, due to seasonal goods such as advent calendar or chocolate Christmas specials. However, we can predict seasonal effects and can make adjustments accordingly due to our multi-category strategy and our diverse product portfolio. Less seasonal, but influenced by the promotional plans of our discount partners, are our quarterly sales in the discount sector. However, the scope and number of promotions is stable in this respect. The timing of such promotions is flexible and depends on the needs of our respective discount partner.

9.3. Results of operations

The following table provides the results of operations of the Company for the periods indicated:

	Financial year ended December 31,					Six-month period ended June 30,	
	2018	Q1 2019	Q2-4 2019	2019(1)	2020	2020	2021
	(audited, unless otherwise indicated)					(unaudited)	
	(in EUR thousands)						
Sales	17,411.8	4,946.2	18,926.1	23,872.3	26,765.3	13,108.3	15,555.4
Other operating income	975.1	36.7	109.5	146.2	474.2	266.5	121.4
Cost of materials							
Cost of raw materials, consumables and supplies and of purchased merchandise	*13,060.0*	*3,251.3*	*13,183.7*	*16,435.0*	*18,775.1*	*9,104.9*	*10,653.6*
Personnel expenses	3,034.4	739.8	2,025.7	2,765.5	2,924.3	1,265.1	1,699.1
Amortization and depreciation of intangible assets and depreciation of property, plant and equipment	344.5	33.2	885.6	918.8	1,041.8	522.2	510.9
Other operating expenses	5,148.5	1,181.0	6,865.0	8,045.9	8,772.9	3,797.4	6,277.9
Other interest and similar income	17.5	0.0	0.2	0.2	8.4	0.0	8.7
Interest and similar expenses, depreciation of financial assets	690.9	126.8	442.5	569.3	870.9	502.6	657.5
Taxes on income	(93.7)	0.0	(125.5)	(125.5)	(198.6)	(132.9)	(127.3)

Results after taxes	**(3,780.3)**	**(349.2)**	**(4,241.1)**	**(4,590.3)**	**(4,938.5)**	**(1,684.6)**	**(3,986.1)**
Other taxes	3.0	0.2	1.0	1.2	1.0	0.3	0.1
Net profit/loss for the financial year/period	**(3,783.4)**	**(349.4)**	**(4,242.2)**	**(4,591.5)**	**(4,939.5)**	**(1,684.9)**	**(3,986.2)**

(1) Unaudited.

9.3.1 Sales

The Company generates its sales primarily through its "Retail" sales channel. The sales of the "Stores" sales channel are generated by Veganz Retail GmbH & Co. KG, a wholly-owned subsidiary of the Company, which operates our Stores.

The following table sets forth a breakdown of the sales by these two sales channels for the periods indicated:

	Financial year ended December 31,			Six-month period ended June 30,	
	2018	2019	2020	2020	2021
	(unaudited, unless otherwise indicated)				
	(in EUR thousand)				
Retail (Sales of the Company)	17,411.8(1)	23,872.3	26,765.3(1)	13,108.3	15,555.4
Retailer	*8,566.3*	*12,973.7*	*16,745.1*	*7,557.7*	*9,699.6*
Drugstores	*8,845.5*	*9,098.4*	*7,156.6*	*3,458.2*	*3,643.9*
Discounter	–	*1,800.2*	*2,863.6*	*2,092.4*	*2,211.9*
Stores (Sales of Veganz Retail GmbH & Co. KG)	2,844.7	2,946.9	3,458.2	1,699.5	1,662.8
TOTAL(2)	**20,256.5**	**26,819.2**	**30,223.5**	**14,807.8**	**17,218.2**

(1) Audited.

(2) Unconsolidated.

The following table sets forth a breakdown of the sales by geographical markets for the periods indicated:

	Financial year ended December 31,			Six-month period ended June 30,	
	2018	2019	2020	2020	2021
	(unaudited, unless otherwise indicated)				
	(in EUR thousand)				
DACH	16,544.8	21,899.3	24,996.4	12,288.8	14,331.0
Rest of Europe	863.3	1,925.9	1,692.0	806.7	1,074.8
Rest of world	3.7	47.1	76.9	12.8	149.6
TOTAL	**17,411.8(1)**	**23,872.3**	**26,765.3(1)**	**13,108.3**	**15,555.4**

(1) Audited.

Six-month period ended June 30, 2021 compared to the six-month period ended June 30, 2020

In the six-month period ended June 30, 2021, the Company recorded an increase in sales by EUR 2,447.1 thousand, or 18.6%, from EUR 13,108.3 thousand in the six-month period ended June 30, 2020 to EUR 15,555.4 thousand. Such increase was primarily a result of sales growth in retail in DACH Region, as well the continued sales in discount. The DACH Region continued to be the most important geographic market for the Company in the six-month period ended June 30, 2021, generating 92.1% of sales and continued to grow 16.6% compared with the six months ended June 30, 2020.

Financial year ended December 31, 2020 compared to the financial year ended December 31, 2019

In the financial year ended December 31, 2020, sales increased by EUR 2,893 thousand, or 12.1%, from EUR 23,872.3 thousand in the financial year ended December 31, 2019 to EUR 26,765.3 thousand. The increase is largely due to sales growth in retail in the DACH Region, as well the continued sales in discount. The DACH Region continued to be the most important geographic market for the Company in the financial year ended December 31, 2020, generating 93.4% of sales and continued to grow 14.1% compared to the financial year ended December 31, 2019. In the first half of the financial year ended December 31, 2020, we experienced a shift in consumer behavior to one-stop-shopping driven by the COVID-19 pandemic and the first so-called "lock-down". Especially in Germany, consumers increasingly started to concentrate a substantial part of their weekly purchases with a single retailer. This led to a significant decrease in sales with one of our biggest customers in the drugstore channel dm from EUR 5,311.1 thousand the financial year ended December 31, 2019 by 39.1% to EUR 3,236.7 thousand in the financial year ended December 31, 2020. Even though other drugstore retailers recovered dm accounted in 2020 over 60% decrease in sales and in regards to our sales with dm we could not catch up to the sales level before the COVID-19 pandemic until now. We flexibly shifted our sales force to the strong and fast growing Retailers EDEKA and REWE and compensated some of the sales losses with dm. Aggregated sales generated through EDEKA and REWE increase from EUR 3,099.1 thousand the financial year ended December 31, 2019 by 87.6% to EUR 5,814.4 thousand in the financial year ended December 31, 2020.

Financial year ended December 31, 2019 compared to the financial year ended December 31, 2018

In the financial year ended December 31, 2019, sales increased by EUR 6,460.5 thousand, or 37.1%, from EUR 17,411.8 thousand in the financial year ended December 31, 2018 to EUR 23,872.3 thousand. The increase was primarily driven by sales growth in retail in the DACH Region, as well the start of sales in the discount channel. The DACH Region continued to be the most important geographic market for the Company in the financial year ended December 31, 2019, generating 91.7% of sales and continued to grow 32.4% compared with the financial year ended December 31, 2018.

9.3.2 Other operating income

Other operating income comprises from other out-of-period income and other income.

Six-month period ended June 30, 2021 compared to the six-month period ended June 30, 2020

In the six-month period ended June 30, 2021, other operating income decreased by EUR 145.1 thousand, or 54.4%, from EUR 266.5 thousand in the six-month period ended June 30, 2020 to EUR 121.4 thousand. Such decrease was primarily a result of due to reverse of accruals.

Financial year ended December 31, 2020 compared to the financial year ended December 31, 2019

In the financial year ended December 31, 2020, other operating income increased by EUR 328.0 thousand, or 224.3%, from EUR 146.2 thousand in the financial year ended December 31, 2019 to EUR 474.2 thousand, mainly due to reverse of accruals.

Financial year ended December 31, 2019 compared to the financial year ended December 31, 2018

Other operating income decreased by EUR 828.9 thousand, or 85.0%, from EUR 975.1 thousand in the financial year ended December 31, 2018 to EUR 146.2 thousand in the financial year ended December 31, 2019. This decrease is mainly attributable from the gain from the merger of Veganz Wholesale GmbH & Co. KG with Veganz GmbH in the first quarter of the financial year ended December 31, 2019, which was included in 2018.

9.3.3 Cost of materials

Cost of materials consist of acquisition of materials, including merchandise as well as raw materials and supplies.

Six-month period ended June 30, 2021 compared to the six-month period ended June 30, 2020

Cost of materials increased by EUR 1,548.6 thousand, or 17.0%, from EUR 9,105.0 thousand in the six-month period ended June 30, 2020 to EUR 10,653.6 thousand in the six-month period ended June 30, 2021, primarily as a result of the business expansion (sales increase) as well of increased promotional activities with comparatively low margins.

Financial year ended December 31, 2020 compared to the financial year ended December 31, 2019

In the financial year ended December 31, 2020, the cost of material increased by EUR 2,340.1 thousand, or 14.2%, from EUR 16,435.0 thousand in the financial year ended December 31, 2019 to EUR 18,775.1 thousand. Such increase mainly related to the business expansion (sales increase) as well of increased promotional activities with comparatively low margins.

Financial year ended December 31, 2019 compared to the financial year ended December 31, 2018

In the financial year ended December 31, 2019, the cost of material increased by EUR 3,375.0 thousand, or 25.8%, from EUR 13,060.0 thousand in the financial year ended December 31, 2018 to EUR 16,435.0 thousand, primarily as a result of the business expansion (sales increase) as well increased promotional activities with comparatively low margins and display purchases.

9.3.4 Personnel expenses

Personnel expenses comprise wages and salaries as well social security and retirement costs.

The following table sets forth a breakdown of the personnel expenses for the periods indicated:

	Financial year ended December 31,					Six-month period ended June 30,	
	2018	Q1 2019	Q2-4 2019	2019(1)	2020	2020	2021
	(audited, unless otherwise indicated)					(unaudited)	
	(in EUR thousands, unless otherwise indicated)						
Wages and salaries	2,507.1	624.7	1,658.4	2,283.1	2,432.0	1,019.2	1,431.3
Social security and retirement costs	527.4	115.1	367.3	482.4	492.3	245.9	267.8
TOTAL	**3,034.4**	**739.8**	**2,025.7**	**2,765.5**	**2,924.3**	**1,265.1**	**1,699.1**

(1) Unaudited.

Six-month period ended June 30, 2021 compared to the six-month period ended June 30, 2020

Personnel expenses increased by EUR 439.8 thousand, or 34.8%, from EUR 1,265.1 thousand in the six-month period ended June 30, 2020 to EUR 1,699.1 thousand in the six-month period ended June 30, 2021, primarily attributable to new personnel for the production and accruals for unused vacation.

Financial year ended December 31, 2020 compared to the financial year ended December 31, 2019

In the financial year ended December 31, 2020, personnel expenses increased by EUR 158.8 thousand, or 5.7%, from EUR 2,765.5 thousand in the financial year ended December 31, 2019 to EUR 2,924.3 thousand, primarily due to new hires in production.

Financial year ended December 31, 2019 compared to the financial year ended December 31, 2018

In the financial year ended December 31, 2019, personnel expenses decreased by EUR 268.9 thousand, or 8.9%, from EUR 3,034.4 thousand in the financial year ended December 31, 2018 to EUR 2,765.5 thousand, primarily attributable to result of the consolidation.

9.3.5 Amortization and depreciation of intangible assets and depreciation of property, plant and equipment

Amortization and depreciation of intangible assets and depreciation of property, plant and equipment include amortization of the capitalized brands, technical equipment for the production and other assets.

Six-month period ended June 30, 2021 compared to the six-month period ended June 30, 2020

Amortization and depreciation of intangible assets and depreciation of property, plant and equipment decreased by EUR 11.3 thousand, or 2.2%, from EUR 522.2 thousand in the six-month period ended June 30, 2020 to EUR 510.9 thousand in the six-month period ended June 30, 2021, mainly as a result of the scheduled amortization of the capitalized brand.

Financial year ended December 31, 2020 compared to the financial year ended December 31, 2019

Amortization and depreciation of intangible assets and depreciation of property, plant and equipment increased by EUR 123.0 thousand, or 13.4%, from EUR 918.8 thousand in the financial year ended December 31, 2019 to EUR 1,041.8 thousand in the financial year ended December 31, 2020, primarily due to the scheduled amortization of the capitalized brand.

Financial year ended December 31, 2019 compared to the financial year ended December 31, 2018

Amortization and depreciation of intangible assets and depreciation of property, plant and equipment increased by EUR 574.3 thousand, or 166.7%, from EUR 344.5 thousand in the financial year ended December 31, 2018 to EUR 918.8 thousand in the financial year ended December 31, 2019, primarily as a result of the recording and the scheduled amortization of the capitalized brand.

9.3.6 Other operating expenses

Other operating expenses comprise marketing costs, freight and goods delivery costs, general business costs, external services, legal and consulting fees as well as miscellaneous other operating expenses.

Six-month period ended June 30, 2021 compared to the six-month period ended June 30, 2020

Other operating expenses increased by EUR 2,480.5 thousand, or 65.3%, from EUR 3,797.4 thousand in the six-month period ended June 30, 2020 to EUR 6,277.9 thousand in the six-month period ended June 30, 2021, primarily as a result of costs for the product portfolio, sales and marketing (TV media campaign), as well expenses for the equity deals.

Financial year ended December 31, 2020 compared to the financial year ended December 31, 2019

Other operating expenses increased by EUR 726.9 thousand, or 9.0%, from EUR 8,045.9 thousand in the financial year ended December 31, 2019 to EUR 8,772.9 thousand in the financial year ended December 31, 2020, primarily due to costs for the product portfolio (e.g., "Laxs", protein drinks, pizza), sales and marketing (TV media campaign), as well as higher costs for distribution as a result of higher sales and a corresponding increase in the logistics area.

Financial year ended December 31, 2019 compared to the financial year ended December 31, 2018

Other operating expenses increased by EUR 2,897.4 thousand, or 56.3%, from EUR 5,148.5 thousand in the financial year ended December 31, 2018 to EUR 8,045.9 thousand in the financial year ended December 31, 2019, mainly as a result of expenses for the product portfolio (e.g., "Laxs", protein drinks, pizza), sales and marketing (TV media campaign), as well as higher distribution costs due to higher sales and a corresponding increase in the logistics area. In addition, the Merger had an impact on increase of the costs.

9.3.7 Interest and similar expenses

Interest and similar expenses comprise expenses for loans and additional costs for factoring.

Six-month period ended June 30, 2021 compared to the six-month period ended June 30, 2020

Interest and similar expenses increased by EUR 154.9 thousand, or 30.8%, from EUR 502.6 thousand in the six-month period ended June 30, 2020 to EUR 657.5 thousand in the six-month period ended June 30, 2021, primarily as a result of the additional shareholder loans taken on and increasing interest costs for factoring.

Financial year ended December 31, 2020 compared to the financial year ended December 31, 2019

Interest and similar expenses increased by EUR 301.6 thousand, or 53.0%, from EUR 569.3 thousand in the financial year ended December 31, 2019 to EUR 870.9 thousand in the financial year ended December 31, 2020, primarily due to the issuance of a bond at the beginning of the year 2020 as well as additional shareholder loans and increasing interests for the factoring facility.

Financial year ended December 31, 2019 compared to the financial year ended December 31, 2018

Interest and similar expenses decreased by EUR 121.6 thousand, or 17.6%, from EUR 690.9 thousand in the financial year ended December 31, 2018 to EUR 569.3 thousand in the financial year ended December 31, 2019, mainly as a result of additional shareholder loans.

9.3.8 Taxes on income

Taxes on income are current taxes and deferred taxes.

Six-month period ended June 30, 2021 compared to the six-month period ended June 30, 2020

Taxes on income decreased by EUR 5.6 thousand, or 4.2%, from negative EUR 132.9 thousand in the six-month period ended June 30, 2020 to negative EUR 127.3 thousand in the six-month period ended June 30, 2021, primarily as a result of deferred tax liabilities.

Financial year ended December 31, 2020 compared to the financial year ended December 31, 2019

Taxes on income increased by EUR 73.1 thousand, or 58.2%, from negative EUR 125.5 thousand in the financial year ended December 31, 2019 to negative EUR 198.6 thousand in the financial year ended December 31, 2020, primarily due to deferred tax liabilities.

Financial year ended December 31, 2019 compared to the financial year ended December 31, 2018

Taxes on income increased by EUR 31.8 thousand, or 33.9%, from negative EUR 93.7 thousand in the financial year ended December 31, 2018 to negative EUR 125.5 thousand in the financial year ended December 31, 2019, mainly as a result of deferred tax liabilities.

9.3.9 Results after taxes

Six-month period ended June 30, 2021 compared to the six-month period ended June 30, 2020

The result after taxes changed by EUR 2,301.5 thousand, or 136.6%, from negative EUR 1,684.6 thousand in the six-month period ended June 30, 2020 to negative EUR 3,986.1 thousand in the six-month period ended June 30, 2021, primarily as a result of increase of marketing expenses and cost of materials, which were set by an increase of distribution expenses mainly driven by an increase of orders. In addition, equity expenses (primarily legal and consulting fees) due to the financing round in the first half of 2021 had an impact on increase of net loss.

Financial year ended December 31, 2020 compared to the financial year ended December 31, 2019

The result after taxes changed by EUR 348.2 thousand, or 7.6%, from negative EUR 4,590.3 thousand in the financial year ended December 31, 2019 to negative EUR 4,938.5 thousand in the financial year ended December 31, 2020, primarily due to increase of marketing expenses and cost of materials, which were set by an increase of distribution expenses mainly driven by an increase of orders.

Financial year ended December 31, 2019 compared to the financial year ended December 31, 2018

The result after taxes changed by EUR 810.0 thousand, or 21.4%, from negative EUR 3,780.3 thousand in the financial year ended December 31, 2018 to negative EUR 4,590.3 thousand in the financial year ended December 31, 2019, mainly as a result of increase of marketing expenses and cost of materials, which were set by an increase of distribution expenses mainly driven by an increase of orders. In addition, the Merger had an impact on increase of net loss.

9.3.10 Other taxes

Other taxes include other taxes as well vehicle taxes.

Six-month period ended June 30, 2021 compared to the six-month period ended June 30, 2020

Other taxes decreased by EUR 0.2 thousand, or 66.7%, from EUR 0.3 thousand in the six-month period ended June 30, 2020 to EUR 0.1 thousand in the six-month period ended June 30, 2021, due to expenses for vehicle tax.

Financial year ended December 31, 2020 compared to the financial year ended December 31, 2019

Other taxes decreased by EUR 0.2 thousand, or 16.7%, from EUR 1.2 thousand in the financial year ended December 31, 2019 to EUR 1 thousand in the financial year ended December 31, 2020, as a result of expenses for vehicle tax.

Financial year ended December 31, 2019 compared to the financial year ended December 31, 2018

Other taxes decreased by EUR 1.8 thousand, or 60.0%, from EUR 3.0 thousand in the financial year ended December 31, 2018 to EUR 1.2 thousand in the financial year ended December 31, 2019, due to expenses for vehicle tax.

9.3.11 Net loss for the financial year/period

Six-month period ended June 30, 2021 compared to the six-month period ended June 30, 2020

The net loss for the period increased by EUR 2,301.2 thousand, or 136.6%, from a net loss of EUR 1,684.9 thousand in the six-month period ended June 30, 2020 to a net loss of EUR 3,986.2 thousand in the six-month period ended June 30, 2021, driven by increase of marketing expenses and cost of materials, which were set by an increase of distribution expenses mainly driven by an increase of orders. In addition, equity expenses (primarily legal and consulting fees) due to the financing round in the first half of 2021 had an impact on increase of net loss.

Financial year ended December 31, 2020 compared to the financial year ended December 31, 2019

The net loss for the year increased by EUR 348.0 thousand, or 7.6%, from a net loss of EUR 4,591.5 thousand in the financial year ended December 31, 2019 to a net loss of EUR 4,939.5 thousand in the financial year ended December 31, 2020, reflecting an increase of marketing expenses and cost of materials, which were driven by an increase of distribution expenses mainly due to an increase in order volume.

Financial year ended December 31, 2019 compared to the financial year ended December 31, 2018

The net loss for the year increased by EUR 808.1 thousand, or 21.4%, from a net loss of EUR 3,783.4 thousand in the financial year ended December 31, 2018 to a net loss of EUR 4,591.5 thousand in the financial year ended December 31, 2019, driven by increase of marketing expenses and cost of materials, which were driven by an increase of distribution expenses mainly due to an increase in order volume. In addition, the Merger had an impact on increase of the net loss in the amount of EUR 216.4 thousand.

9.4. Assets, equity and liabilities

9.4.1 Assets

The following table provides an overview of the assets as of the dates indicated:

	As of December 31,			As of June 30,
	2018	2019	2020	2021
	(audited)			(unaudited)
	(in EUR thousand)			
Intangible assets	125.0	13,560.5	12,555.5	12,079.2
Software acquired for consideration	*125.0*	*61.3*	*4.2*	*1.5*
Brands	–	*13,499.1*	*12,551.3*	*12,077.7*
Tangible fixed assets	199.7	142.3	370.7	378.0
Technical equipment and machinery	–	–	*256.4*	*271.5*
Other equipment, operating and office equipment	*141.3*	*142.3*	*114.3*	*106.5*
Prepayments made and construction in progress	*58.4*	*0.0*	*0.0*	*0.0*
Long-term financial assets	816.9	816.9	816.9	776.7
Holdings in affiliated companies	*816.9*	*816.9*	*816.9*	*776.7*
Long-term equity investments	*0.0*	*0.0*	*0.0*	*0*
Non-current assets	**1,141.6**	**14,519.7**	**13,743.1**	**13,233.9**
Inventories	1,859.2	1,883.1	2,101.3	2,123.6
Raw materials, consumables and supplies	–	–	*43.0*	*25.8*
Finished goods and merchandise	*1,655.6*	*1,874.7*	*1,913.9*	*1,882.8*
Prepayments	*203.6*	*8.4*	*144.5*	*215.0*
Receivables and other assets	2,671.8	4,095.1	4,028.7	5,444.7
Trade receivables	*929.6*	*2,527.1*	*2,072.6*	*2,872.5*
Receivables from affiliated companies	*1,202.7*	*784.9*	*1,061.6*	*626.9*
Receivables from companies in which a long-term equity investment is held	*4.1*	*0.0*	*14.8*	*19.3*
Other assets	*535.4*	*783.2*	*879.7*	*1,926.0*
Cash-in-hand, bank balances	476.8	159.2	100.4	73.6
Current assets	**5,007.8**	**6,137.5**	**6,230.5**	**7,641.9**
Prepaid expenses	**86.7**	**148.5**	**187.1**	**118.3**

Deficit not covered by equity	**5,439.0**	**–**	**4,746.2**	**8,732.4**
TOTAL ASSETS	**11,675.1**	**20,805.6**	**24,906.9**	**29,726.5**

Non-current assets

June 30, 2021 compared to December 31, 2020

Non-current assets decreased from EUR 13,743.1 thousand as of December 31, 2020, by EUR 509.2 thousand, or 3.7%, to EUR 13,233.9 thousand as of June 30, 2021, primarily due to the brands capitalized as well as their pro rata amortization.

December 31, 2020 compared to December 31, 2019

Non-current assets decreased from EUR 14,519.7 thousand as of December 31, 2019, by EUR 776.6 thousand, or 5.3%, to EUR 13,743.1 thousand as of December 31, 2020, as a result of the activation of the brand "Veganz" as well as the pro rata amortization and investments for technical equipment for the production facilities for the production of the dairy free cheese-alternative "Cashewbert".

December 31, 2019 compared to December 31, 2018

Non-current assets increased from EUR 1,141.6 thousand as of December 31, 2018, by EUR 13,378.1 thousand, or 1,171.9%, to EUR 14,519.7 thousand as of December 31, 2019, mainly due to the activation of the brand "Veganz".

Current assets

June 30, 2021 compared to December 31, 2020

Current assets increased from EUR 6,230.5 thousand as of December 31, 2020, by EUR 1,411.5 thousand, or 22.65%, to EUR 7,641.9 thousand as of June 30, 2021, primarily due to the business expansion (sales increase) and other assets.

December 31, 2020 compared to December 31, 2019

Current assets increased from EUR 6,137.5 thousand as of December 31, 2019, by EUR 93 thousand, or 1.5%, to EUR 6,230.5 thousand as of December 31, 2020, as a result of increase in sales.

December 31, 2019 compared to December 31, 2018

Current assets increased from EUR 5,007.8 thousand as of December 31, 2018, by EUR 1,129.7 thousand, or 22.6%, to EUR 6,137.5 thousand as of December 31, 2019, mainly due to increase in sales and therefore increase of trade receivables in the amount of EUR 1,594.5 thousand.

9.4.2 Equity

The following table provides an overview of the equity as of the dates indicated:

	As of December 31,			As of June 30,
	2018	2019	2020	2021
	(audited)			(unaudited)
	(in EUR thousand)			
Subscribed capital	667.7	667.7	667.7	667.7
Capital reserves	9,686.2	3,767.7	3,767.7	3,767.7
Accumulated deficit	(15,793.0)	(4,242.2)	(9,181.7)	(13,167.8)
Other components of equity	–	–	–	–
Deficit not covered by equity	5,439.0	–	4,746.2	8,732.4
Equity	**0.0**	**193.3**	**0.0**	**0.0**

June 30, 2021 compared to December 31, 2020

Equity stayed EUR 0.0 thousand as of June 30, 2021, due to the net loss for the six-month period ended June 30, 2021. However, shortly after the reporting period in July 2021, the company secured a total of EUR 11,268.0 thousand of new equity within a private placement from well-known German investors. The equity was secured in three tranches in exchange for cash.

December 31, 2020 compared to December 31, 2019

Equity decreased from EUR 193.3 thousand as of December 31, 2019, by EUR 193.3 thousand to EUR 0.0 thousand as of December 31, 2020, driven by the net loss for the year.

December 31, 2019 compared to December 31, 2018

Equity increased from EUR 0.0 thousand as of December 31, 2018, by EUR 193.3 thousand, to EUR 193.3 thousand as of December 31, 2019, primarily due to the increase of non-current assets led to balance sheet relief of equity of 70% of the brand capitalized. The remaining 30% were reflected in deferred tax liabilities.

9.4.3 Liabilities

The following table provides an overview of the liabilities as of the dates indicated:

	As of December 31,			As of June 30,
	2018	2019	2020	2021
	(audited)			(unaudited)
	(in EUR thousand)			
Bonds	100.0	0.0	3,360.0	4,270.0
Liabilities to banks	3,534.4	3,711.0	2,142.6	2,116.7
Trade payables	3,515.1	5,836.8	6,658.3	7,732.9
Liabilities from the acceptance of bills of exchange and the issuance of promissory notes	5.4	5.4	0.0	0.0
Liabilities to affiliated companies	6.0	80.1	135,1	0.0
Liabilities to companies in which a long-term equity investment is held	74.1	0.0	11.4	147.9
Other liabilities	3,338.5	5,729.0	7,746.5	9,466.5
Liabilities	**10,573.5**	**15,362.3**	**20,053.9**	**23,734.0**

June 30, 2021 compared to December 31, 2020

Liabilities increased from EUR 20,053.9 thousand as of December 31, 2020, by EUR 3,680.1 thousand, or 18.4%, to EUR 23,734.0 thousand as of June 30, 2021, due to due to the increase in the business volume as well as the taking out of an additional shareholder loan.

December 31, 2020 compared to December 31, 2019

Liabilities increased from EUR 15,362.3 thousand as of December 31, 2019, by EUR 4,691.6 thousand, or 30.5%, to EUR 20,053.9 thousand as of December 31, 2020, driven by the increase in the business volume.as well as the taking out of an additional shareholder loan.

December 31, 2019 compared to December 31, 2018

Liabilities increased from EUR 10,573.5 thousand as of December 31, 2018, by EUR 4,788.8 thousand, or 45.3%, to EUR 15,362.3 thousand as of December 31, 2019, primarily due to the increase in the business volume and financing via crowd investment.

9.5. Liquidity and capital resources

Liquidity is critical for the company and carefully monitored on a weekly basis. Historically, working capital requirements where mainly financed through selling trade receivables via Factoring (factoring agreement with Coface Finanz GmbH) as well as through trade credits by our suppliers. Furthermore, we financed our operations through the receivable᾽s regulator Markant and a current account facility by Deutsche Bank (in the amount of EUR 2,000.0 thousand). Our approach to manage liquidity is to ensure, to the extent possible, that we will have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions without incurring inacceptable losses or risking to damage our reputation.

We believe, based on our current operating plan, that our existing cash and cash equivalents, together with cash flows from operating activities, will be sufficient to meet our anticipated cash needs for working capital, capitals expenditures, general corporate needs and business expansion for at least the next twelve months. Although we believe that upon the completion of the Offering, we will have sufficient cash and cash equivalents to cover our working capital needs in the ordinary course of business and to continue to expand our business, we may, from time to time, explore additional financing sources.

9.5.1 Statement of cash flows

The following table provides a breakdown of cash flows for the periods indicated:

	Financial year ended December 31,					Six-month period ended June 30,	
	2018	Q1 2019	Q2-4 2019	2019[(1)]	2020	2020	2021
	(audited, unless otherwise indicated)					(unaudited)	
	(in EUR thousand)						
Net loss for the year	(3,783.4)	(349.4)	(4,242.2)	(4,591.6)	(4,939.5)	(1,684.9)	(3,986.2)
+ Amortization and depreciation of non-current assets	447.8	33.2	885.6	918.8	1,057.9	522.2	510.9
+/– Increase/ decrease of accrued expenses	566.2	(39.7)	401.4	361.6	(131.3)	(195.7)	1,272.4

+/– Other non-cash effective expenses / income	(597.2)	0.0	(1.7)	(1.7)	0.6	0.0	0.0
–/+ Increase/ decrease of inventories, trade receivables as well as other assets which are not classified as investing or financing activities	2,555.9	(705.0)	(802.3)	(1,507.3)	(191.0)	(1,012.9)	(1,369.5)
+/v Increase / decrease of trade payables as well as other liabilities which are not classified as investing or financing activities	(1,226.9)	782.6	1,664.9	2,447.5	621.3	257.0	2,418.0
–/+ Gain / loss from the disposal of non-current assets	36.4	0.0	(0.3)	(0.3)	0.0	–	40.3
+/– Interest expense / interest income	407.8	126.8	25.4	152. 2	862.5	502.6	648.8
+/– Income tax expense / income tax income	(93.6)	0.0	(125.5)	(125.5)	(198.6)	(132.9)	(127.3)
–/+ Income tax payments	30.5	0.0	0.0	0.0	(67.1)	-	(5.6)
Cash flow from operating activities	**(1,656.4)**	**(151.5)**	**(2,194.7)**	**(2,346.2)**	**(2,985.3)**	**(1,744.6)**	**(598.2)**
– Payments for investments in intangible assets	(17.3)	0.0	(92.1)	(92.1)	0.0	0.0	0.0
– Payments for investments in property, plant and equipment	(80.8)	(54.5)	(30.5)	(84.9)	(281.3)	(13.0)	(41.9)
– Payment for additions to long-term finanancial assets	(10.6)	0.0	0.0	0.0	0.0	0.0	0.0
+ Proceeds from the disposal of non-current assets	153.4	0.1	90.4	90.4	0.0	0.0	0.0
+ Interest received	17.5	0.0	0.0	0.0	8.4	0.0	8.7
Cash flow from investing activities	**62.2**	**(54.4)**	**(32.2)**	**(86.6)**	**(273.0)**	**(13.0)**	**(33.2)**
+ Proceeds from loans taken on from the shareholders	0.0	–	740.0	740.0	2,330.0	350.0	0.00
– Disbursements for the repayment of shareholder loans	0.0	–	(350.0)	(350.0)	(150.0)	0	(49.6)
+ Proceeds from taking on (financing) loans	3,101.7	217.2	2,525.9	2,743.1	3,583.1	3,180.1	1,587.3
– Disbursements for the repayment of (financing) loans	(878.8)	(132.0)	(709.1)	(841.1)	(124.5)	(1,349.9)	(275.6)
– Interest paid	(425.3)	(126.8)	(17.2)	(144.0)	(870.9)	(502.6)	(657.5)
Cash flow from financing activities	**1,797.6**	**(41.6)**	**2,189.7**	**2,148.1**	**4,767.8**	**1,677.6**	**604.5**
Cash effective changes of cash and cash equivalents	**203.5**	**(247.6)**	**(37.2)**	**(284.8)**	**1,509.5**	**(80.1)**	**(26.8)**
+ Cash and cash equivalents at the beginning of the period	**273.3**	**476.8**	**196.4**	**673.2**	**(3,551.8)**	**(3,551.8)**	**(2,042.2)**
Cash and cash equivalents at the end of the period	**476.8**	**229.2**	**159.2**	**388.5**	**(2,042.2)**	**(3,631.8)**	**(2,069.1)**

(1) Unaudited.

Cash flow from operating activities

Six-month period ended June 30, 2021 compared to the six-month period ended June 30, 2020

Cash flows from operating activities changed from a cash outflow of negative EUR 1,744.6 thousand in the six-month period ended June 30, 2020 to a cash outflow of negative EUR 598.2 thousand in the six-month period ended June 30, 2021, primarily driven by higher net loss as well as an increase in trade receivables as a result if the increase in business volume.

Financial year ended December 31, 2020 compared to the financial year ended December 31, 2019

Cash flows from operating activities changed from a cash outflow of negative EUR 2,346.2 thousand in the financial year ended December 31, 2019 to a cash outflow of negative EUR 2,985.3 thousand in the financial year ended December 31, 2020, primarily due to a higher net loss as well as an increase in trade receivables as a result if the increase in business volume.

Financial year ended December 31, 2019 compared to the financial year ended December 31, 2018

Cash flows from operating activities changed from a cash outflow of negative EUR 1,656.4 thousand in the financial year ended December 31, 2018 to a cash outflow of negative EUR 2,346.2 thousand in the financial year ended December 31, 2019, primarily as a result of to a higher net loss as well as an increase in trade receivables as a result if the increase in business volume.

Cash flow from investing activities

Six-month period ended June 30, 2021 compared to the six-month period ended June 30, 2020

Cash flows from investing activities changed from a cash outflow of negative EUR 13.0 thousand in the six-month period ended June 30, 2020 to a cash outflow of negative EUR 33.2 thousand in the six-month period ended June 30, 2021, primarily driven by payments for investments in our "Cashewbert" production.

Financial year ended December 31, 2020 compared to the financial year ended December 31, 2019

Cash flows from investing activities changed from a cash outflow of negative EUR 86.6 thousand in the financial year ended December 31, 2019 to a cash outflow of negative EUR 273.0 thousand in the financial year ended December 31, 2020, primarily due to the capital expenditures, especially for our Production Site I.

Financial year ended December 31, 2019 compared to the financial year ended December 31, 2018

Cash flows from investing activities changed from a cash inflow of EUR 62.2 thousand in the financial year ended December 31, 2018 to a cash outflow of negative EUR 86.6 thousand in the financial year ended December 31, 2019, primarily as a result of the capital expenditures for software and operating and office equipment.

Cash flow from financing activities

Six-month period ended June 30, 2021 compared to the six-month period ended June 30, 2020

Cash flows from financing activities changed from a cash inflow of EUR 1,677.6 thousand in the six-month period ended June 30, 2020 to a cash inflow of EUR 604.5 thousand in the six-month period ended June 30, 2021, primarily driven by the issuance of bonds as well as the shareholder loan.

Financial year ended December 31, 2020 compared to the financial year ended December 31, 2019

Cash flows from financing activities changed from a cash inflow of EUR 2,148.1 thousand in the financial year ended December 31, 2019 to a cash inflow of EUR 4,767.8 thousand in the financial year ended December 31, 2020, primarily due to the issuance of bonds as well as the shareholder loan.

Financial year ended December 31, 2019 compared to the financial year ended December 31, 2018

Cash flows from financing activities changed from a cash inflow of EUR 1,797.6 thousand in the financial year ended December 31, 2018 to a cash inflow of EUR 2,148.1 thousand in the financial year ended December 31, 2019, primarily as a result of due to the higher amounts taken on as repayments of shareholder loans as well as further financing via the crowd investment platform Seedmatch.

9.5.2 Capital expenditures

Capital expenditures are defined as the sum of payments for investments in intangible assets and payments for investments in property, plant and equipment.

Capital expenditures are not recognized as a measure under HGB and should not be considered as a substitute for an analysis of the statement of financial position and the statement of cash flows of the Company prepared in accordance with HGB. In addition, our definition of capital expenditures may not be comparable to similarly titled information published by other companies.

9.5.2.1 Past capital expenditures

The following table provides a breakdown of the capital expenditures for the periods indicated:

	Financial year ended December 31,					Six-month period ended June 30,	
	2018	Q1 2019	Q2-4 2019	2019[(1)]	2020	2020	2021
	(audited, unless otherwise indicated)					(unaudited)	
	(in EUR thousand)						
Payments for investments in intangible assets	17.3	0.0	92.1	92.1	0.0	0.0	0.0
Payments for investments in property, plant and equipment	80.8	54.5	30.5	84.9	281.3	13.0	41.9
Capital expenditures[(1)]	**98.1**	**54.5**	**122.6**	**177.0**	**281.3**	**13.0**	**41.9**

(1) Unaudited.

In the six-month period ended June 30, 2021, the Company's capital expenditures amounted to EUR 41.9 thousand, with the majority relating to payments for investments in our "Cashewbert" production.

In the financial year ended December 31, 2020, the Company's capital expenditures amounted to EUR 281.3 thousand, exclusively relating to payments for investments in property, plant and equipment, which comprised primarily operating and office equipment in conjunction with the construction the Production Site I, where we produce the "Cashewbert", a purely plant-based Camembert consisting mainly of cashew kernels.

In the financial year ended December 31, 2019, the aggregated capital expenditures of Veganz GmbH and the Company amounted to EUR 122.6 thousand, mostly relating to payments for investments in intangible assets in the amount of EUR 84.9 thousand, reflecting expenses for IT software and operating- and office equipment. Furthermore, capital expenditures during the financial year ended December 31, 2019 included payments for investments in property, plant and equipment in the amount of EUR 54.5 thousand in the first quarter of the financial year ended December 31, 2019, as we invested in photo- and exhibition equipment as well as in the acquisition of an IT system and interfaces for the exchange of product information (PIM).

In the financial year ended December 31, 2018, the capital expenditures of Veganz GmbH amounted to EUR 98.1 thousand and primarily comprised payments for investments in property, plant and equipment in the amount of EUR 80.8 thousand, which comprised primarily licensing costs for an enterprise resource planning (ERP) software as well as acquisition costs for an IT system and interfaces for the exchange of product information (PIM).

9.5.2.2 Capital expenditures between June 30, 2021 and the date of the Prospectus

Between June 30, 2021 and the date of the Prospectus, the Company's capital expenditures amounted to EUR 5,226.9, primarily comprising office and business equipment.

9.5.2.3 Ongoing and future capital expenditures

As of the date of the Prospectus, there were no ongoing capital expenditures of the Company.

As of the date of the Prospectus, the Management Board has resolved on future capital expenditures in an aggregate amount of EUR 2,109.0 thousand for the financial year ended December 31, 2021, comprising investments in the Production Site II. These capital expenditures will be invested in Germany and we plan to finance them from our cash flow from operating activities, subsidies from the state of Brandenburg and the net proceeds from the Offering.

Apart from these capital expenditures, the Company has not completed, entered into a firm commitment, or resolved to enter into such a commitment with respect to any material investment.

9.5.3 Financial liabilities

Financial liabilities mainly include notes, trade payables, credit facility at Deutsche Bank as well as subordinated loans.

As of August 31, 2021, financial liabilities had the following maturities based on the contractually agreed amounts:

	Payment due in			
	Up to 1 year	1 to 5 years	More than 5 years	Total
	(unaudited, unless otherwise indicated)			
	(in EUR thousand)			
Notes	0.0	(6,500.0)	0.0	(6,500.0)
To banks	(2,179.9)	0.0	0.0	(2,179.9)
Trade payables	(7,731.4)	0.0	0.0	(7,731.4)
To affiliated companies	0.0	0.0	0.0	0.0
To companies in which an equity investment is held	0.0	(148.2)	0.0	(148.2)
Subordinated loans	(1,486.3)	(4,822.3)	0.0	(6,308.6)
TOTAL	**(11,397.6)**	**(11,470.5)**	**0.0**	**(22,868.1)**

9.6. Financial risk management

We are exposed to the following risks from the use of financial instruments:

- Credit risk;
- Currency risk;
- Liquidity risk; and
- Interest rate risk.

The Management Board is responsible for managing the risks and develops principles for overall risk management.

9.6.1 Credit risk

Credit risk is limited to the only bank loan the Company holds with Deutsche Bank (see "*12.13.6* Credit facility agreement"). The bank loan is granted until further notice and the only risk deriving from this is the risk of termination of the granted loan. This is only possible with a respective notice of three months in advance. In addition, in the beginning of 2020 Veganz Group AG issued the Notes (see "*12.13.5* Notes"). As of the date of the Prospectus, the drawn volume under the Notes amounted to EUR 5,730.0 thousand. The Company holds the option of early redemption of all or some of the Notes in whole or in part on February 23, 2023. As the interest rate is fixed there is no interest rate risk.

9.6.2 Currency risk

We invoice all our accounts in Euro. Even though, we have a supplier in Switzerland or other countries with foreign currencies other than Euro, there is no currency risk due to the contractual agreed invoicing in Euro. Therefore we also do not face any risks due to exchange rate or currency fluctuations.

9.6.3 Liquidity risk

Liquidity risk is the risk that a company will not be able to meet its financial obligations and finance is daily operations. Liquidity risk is closely monitored by the management of the Company on a weekly basis via a so called cash desk. Due to tight liquidity situations in the past, the Company implemented a minimum working liquidity that is to be met every week in order to react as quickly as possible on liquidity shortfalls. Our current working capital financing through factoring, active working capital management and the current bank loan enables us to remain steadiness in liquidity and flatten volatile liquidity situations.

9.6.4 Interest rate risk

The interest rate of the loan agreement with Deutsche Bank is contractually agreed and fixed. The only variable component is the one-month EURIBOR where the interest is linked to. Compared with prior years, the one-month EURIBOR is currently significantly below the limit and we do not see high volatility and therefore no interest rate risk.

9.7. Capital management

When managing our capital, we aim to:

- safeguard our ability to continue as a going concern, so that we can continue to provide returns for shareholders and benefits for other stakeholders; and
- maintain an optimal capital structure to reduce the cost of capital.

The Company controls Veganz' liquidity risks primarily by

- retaining sufficient capital reserves as well as a minimum working liquidity for active working capital management;
- continuous monitoring of expected and actual cash flows; and
- maintaining a balanced portfolio of financial assets and liabilities with regard to maturities.

The following table shows our total equity and equity ratio as of the dates presented:

	As of December 31,			As of June 30,
	2018	2019	2020	2021
	(audited)			(unaudited)
	(in EUR thousand)			
Total equity	0.0	193.3	0.0	0.0
Total equity and liabilities	10,573.5	15,362.3	20,053.9	23,733.9
Equity ratio (in%)	**0.0**	**0.9%**	**0.0**	**0.0**

9.8. Significant accounting policies

The preparations of the financial statements in accordance with HGB require our management to make judgements, estimates and assumptions that affect the reported amounts of sales, income, expenses, assets and liabilities, and the accompanying 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 amounts of assets or liabilities affected in future periods.

For information on the significant accounting policies, please see the notes to "*Disclosures with respect to accounting policies and valuation principles*" included in pages F-22 et seq. of the Prospectus.

10. PROFIT FORECAST

10.1. Important disclaimer

Our forecast of the (i) EBITDA of the Company and (ii) after tax results of the Company for the financial year ending December 31, 2021 discussed in this section ("**Profit Forecast**") is not a statement of facts and should not be regarded as such by investors. Rather, it reflects the forward-looking expectations of the Company which are necessarily based on several assumptions and estimates about future events and actions, including managementˈs assessment of opportunities and risks. Such assumptions estimates are inherently subject to significant business, operational, economic, and competitive uncertainties and contingencies, many of which are beyond the Companyˈs control. Should one or more of the assumptions prove to be inappropriate or incorrect, the Companyˈs actual results could materially deviate from the Profit Forecast. Accordingly, prospective investors should treat this information with caution and should not place undue reliance on the Profit Forecast.

10.2. Profit Forecast

In the financial year ended December 31, 2020, we expected a negative EBITDA of approximately EUR 2,200 thousand and negative after tax results of approximately EUR 4,000 thousand in the financial year ended December 31, 2021. In the meantime, we have had to change this assessment. Based on developments in the six-month period ended June 30,2021, in particular because of one-time effects (financing costs) with regard to the private placement and costs of the Listing, the Company currently expects a negative EBITDA for the financial year ending December 31, 2021 in the amount of negative EUR 5,500 thousand. Furthermore, the Company expects negative after tax results for the financial year ending December 31, 2021 in the amount of negative EUR 8,000 thousand. Adjusted by the one-time effects and the costs incurred by the Listing, the Company expects that it would have been able to reach the initial forecast of a negative EBITDA of approximately EUR 2,200 thousand.

10.3. Definition of EBITDA

We use EBITDA as a key performance indicator and Alternative Performance Measure to manage our business and we believe EBITDA is a useful metric for evaluating the Companyˈs performance. EBITDA is the abbreviation for "earnings before interest, taxes, depreciation and amortization". In order to calculate EBITDA, firstly, the sales and other operating income are summed up. Subsequently, the cost of materials consisting of the cost of raw materials, consumables and supplies and of purchased merchandise, the personnel expenses, consisting of wages and salaries as well as social security, pension and other benefit costs, and other operating expenses are subtracted.

10.4. Underlying principles

The Profit Forecast was prepared in accordance with the principles of the IDW in IDW Accounting Practice Statement: Preparation of Forecasts and Estimates in Accordance with the Specific Requirements of the Regulation on Prospectuses (IDW AcPS AAB 2.003) (*IDW Rechnungslegungshinweis: Erstellung von Gewinnprognosen und -schätzungen nach den besonderen Anforderungen der Prospektverordnung (IDW RH HFA 2.003)*).

Although EBITDA is not a measure provided by the HGB regarding the operating income, operating performance or liquidity, the Profit Forecast was prepared based on the HGB. With respect to the accounting policies applied, reference is made to the notes to the Audited Financial Statements 2020.

The Profit Forecast has been prepared solely for the inclusion in this Prospectus and represents our best estimate as of June 30, 2021. In preparing the Profit Forecast, we have considered a number of factors for the Profit Forecast to be taken into account regarding the operational and financial performance of the Company. The expected development of these factors is based on assumptions made by the Management Board, which are set forth below.

10.5. Factors beyond our control and related assumptions

The Profit Forecast is subject to factors beyond our control. These factors and our assumptions taken about their impact are described below:

10.5.1 Factor 1: Unforeseen events such as force majeure

We assume that no material unforeseen events will occur that could result in material or lasting constraints for the ongoing operations of the Company, such as force majeure (e.g., fire, floods, hurricanes, storms, earthquakes, war and acts of terror or a further pandemic; for the assumptions relating to the COVID-19 pandemic please refer to the following section).

10.5.2 Factor 2: COVID-19

We are directly and, through our customers and supply chain, indirectly exposed to global and local impacts of the COVID-19 pandemic on our markets as well as by regulatory measures aimed at limiting their impact, including restrictions on travel, imposition of quarantines, prolonged closures of workplaces as well as short-time work and similar measures, curfews or other social distancing measures as well as logistical challenges. We included the volatility for our markets resulting from the pandemic in our planning, in particular with respect to shifted consumer shopping behaviors (one-stop-shopping) as well as with respect to negative effects seen across customer, supply chain delays and project timing delays during the financial year ended December 31, 2020.

We assume for the financial year ending December 31, 2021 a recovering global economic situation compared to the financial year ended December 31, 2020. We expect that the current COVID-19 pandemic environment will have a limited impact on our performance. In particular, we are assuming stabilized and functioning supply chains and successful strategies for working effectively and efficiently under the conditions of the COVID-19 pandemic. We expect that the impact of the COVID-19 pandemic will recede during the course of the year 2021 due to the roll-out of vaccination programs. However, we assume that our EBITDA for the financial year ending December 31, 2021 will still be negatively impacted by the current COVID-19 pandemic conditions.

10.5.3 Factor 3: Global economic and political development

As of the date of the Prospectus, our business operations cover the DACH Region as our core market and additional 24 countries globally. Changes in economic growth rates in individual countries might influence the size of our markets, and, as a result, our business volume and profitability levels. Driven by global climate change we assume that market trends will lead to continuously growing demand for purely plant-based food products in 2021, with a positive contribution to EBITDA in the financial year ending December 31, 2021 compared to the financial year ended December 31, 2020.

10.5.4 Factor 4: Legal and regulatory framework

Producers of purely plant-based food are subject to strict regulations in Germany and around the world. In addition, they face customer claims and litigations arising from missing food safety. The Company is also exposed to legal risks regarding its intellectual property.

For the purpose of the Profit Forecast, we assume that there will be no additional changes in the legal or regulatory environment in our core markets Germany, Austria and Switzerland. We do not assume material penalties from any litigation and regulatory proceedings or related claims.

10.5.5 Factor 5: Competition and pricing

The market in which we operate is characterized by strong competition. Price pressure by customers from the retail section are major factors to our business. Price competition is compounded by other companies in having cost advantages in production or a stronger sales force and higher marketing budgets. For certain product categories, we expect higher price pressure, in particular in our snack category. This might affect our sales and rotation in this category with a slightly negative impact on EBITDA in the financial year ending December 31, 2021.

10.5.6 Factor 6: Commodity prices

We purchase cashew kernels and nuts as well as macadamia nuts for our production of our cheese-alternative "Cashewbert". The operating profitability is therefore affected by the development of the prices of both commodities. For the purpose of the Profit Forecast, we assume that commodity prices on average will stay on the same level as compared to the financial year ended December 31, 2020. Except for temporary shortages due to the COVID-19 pandemic, we assume no severe shortages in our supply chain for the financial year ending December 31, 2021.

10.6. Factors that can be influenced by us and related assumptions

In addition to the factors that are beyond our control, the following factors that can be influenced by the Company may also affect the Profit Forecast:

10.6.1 Factor 1: Sales

Demand for our products generated by new customers is a key driver affecting our sales. We currently intend to increase the penetration in our core market by enlarging the number of POS in particular in Germany with the market leaders in retail REWE and EDEKA and expanding within the respective POS with placing more products from our broad product portfolio. In addition, we seek to increase the rotation of our purely plant-based products in order to increase our orders. We highly benefit from cross-selling potential due to our broad product portfolio across a number of different categories in the food section.

We expect that the Company's sales will grow in a similar range in financial year ending December 31, 2021 compared to the financial year ended December 31, 2020 driven by a continuous demand for plant-based products. The Company's sales for the financial year ending December 31, 2021 are expected to amount to around EUR 32,000 thousand. The sales of the sales channel "Stores" are generated by Veganz Retail GmbH & Co. KG, a wholly-owned subsidiary of the Company operating our Stores. In the financial year ending December 31, 2021, Veganz Retail GmbH & Co. KG expects sales in the amount of around EUR 3,000 thousand.

10.6.2 Factor 2: Cost of materials

Cost of materials represents a major share of our cost base. Our ability to manage it effectively, therefore, is an important factor determining our results of operations. For the financial year ending December 31, 2021 we assume an increase of total costs of materials compared to the financial year ended December 31, 2020 as a result of growth in sales. However, as the percentage of revenue cost of materials are expected to decline in the financial year ending December 31, 2021 driven by increased efficiencies in our supply chain, resulting from a reduction of costs of our packaging on the one hand and the negotiation of better purchasing prices with our external suppliers on the other hand.

10.6.3 Factor 3: Marketing expenses

Overall, our marketing mix model is anticipated to remain unchanged in the financial year ending December 31, 2021. However, we shift our focus on new target groups in sports and e-gaming and closed a partnership in August 2021 with the major German football club RB Leipzig. Therefore, marketing expenses are expected to increase as a percentage of sales in the financial year ending December 31, 2021 compared to the financial year ended December 31, 2020.

10.6.4 Factor 4: General and administrative costs

We expect EUR 3,193.2thousand of the expenses in connection with the Offering in October 2021. As the significant absolute increase in general and administrative expenses is mainly driven by the above mentioned costs in relation to the Offering, general and administrative costs (excluding depreciation and amortization and specific non-recurring items) are expected to decrease as a percentage of sales in the financial year ending December 31, 2021 as compared to the financial year ended December 31, 2020.

10.7. Other explanatory notes

The Profit Forecast and estimate has been compiled and prepared on a basis which is both:

- comparable with the historical financial information of the Company and
- consistent with the Company's accounting principles.

The Profit Forecast excludes effects from some extraordinary events like specific non-recurring items within the meaning of IDW Accounting Practice Statement (IDW RH HFA 2.003), as stated above. As this Profit Forecast relates to a period that has not yet ended and is based on certain assumptions regarding uncertain future events and actions, it inherently entails substantial uncertainties. As a result of such uncertainties, the actual EBITDA generated by Company for the current financial year ending December 31, 2021 may deviate materially from the Profit Forecast.

This Profit Forecast was prepared on October 22, 2021 and is still valid as of the date of the Prospectus.

11. MARKETS AND COMPETITION

Unless otherwise indicated, market data, forecasts and statements about our position in our markets, and about market and industry developments and trends, including growth rates, are based on our assessments and estimates, using underlying data from third parties. See "2.6 Sources of market data" for an overview of the sources we used. The forward-looking statements in this section are subject to risks and uncertainties, as they relate to future events, and are based on estimates and assessments that may be inaccurate. See "1 RISK FACTORS" and "2.5 Forward-looking statements".

11.1. Markets

We operate in the European food markets for purely plant-based food products. The majority of our sales is generated in the DACH Region constituting our core market. In the six-month period ended June 30, 2021, 92.1% of our sales (*unaudited*) were generated in the DACH Region, while 6.9% (*unaudited*) were generated in the rest of Europe including Russia and 1.0% in Asia where we have a far lower market coverage.

We believe we are Europe's largest brand for purely plant-based food and sole multi-category manufacturer and provider covering the most relevant food categories (*Company estimate*) consisting of breakfast ingredients, cheese alternatives, meat, fish and cold cut alternatives, protein products, ready meals, sweets and snacks. Our customers and distribution partners are in particular well-known selling retail and drugstore chains in the DACH Region, inter alia REWE, dm, SPAR, Rossmann and Coop.

Additionally, we operate in the German food market with three own Stores in Berlin, Germany, where we sell our own offering of purely plant-based products as well as numerous other products from other market participants. We therefore believe that we are represented in one of the most evolved local markets for purely-plant based products in Europe. Increasingly, we are also penetrating further European countries besides the DACH Region and aim to offer our products through retailers in these countries as well.

Thus, our market position is influenced by the macroeconomic framework conditions in the EU and especially in the DACH Region (see *"11.1.1 Macro-economic framework conditions*"), the economic development of the food market (see "*11.1.2 The food market*") the economic performance of the Retailers (see "*11.1.3 Retailers*") as well as the market for purely plant-based products (see "*11.1.4 The market for purely plant-based products*").

11.1.1 Macro-economic framework conditions

In the first quarter of the year 2021, the seasonally adjusted gross domestic product ("**GDP**") decreased by 0.3% in the Euro area and by 0.1% in the EU compared with the previous quarter, according to an estimate published by the statistical office of the European Union ("**Eurostat**"). These declines follow falls in the fourth quarter of 2020 (-0.6% in the euro area and -0.4% in the EU) after a strong rebound in the third quarter of 2020 (+12.6% in the Euro area and +11.7% in the EU). Before, the sharpest decreases since the time series started in 1995 were observed in the second quarter of 2020 (-11.5% in the Euro area and -11.1% in the EU) (*Source: Eurostat Press Release*). Overall, the GDP is now forecasted to grow by 4.8% in 2021 and 4.5% in 2022 in both the EU and the Euro area as the economic crises caused by the COVID-19 pandemic is deemed to be surmounted. In Germany, the GDP fell by 4.8% in 2020. A recovery of 3.6% and 4.6% is forecasted for 2021 and 2022 respectively. In Austria, the GDP fell by 6.3% in 2020. A recovery of 3.8% and 4.5% is forecasted for 2021 and 2022 respectively (*Source: EU Commission Forecast*). In Switzerland, the GDP fell by 2.9% in 2020 (*Source: Reuter Market Report*). A recovery of 3.8% and 3.5% is forecasted for 2021 and 2022 respectively (*Source: SECO Economic Forecasts*).

11.1.2 The food market

11.1.2.1 Globally

In 2016, the global food market had a size of EUR 7.5 trillion (*Source: Euromonitor International*). The world food market is expected to steadily grow at rates of close to 1% due to population growth and to income growth in emerging economies (*Source: EU Analysis of Global Food*). Although the overall consumption of high-value products like dairy products and meat increased, meat consumption in Asian countries and Africa declined, while it remained stable in Europe and South America and increased in North America in particular (*Source: EU Analysis of Global Food*). At a global scale, a rise in income and lifestyle standards constantly enables a change in diets from meals based on cereals to diversified protein-rich food (*Source: AGROFOR Vol. 1, Issue No. 2, 2016*).

The increasing global demand for more resource-intensive, high-quality products, compared to stagnating demand for staple foods, is also changing the requirements for the global food market in terms of food marketing and advertising in order to participate in the global nutritional change, whereas dietary habits in developing countries can be assumed to be more influenced by advertising (*Source: KATALYSE Institut*).

The global food market is dominated by the world's richest countries, which import few standard consumer goods in an attempt to increase the value of their exports which can be seen in a strategy focused on the support for domestic production. The increasing globalization of the food system often leads to an increase in the complexity of supply chains, with hygiene and food safety requirements rising in particular (*Source: Rentokil Global Trends*). Due to policies and low income in the global agricultural sector, sustainable growth of the world's food market is often inhibited (*Source: AGROFOR Vol. 1, Issue No. 2, 2016*).

11.1.2.2 DACH Region

Consumers in the DACH Region attach particular importance to regional origin when eating fruit, vegetables, fish and meat, with the origin being perceived as more significant than the fact that the food is organic. More than 70% of households purchase regional food several times a month. In their choice for food products they value the origin of the respective product over the than the price. For non-regional or organic products, on the other hand, the acceptance of higher prices is significantly lower. The motives for consumers to buy regional food vary and range from demanding freshness, quality and interest in sustainability to support for the local economy. Consumers in the DACH Region buy food mainly from supermarkets, discounters and in some cases in smaller supermarkets. Thus, food retailer have to face high standards in this market, but especially in Austria and Germany. Hence, in aggregate only 26% of consumers are satisfied with a standard range of products on offer (*Source: Kearny - Food Trends*).

Consisting of nearly 83 million of the world's wealthiest consumers, the German food market is the biggest food market in the European Union. Approximately about EUR 195 billion where gained in grocery retailing in 2017. Nearly 5.4 million people are working in the German food sector (*Source: Food Federation Germany*). This number of employees in the German food market industry makes the food sector the third largest sector in Germany and is therefore an essential part of the German economy (*Source: BVE Market Info*). The characteristics of the food retail sector are mainly consolidation, market saturation and intense competition (*Source: USDA Gain Report Retail Foods Germany*). Due to the strong competition between discounters and grocery retailers, Germany has low food prices compared to other European countries, while many wealthy consumers also buy high-priced quality products (*Source: USDA Gain Report Retail Foods Germany*). Domestic players shape the German food market with only five grocers dominating 70% of the retail market (*Source: USDA Gain Report Retail Foods Germany*). Trends like smaller grocery formats and online food sales are not generally adopted. Whereas, organic products are quite popular and contribute to the fact that Germany is the largest market for organic foods in Europe and the second largest organic market in the world behind the US (*Source: USDA Gain Report Retail Foods Germany*).

The Swiss food market is characterized as one of the world's largest per capita food importers with consumers demanding high quality products mainly imported from Germany, France and Italy (*Source: Open to Export Swiss Market*). In Austria, the food market branch is the largest in the country's retail sector with prognosticated sales of EUR 38.5 billion by 2023 (*Source: Austria Food market Forecast 2023*).

The COVID-19 pandemic has changed the shopping behavior of nearly one in two consumers in the DACH Region, with groceries making up the largest share of goods purchased online for the first time (*Source: KPMG Online Shopping*). In total the Food retail sales in the DACH Region amounted to EUR 210 billion in 2013 (*Source: Kearny - Food Trends*).

11.1.3 Retailers

In 2020, the COVID-19 pandemic caused a boost for the food retail sector. It profited in particular at the beginning of the pandemic (*Source: ifo Food Retail 2020*). Food retailing in Germany generated sales of EUR 139.4 billion and increased once again compared to the previous year's sales of EUR 125.3 billion (*Source: Statista – Food Market 1998 – 2020*). In the DACH Region, sales in the amount of EUR 163 billion were achieved for this period (*Source: Across – Food Market in the Corona-Year 2020*).

Between February and May 2020, real sales growth in Germany averaged 11.0%. Overall, food retailing recorded a real increase in sales of 5.3% up to September (2019: 1.4%) (*Source: ifo Branch Development 2021*). According to their own published figures, the leading retail chains in Germany EDEKA Group and REWE generated sales in the amount of EUR 61 billion and EUR 46.6 billion in 2020, respectively, in Germany while the Schwarz Group achieved EUR 41.25 billion for the financial year 2019/2020, which deviates from the calendar year. These three Retailers mentioned are our key distribution partners in Germany. In comparison, Germany's leading drugstore chains achieved the following sales in 2020: The drugstore retailers dm generated sales of EUR 8.54 billion, Rossmann EUR 7.33 billion and Müller EUR 4.01 billion. These three drugstore retailers are also main customer of ours.

The food retail sector had also developed positively in 2019. According to Nielsen Trade Dimensions ("**Nielsen**"), total industry sales increased by almost 2% to EUR 252.7 billion in 2019, while food-only sales for 2019 rose by 2.1% from EUR 205.7 billion in 2018 to EUR 210 billion in 2019. The EDEKA Group led the way with sales of around EUR 61.9 billion, followed by REWE with EUR 44.7 billion. The third-largest food retailer was the Schwarz Group, with sales up 3.6% to EUR 41.25 billion for the business year 2018/19. The three largest drugstore retailers dm, Rossmann and Müller managed also to grow in 2019. Hence, dm gained 3.2% in sales, exactly as in the previous year 2018. Rossmann achieved a 5.1% (2018: 4.1%). Müller also recorded growth by 1.7% (2018: 0.7%).

11.1.4 The market for purely plant-based products

In 2020, the global vegan food market reached a value of about USD 15.4 billion and is further expected to grow at a CAGR of 9% in the forecast period of 2021-2026 to reach a value of approximately USD 26.1 billion by 2026 (*Source: Expert Market Research 2020*).

In the European market, in which we operate, the demand for plant-based products is constantly increasing: In the period of the moving annual total ("**MAT**") per calendar week ("**CW**") 40 in 2020, purely plant-based products generated sales in the EU in the amount of EUR 3.6 billion, representing a growth of 49% as compared to the prior-year period (*Source: EU Smart Protein Project*).

Accordingly, the market for a purely plant-based nutrition in the DACH Region as the most important market in which we operate, is also growing. In Germany, in MAT CW39 2020, plant-based products generated sales of EUR 817 million (*Source: Lebensmittelzeitung - August 19, 2021*). By the end of 2021, it is expected that worldwide sales of vegetarian and vegan foods grow up to EUR 13.30 billion (*Source: Vegan Food Global Market Report 2021*). In Europe, sales in the amount of EUR 3.6 billion were achieved in 2020. In Austria, total sales of purely plant-based products in MAT CW40 2020 amounted to EUR 82 million (*Source: EU Smart Protein Project*). In Switzerland, it was EUR 110 million in 2020 (*Source: Swiss Info*).

The global meat substitutes market was already in 2018 estimated to reach USD 4.63 billion and might increase to USD 6.3 billion by 2023 (at a CAGR of 6,8%) (*Source: Meat Substitutes Forecast 2023*). Certain studies suggest even faster growth for plant-based meat alternatives, averaging 9% p.a. through 2040 (*Source: Kearney - Disruption of the Food Industry*). The total market for purely plant-based food is expected to increase to around EUR 22 billion (*Source: Acumen - Vegan Food Market*).The growing demand for purely plant-based products triggers also the development and launch of new products of this kind. According to a study by market research firm Mintel, the number of launches for purely-plant based products more than tripled between July 2013 and June 2018, with a 240% increase. In 2018, 13% of all new product launches of food products in Germany were labeled vegan (*Source: Mintel Launches in Germany*). The most important market for purely plant-based products in a global country comparison was Germany. Around 15% of new purely plant-based food products launched worldwide premiered on the German market in 2018 (UK: 14%; U.S.: 12%) (*Source: Statista - Launches 2017, 2018*).

In light of the global effort to mitigate the effects of climate change and overpopulation, we believe the market for purely plant-based food products has considerable growth potential. The current use of food land and compared to the reference year 2010 could be reduced by 3.1 (2.8 to 3.3) billion hectares, i.e. could show a 76% reduction, including a 19% reduction in cropland area while greenhouse gas emissions from food could be reduced by 6.6 (5.5 to 7.4) billion metric tons of CO_2 (a 49% reduction) and acidification by 50% (45% to 54%) and scarcity-weighted freshwater withdrawals by 19% ((5)% to 32%) each relative to 2010 (*Source: Science Vol 360, Issue 6392*). It is estimated, that an area of two football fields of land is needed to feed one person with a standard American diet, whereas the same area can feed fourteen people on a plant-based diet (*Source: The Plantrician Project*). Purely plant-based diets are particularly important for sustainability, as the food sector currently produces even more CO_2 emissions (30%) than for instance the traffic sector (18%) and the living sector (24%), while the other sectors trigger an aggregate of 28% of the global CO_2 emissions (*Source: Science Vol 360, Issue 6392*).

According to calculations by the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (*Bundesministerium für Umwelt, Naturschutz und nukleare Sicherheit*), a purely plant-based diet has a particularly positive effect on the climate and water balance and hence the ecological balance as a whole. After all, a purely plant-based diet results in a CO_2 consumption of 940 kilograms (incl. equivalents). In contrast, a vegetarian diet results in a value of 1,160 kilograms and a consumption of meat accounts for 1,760 kilograms (in each case incl. equivalents) (*Source: Federal Environment Agency, CO_2 Calculator*). The water consumption of vegans is given as approximately 710 cubic meters per year, while a vegetarian diet consumes approximately 1,060 cubic meters of water annually and a diet including meat contributes to a water consumption of 1,580 cubic meters (*Source: Vanham, The water footprint*). Ingredients for purely plant-based products such as wheat and rye, corn, soymilk, peas and nuts cause only 0 to 1 kilogram of greenhouse gas per kilogram food product, whereas beef produces 60 kilogram, lamb and mutton 24 kilogram, conventional cheese 21 kilogram, pig meat 7 kilogram, poultry meat 6 kilogram, farmed fish 5 kilogram, eggs 5 kilogram and milk 3 kilogram of greenhouse gas emission per kilogram of food product (*Source: Science Vol 360, Issue 6392*). Meat and dairy products already contributed on average 24% to the environmental impact of total final consumption in the EU in 2008 (*Source: Weidemann - OPOCE 2008*). As the conventional production of animal protein consumes significant resources, a shift towards plant-based nutrition is the only solution to sustainably feed the world.

11.2. Key trends

The market for purely plant-based products is currently impacted by a number of key trends, which together influence the performance of individual market participants, both online and offline, in particular:

- **Rising consciousness of food sustainability.** With the climate crisis becoming more tangible, many consumers want to contribute to a more sustainable future. According to a survey conducted in Germany in 2019, 71% of the participants attach importance to sustainability in their diet and food purchases (*Source: DGQ Survey*). Worldwide, 66% of consumers choose products based on their environmental friendliness (*Source: Capgemini Research 2020*) and 54% of consumers are making more sustainable purchasing choices (*Source: Accenture Consumer Research 2020*). This goes in line with the trend to flexitarinism. Flexitarians, or likewise called flexible vegetarians, are consumers who generally eat meat, but not on a regular basis, because they place special emphasis on animal welfare, environmental awareness, the quality of their diet and health aspects (*Source: DGE Fachinformationen*). The importance of this trend is shown by a study conducted by the German Federal Ministry of Food and Agriculture (*Bundesministerium für Ernährung und Landwirtschaft*), according to which 55% of respondents describe themselves as flexitarians (*Source: BMEL Forsa-Survey*). We estimate that the influence of (social) media further increase consumers' awareness that their food choices and consumption decisions play a key role in achieving sustainable development. As a result, we believe that consumers will continue to purchase more environmentally friendly food products in the future. Our plant-based products have – in our view – many advantages over products with animal ingredients in terms of CO_2 emissions, water consumption and protection of the environment. In our view, the area of plant-based meat and cheese alternatives is currently characterized by many innovations and product developments. Already in 2019, sales of plant-based cheese amounted to EUR 0.3 billion, whereas conventional cheese generated sales of EUR 8.1 billion in Germany (*Source: Statista – SB-Käse*). The share of camembert (cheese) in this respect amounted to EUR 1.2 billion while the share of purely plant-based alternatives regarding this kind of cheese amounted to an estimated 5% and thus EUR 60 million (*Company estimate*). But, we also expect rapid development in other areas, especially in plant-based protein sources.

- **Rising consciousness for animal welfare.** Conventional nutrition presupposes the extraction and use of animal products on an industrial scale. Increasingly, parts of the consumers view this treatment of animals critically and attribute high value to animal welfare (*Source: KPMG 2025*). A purely plant-based diet represents an alternative to such utilization of animals. In a survey in Germany with regard to the reasons for the decision in favor of alternative vegan and vegetarian products, 59% of the respondents cited animal welfare as the decisive factor (*Source: Forsa Survey Nutrition Report*). It is important to consider, that the expected revenue for meat substitution by alternative proteins is estimated to increase by a CAGR of 14% between 2020 and 2035. It is assumed that by 2035 plant-based proteins as well as proteins based on microorganisms gain a large market share of 69% in terms of plant-based and 22% in terms of microorganism-based proteins (*Source: BCG – The Protein Transformation*). In comparison, the CAGR for conventional meat is expected to decrease by 2.7% till 2040 (*Source: Kearney - Disruption of the Food Industry*). This global trend is also evident in the U.S., where the plant-based meat market is worth USD 1.4 billion (*Source: Good Food Institute*). This trend is not only evident in meat substitutes. Plant-based cheese is also one of the fastest growing categories of alternatives to animal products. In Germany, average monthly sales of plant-based cheese grew by 44% from EUR 17 million in 2018 to EUR 25 million in 2019, and increased by further 74% up to EUR 44 million in 2020 (*Source: EU Smart Protein project*). The continuation of this trend can also be seen in the average sales per month of plant-based milk in Germany in 2020 which amounted to EUR 396 million (*Source: EU Smart Protein project*). In addition, milk alternatives and other dairy product alternatives are expected to continue to account for the largest share of the alternative protein products market through 2035 (*Source: BCG – The Protein Transformation*).

- **Aging of younger generations.** We also believe that favorable demographic developments will further accelerate the growth of the food market for purely plant-based food products. The number of vegetarians and vegans is particularly high in the younger generation and amounts to approximately 8% in Germany, France, Italy and Poland (*Source: EU Agricultural Outlook*). This Trend can also be observed regarding the 2018 figures for the U.S. While only 2% of seniors decide for an exclusively purely plant-based diet, among baby boomers and Generation X already 21% consume exclusively plant-based food, and 38% of millennials show interest in an exclusive purely plant-based diet. The interest for plant-based products is also noticeable regarding consumers identifying as vegetarians, of whom 50% are millennials, 31% belong to the so called Generation X, 18% belong to the baby boomers and 14% are seniors. Furthermore, 63% of millennials, 40% of Generation X, 24% of baby boomers and 22% of seniors are interested identify themselves as flexitarians and therefore consume purely plant based products on a regular basis while not completely forsaking the consumption of meat (*Source: Statista - Alternative Diets U.S.*). The desire for a climate and environmentally friendly, sustainable diet is clearly being pushed by the younger generation in particular. Most members of these generations are at the beginning of their careers or have not even entered the job market and will therefore be an important economic factor for decades to come.

- **Rising awareness for health-conscious nutrition.** The food market, and thus also the market for purely plant-based food, is subject to constant change, and the consumption behavior of customers is also changing continuously. One factor influencing our business is the ongoing trend towards health-conscious nutrition or the quest for more sustainable production conditions across the entire value chain, which has led to increased demand for "clean label" products such as plant based proteins like tofu and seitan. (*Source: Megatrend - Neo-ecology*). These trends encompass in particular health-conscious nutrition or sustainable production of (purely plant-based) food consequently also influence the products developed and distributed by us as well as the purchasing and development processes of these products. Health-promoting recipes with less sugar and fat also play a major role here. Due to the ever increasing transparency, manufacturers are challenged to develop products that address these healthier lifestyles and trends. In the U.S. in particular, food manufacturers are pushing into the market for plant-based food, making grocery sales of such products grow from USD 5.5 billion by 27% up to USD 7 billion in 2020 (*Source: Good Food Institute*).

- **Increased demand for raw materials**. Another factor affecting us may be the increased preference for vegetarian and purely plant-based foods. Due to vegetarian and vegan diet trends, retailers are increasing the availability of meat-free foods in the market. This scenario will lead to increased demand for meat substitutes. Factors such as global climatic conditions affecting the production of raw materials such as soybean and wheat are acting as major restraints for the meat substitutes market. The rising prices of raw materials are a major concern for meat substitute manufacturers, which consequently acts as a restraint for the meat substitute market.

- **Market concentration among our main customers.** In the Federal Republic of Germany, we sell our products through drugstores such as Rossmann, dm and Müller, discounters such as LIDL and ALDI, as well as through well-known food retailers such as EDEKA, REWE and the Schwarz Group. Internationally, we sell our products through food retailers such as Aspiag (Austria), SPAR (Italy, Hungary, Slovenia, Croatia, Greece, Cyprus), Kaufland International a brand of the Schwarz Group (Czech Republic, Slovakia, Romania, Bulgaria, Croatia, Poland), Coop (Switzerland, Denmark) and Sonae/Continente (Portugal/Poland). The customers of us, who are competing with each other, are therefore of significant importance for our business development. In the financial year 2020, the five largest customers in drugstore and food retailing (so-called retailer business) accounted for around 56% of our sales. It cannot be ruled out that this competition among food retailers will lead to a change in the market structure, for example a further concentration in the area of retailers (*Source: Verdi - Concentration in the Retail Sector*). The consequence of such a change in the market structure, in particular consolidation or concentration, could be an increase in price pressure in the food retail sector and thus also on producers and suppliers and the loss of customers.

Taking the above into account, we believe we have multi-dimensional potential to grow. This will be achieved by geographic expansion leveraging our existing offers and by extending our portfolio of products and categories.

11.3. Competition

The market for purely plant-based products in the DACH Region as our core market and the market for purely plant-based products in Europe is highly competitive, fragmented, rapidly changing and evolving. We face competition from a wide range of businesses and product offerings. However, we believe that there is no competitor with a comparable offering:

We believe we are Europeˈs largest brand for purely plant-based food and only multi-category supplier of purely plant-based products. By offering around 120 products we cover the most relevant food categories consisting of snacks, sweets, breakfast ingredients, protein products, ready meals, meat, fish and cold cut alternatives as well as cheese alternatives and thereby provide a multi-category assortment of healthy and sustainable purely plant-based alternatives to the conscious consumer (*Company estimate*). This product range is able to satisfy the consumers' needs from breakfast to dinner(*Company estimate*). In contrast, none of our competitors has a comparable broad range offering as we do (*Company estimate*).

In order to prevail over our competitors in the long term, we must permanently strengthen consumer perception of our brand to the degree that our products represent as an indispensable part of an offer of purely plant-based food products at a Retailer. Additionally, we believe that the following factors regarding our product offering are deciding whether we may compete successfully:

- taste;
- nutritional profile;
- ingredients;
- texture;
- ease of integration into the diet of the consumers;
- low-carbohydrate, low-sugar, high fiber and protein;
- convenience;
- cost;
- brand awareness and loyalty among consumers;
- media spending;
- product variety and packaging;
- access to major retailer shelf space and retail locations; and
- intellectual property protection on our products.

We believe we compete effectively with respect to each of these factors. However, many companies in our industry have substantially greater financial resources, more comprehensive product lines, broader market presence, stronger vertical integration, longer standing relationships with distributors and suppliers, longer operating histories, greater production and distribution capabilities, superior product know-how in certain arears, stronger brand recognition and greater marketing resources than we have. We face competition from a number of parties in the food market for purely plant-based food products. These competitors include:

- Other brands for purely plant-based food such as Biovegan, Lizza, Roobar, Tofutown, Vivera, Alsan, Vegan Leben, EDEKA Bio+ Vegan, Simply-V, Veggyness, Greenforce, Tukan Vegan, K-take it veggie (by Kaufland), Wheaty und Vantastic Foods;
- Other purely plant-based product lines of other brands such as Seeberger, Katjes, Rügenwalder Mühle, Kölln, Meica, Wiesenhof and Reinert;
- Other developers and distributors of organic purely plant-based foods such as Rapunzel, Allos, Bauckhof, Bio-Zentrale, Bio

Inside, Alnatura, Davert, Verival, Followfood, dm Bio, Gut Bio (from ALDI Nord), BioBio (from Netto), EDEKA Bio and EnerBio (from Rossmann);

- Other producers of healthy food, such as Vitareform (from ALDI Nord), Mein Veggie Tag (from ALDI Nord), Viva Vital (from Netto) and Vemondo (from LIDL); and
- Single product brands such as Bedda, Simply V, Garden Gourmet, The Vegetarian Butcher.

12. BUSINESS

12.1. Our mission and vision

We motivate people around the world to try a plant-based diet and treat our environment responsibly. We believe that our products contribute to create a sustainable future for all life on our planet. As a multi-category supplier of plant-based products, we offer consumers a diverse range of tasty, plant-based products and innovations and aim to be transparent in our actions and to behave respectfully towards all living beings and nature.

12.2. Overview of our business

We are a Berlin-based purely plant-based/vegan food company developing, producing, marketing and distributing our products under our own brand "Veganz". Our offering is characterized by a complete absence of all animal ingredients as well as products for the production of which animal ingredients are used. We believe we are Europe's sole multi-category provider of purely plant-based food products (*Company estimate*).

The branded goods business in retail distribution is our core and main sales channel. As of the date of the Prospectus, our products are offered in the DACH Region and in other 24 countries globally. In the DACH Region as our core market, we currently sell our purely plant-based food products through well-known food Retailers such as EDEKA, REWE, Coop, Aspiag or Kaufland as well as drugstore chains such as Budnikowsky, Rossmann, dm and Müller, and discounters such as LIDL, ALDI, Penny and Netto. Internationally, our purely plant-based food products are distributed through food Retailers such as SPAR (Italy, Hungary, Slovenia, Croatia, Greece, Cyprus), Kaufland International (Czech Republic, Slovakia, Romania, Bulgaria, Croatia, Poland), Coop (Denmark) and Sonae/Continente (Portugal). We also offer our products as well as other purely plant-based products from other suppliers through our own three own Stores in Berlin, Germany. As of June 30, 2021, we were represented with our product portfolio at 22,264 POS globally, where at least one of our purely plant-based products is sold to a consumer also including, for example, temporary individual promotional activities inter alia at certain discounters like LIDL. This marks the preliminary culmination of a steady increase in POS in recent years from 9,999 POS as of December 31, 2018, by 76.4%, to 17,638 POS as of December 31, 2019 and, by 13.8%, to 20,073 POS as of December 31, 2020 globally. In the DACH Region, the number of POS has increased concurrently from 9,299 POS as of December 31, 2018, by 75.2%, to 16,289 POS as of December 31, 2019, and, by 15.4%, to 18,797 POS as of December 31, 2020. Our second sales channel "Stores" comprises sales through our three own Stores in Berlin, Germany. To reach consumers online, our products are offered via online-sales platforms such as amazon.com, rohlik.cz, snacky.ch and vekoop.de as well as quick online commerce providers such as Gorillas, flink, Foodpanda and weezy. In addition, we also offer our products through the new sales channel "Food Service" in cooperation with our partners, such as the baked goods company Bakerman and the German football club RB Leipzig. For the further growth of this sales channel, we are already in discussions with other well-known European football clubs to examine the possibilities of future cooperation as well as in close negotiations (*Company estimate*) with Aramark, one of Germany's largest caterers. As part of such cooperation, our purely plant-based products are also to be offered under the "Veganz" label in the canteens operated by Aramark.

Our product portfolio includes around 120 products. Of the 101 active products we offered as of September 30, 2021, we manufactured 61 in Germany and 40 in other European countries, namely the Netherlands, Switzerland, Austria, the United Kingdom, Bulgaria, France, Italy and Greece. Regarding the development of our product offering we pick up on global food trends, develop concepts and products, which are then placed and sold exclusively under our "Veganz" brand. Our product range includes products for all types of storage (ambient, chilled and frozen) and for the main meals of the day. For example, we offer breakfast ingredients such as spreads or our recently launched honey alternative "Ohnig" and cheese alternatives, and for the other meals of the day we offer inter alia meat and fish alternatives as well as protein products, ready meals, sweets and snacks.

We largely outsource our production to third parties acting as co-manufacturers. We provide the recipe and packaging know-how in each case, enabling these co-manufacturers to produce the desired products. We entertain supply relationships with 38 businesses at the moment. We also adjust this portfolio based on our changing product portfolio. In the future, we are striving to increasingly manufacture our products ourselves and have already established our Production Site I, a small production site for cheese alternatives in Berlin, Germany. We intend to establish our Production Site II, a further production site at Werder (Havel), Germany, in the Federal State of Brandenburg, Germany, intended to produce purely plant-based fish (smoked salmon, shrimp, tuna) and textured protein used to make unrefrigerated meat substitutes as well as cheese alternatives. Upon completion, our Production Site II will – to our knowledge – be the largest production site for plant-based cheese alternatives in Europe.

The Management Board, led by the founder of Veganz and chairman Jan Bredack, combines entrepreneurial spirit with longstanding industry experience and a lasting commitment to the Company's mission (*Company estimate*). Our CEO developed the initial concept behind Veganz and has managed our business from its inception. He has over 20 years sales and customer service experience within the automotive sector and the plant-based food industry. Alexandra Vázquez Bea, Chief Financial Officer (CFO), has over 14 years of management experience in the field of finance and start-ups. Anja Brachmüller, Chief Operating Officer (COO), has over 15 years of experience in logistics, purchasing and processing in the food industry. Moritz Möller, Chief Marketing Officer (CMO), can look back to many years of experience in the field of marketing and has the expertise regarding the necessary strategies to enhance the visibility of the "Veganz" brand. We believe that this in terms of experience and knowledge diversely structured Management Board will be able to meet the challenges of a rapidly growing business and to identify and respond to the possible new trends that may shape the market for products for purely plant-based food, precisely because of its diverse set of skills and abilities (*Company estimate*). Our Management Board is supported by a team of experienced professionals (*Company estimate*). We believe that our stable, long standing team, which provides us with new perspectives, experience and strong functional expert knowledge and leadership expertise, forms the backbone that will help us deliver on our goal of building an offering that transforms all aspects of how purely plant-based food is purchased. Our corporate culture is central to our success and is based on core values shared by everyone at Veganz. As of the date of the Prospectus, we employed 98 employees with a 57% share of women in management positions (*unaudited; Source: reporting systems of the Company*).

In recent years, we swiftly expanded our business with sales increasing at a compound annual growth rate (CAGR) of 24.0% between 2018 and 2020. In the financial year ended December 31, 2019, the Company's sales grew significantly by 37.1% to EUR 23,872.3 thousand from EUR 17,411.8 in the financial year ended December 31, 2018. In the financial year ended December 31, 2020, the Company's sales continued to grow by 12.1% to EUR 26,765.3 thousand. In the six-month period ended June 30, 2021, the Company's sales amounted to EUR 15,555.4 thousand (*unaudited*) and were 18.7% higher (*unaudited*) compared to the six-month period ended June 30, 2020 (*Source: Unaudited unconsolidated interim financial statements of the Company as of and for the six-month period ended June 30, 2021*).

12.3. Our history and key milestones

We founded our business in 2011. In 2012, we founded Veganz GmbH to operate our business activities.

Initially, we pursued the goal of building a chain of supermarkets throughout Europe that would sell exclusively purely plant-based food. The opening of our own first supermarkets in Berlin and in several major German cities as well as one store in Austria, entailed to the build-up of our brand. These supermarkets primarily offered the purely plant-based products of well-known international manufacturers in this area. The business relationships with these manufacturers enabled us to establish a strong supplier and retail network, which is still growing today. Furthermore, we believe to have gained an important insight knowledge of the operation of the purely plant-based food market. Between 2013 and 2017, we took over the exclusive distribution for leading international vegan brand products.

In 2015, we started to manufacture and place our own "Veganz" branded products, at that time mainly ready-made sauces and cookies, in the stores of German retailers. Since 2016, our brand's product range is steadily growing as we added superfoods, meat and cheese alternatives, plant-based proteins and snack items to our product range. As of 2017, we also included "Veganz" branded purely plant-based pizzas. These contributed considerably to our sales.

In 2018, we began the internationalization of our brand and expanded our distribution by increasing our POS. We also conducted a brand relaunch in 2018 to introduce a new corporate design. Starting in 2019, we became the first to display the "Eaternity" score for the food industry on our packaging (*Source: eaternity*).

Simultaneously, due to the increasing sales of our own products via the Retailers, our store net lost its relevance and we reduced the number of our stores significantly. Today, we operate only three own Stores in Berlin, Germany. Thus, we have still a stance in a local market which generates a high turnover for purely plant-based food and are able to discern new trends and consumer habits in a very early stage (*Company estimate*).

From 2019 onwards, we have decided to pursue our business activities in the legal form of a German stock corporation (*Aktiengesellschaft* or *AG*) in order to be more accessible for investors and compatible for the capital market. In the same year, we launched our first TV campaign and conducted our first European-wide nutrition survey with 24,000 participants from 15 European countries. We also received awards for our marketing efforts in 2020 and 2021.

Since the beginning of 2020, we have expanded our financing by the issuance of the Notes, which are now valued at EUR 5,730.0 thousand. Since the end of September 2020, we operate the Production Site I to produce our own purely-plant based cheese alternatives.

In 2021, we were also able to attract an array of new investors and raise over EUR 11,268.0 thousand in new equity.

The key milestones of our history can be summarized as follows:

- **2011**: Launch of our business and opening of the first supermarket in Berlin, Germany
- **2012:** Foundation of Veganz GmbH, which was merged onto the Company in 2019
- **2013**: Start of our operations as a retailer through distribution of branded vegan products
- **2013 to 2017:** Exclusive distributor in Germany for 15 leading international brands
- **2014:** Jan Bredack is voted person of the year by the charitable foundation Peta Germany (*Source: Peta: Person of the Year*).
- **2015:** Veganz received the PETA Progress Award for Sustainable Management (*Source: Peta Awards*) as well as launch of our own Veganz branded products and their distribution by well-known grocery store chains across Europe.

- **2018:** Brand relaunch and introduction of a new corporate design for our growing product range
- **2019:** New positioning as a German stock corporation (*Aktiengesellschaft* or *AG*) and conduction of the first European-wide nutrition survey
- **2020:** Marketing for Future Award by Bündnis für Klimapositives Verhalten e.V. (*Source: Vegconomist – June 23, 2020*)
- **2021**: Awarded as Germany's most innovative food brand by Handelsblatt together with YouGov, Marketing for Future Award by Bündnis für Klimapositives Verhalten e.V. (*Source: Vegconomist – May 6, 2021*) and raise of new investments in the amount of EUR 11,268.0 thousand.

12.4. Our market opportunity

We believe, that we can be the first choice under the brands for purely plant-based food and category leader in market share in the category for purely plant-based food products among the brands for purely-plant based food (*Company estimate*). As we operate since ten years in the market for purely plant-based food, we assume that we are able to identify various trends at an early stage, which we are able to immediately incorporate into our product developments. Thus, we believe to be able to develop new products aligned to sustainability and thereby not only to follow but also to shape the new developments within the market for purely plant-based food with our products. In addition, milk alternatives and other dairy product alternatives are expected to continue to account for the largest share of the alternative protein products market through 2035 (*Source: BCG – The Protein Transformation*). We see ourselves as having a particularly strong position in the production and offering of cheese alternatives and deem this as a market that will continue to evolve. In contrast, the complete or at least partial avoidance of meat is already an established dietary habit to which of course we also respond (*Company estimate*). Therefore, our market opportunity is reflected by the expected revenue for meat substitution by alternative proteins, which is estimated to increase by a CAGR of 14% between 2020 and 2035 from 13 up to 97 million metric tons worldwide, with a particularly significant increase between 2025 and 2030 from 24 to 65 million metric tons.

The following tabular overview shows the development of the CAGR of various food categories based on alternative proteins from 2020 till 2035:

	2020 to 2025	2025 to 2030	2030 to 2035
		(CAGR)	
Cheese	40%	50%	8%
Fresh Dairy	36%	36%	8%
Milk	7%	12%	7%
Eggs	68%	79%	7%
Seafood	22%	28%	14%
Chicken	20%	26%	12%
Pork	22%	27%	8%
Beef	19%	21%	6%

For products such as cheese alternatives, a CAGR of 50% between 2025 and 2030 as well as 8% between 2030 and 2035 indicates that market saturation will occur significantly later than for to meat alternatives with a CAGR of 21% between 2025 and 2030 as well as a CAGR of 6% between 2030 and 2035 (*Source: BCG – The Protein Transformation*).

Furthermore, the consumption of plant-based proteins will significantly grow by a CAGR of nearly 12% between 2020 and 2035 from 13 to 69 million metric tons globally, with the strongest CAGR increase of 16% for the period between 2025 and 2030 meaning a growth from 23 to 49 million metric tons worldwide while the global CAGR will grow by 12% between 2020 and 2025 from 13 metric tons to 23 metric tons. From 2030 till 2035 the CAGR will increase by 7% from 49 metric tons to 69 metric tons (*Source: BCG – The Protein Transformation*).

Additionally, the COVID-19 pandemic has also significantly increased online food commerce (*Source: KPMG Online Shopping*). This development did not catch us unprepared, as our goods are also offered and sold via online trading platforms. Consumers can order our products via online quick online commerce providers such as Gorillas, flink, Foodpanda and weezy. We have prominently linked our brand to this issue as part of our TV campaign "Eating for the climate" ("*Iss mal was fürs Klima*"). This message we produce with our brand sets us apart from our competitors, who have not yet succeeded in positioning their purely plant-based products comparatively strongly (*Company estimate*).

12.5. Our value proposition

Our product portfolio shall be tasty, plant-based and sustainable. We aim to motivate consumers to adopt a plant-based lifestyle as well acting more responsibly towards our environment, thereby creating a sustainable future for all living beings on the planet. This means to make a positive impact for a positive future. As a multi-category supplier for plant-based food, we offer every consumer a wide variety of tasty, plant-based products and innovations.

Our business model is based on ESG (Environmental Social Governance) guidelines in order to create a positive impact to society through sustainable practices. As a purpose-driven business, we are aware of our financial, social and environmental responsibility to various stakeholders. One of our goals for 2022 is to become officially certified as a "Beneficial Corporation (B Corp)". A "Beneficial Corporation (B Corp)" is a private certification for-profit businesses which claim to meet the highest standards of social and environmental performance, public transparency and legal accountability.

To adapt our corporate governance to a "Beneficial Corporation (B Corp)", all our major decisions are made with long-term sustainability in mind which is also reflected in the Articles of Association. According to Section 2a para. 1 of the Articles of Association, in pursuing the Company's objective, the effects of the Company's actions on

- the shareholders;
- the employees of the Company, of its subsidiaries and of their suppliers;
- the customers as beneficiaries of the Company's efforts to achieve a significant positive impact on the common good as well as the environment;
- the communities in which the Company, its subsidiaries or their suppliers are located;
- the environment locally as well as in a global context; and
- the short-term and long-term interests of the Company, including the benefits arising from the Company's long-term plans or its independence

shall be taken into account.

In addition, we support the implementation of the UN Sustainable Development Goals ("**UN SDGs**"). By promoting purely plant-based diet in society, we believe to contribute to the following UN SDGs:

- UN SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture;
- UN SDG 6: Ensure availability and sustainable management of water and sanitation for all;
- UN SDG 12: Ensure sustainable consumption and production patterns;
- UN SDG 13: Take urgent action to combat climate change and its impacts;
- UN SDG 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development; and
- UN SDG 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

12.6. Our key strengths

We believe that the following competitive strengths have been the primary drivers of our success in the past and will continue to set us apart from our competitors in the future:

12.6.1 Multi-category provider for purely plant-based food in Europe

We believe we are Europeˈs largest brand for purely plant-based food and only multi-category supplier of purely plant-based products and are in a unique position to add new products in different categories to the portfolio under one trusted umbrella brand (*Company estimate*).

We consider to have already established ourselves as trusted supplier in many categories with innovative products through our diversified listings in food retailing and specialist drugstore retailing. The strongest category in our product range is confectionery & snacks. This includes chocolate, bars and cookies. Protein products, such as the Protein Choc Bars, Hemp and Shakes are another pillar of our portfolio, alongside fresh products and basics. By consistently pursuing our multi-category strategy, listings with retail partners, especially abroad, can be achieved more easily and with a high number of products, since the category of plant-based foods is not yet as established in retail, and retail partners can get "everything from a single source". In the German market, our products are available nationwide due to the broad listings. As of June 30, 2021, our products are offered at more than 22,264 POS globally, where at least one of our purely plant-based products is sold to a consumer also including, for example, temporary individual promotional activities inter alia at certain discounters like LIDL. Our growth is based, among other things, on the addition of further stores from EDEKA and REWE, which – to our knowledge – unlike the drugstore chains, are not centrally controlled, but have shifted their listing decisions to the individual store-operating merchants on site. Based on these arrangements, we are very well presented in the markets according to our own assessment, and the retail partners also handle marketing in the respective country.

12.6.2 Addressing global mega trends

The awareness of consumers regarding the environmental impact of their diet and its consequences for animal welfare, the desire for healthier lifestyles and greater resource efficiency has intensified worldwide. 57 of the 101 active products we offered as of September 30, 2021 were labelled as bio products. These developments are accompanied by new product innovations regarding pure plant-based products. These innovations render purely plant-based products increasingly competitive with conventional diets that include dairy and meat products. The market for dairy and meat alternatives in the European Union and the United Kingdom alone is therefore expected to grow by 10% per year and to be worth up to EUR 7.5 billion in 2025 (*Source: ING Research 2020*).

With our steadily growing product portfolio of purely plant-based products, we aim to address precisely this development and believe to be in a pole position as first mover in this area to profit from this trend (*Company estimate*). Also, due to new technologies in the production of analog proteins and the like, the conventional production of food - especially meat products, will soon become a phase-out model (*Source: RethinX 2021*). The resulting disruption of food production opens up an entry point for us.

12.6.3 Fastest growing category in a resilient food market

Pure plant-based products are the fastest growing food category in an otherwise resilient food market. The global vegan food market is expected grow by 11.1% from EUR 12 billion in 2020 to EUR 13.33 billion in 2021. The market is expected to reach EUR 18.83 billion in 2025 at a CAGR of 9% (*Source: The Business – Research Company*).

Between 1.13 and 2.6 million consumers in Germany have now decided to adopt a permanent diet of purely plant-based food. In 2008, fewer than 80,000 people in the National Consumption Survey II stated that they only ate a purely plant-based diet. Accordingly, the number of consumers opting for a permanent purely plant-based diet has grown many times over in just a few years. 15% of new foods and beverages introduced in Germany were labeled vegan between July 2017 and June 2018. By comparison, five years earlier the figure was only 4%. According to new production statistics from the Federal Statistical Office, products such as spreads, soy pies and tofu will continue to see increased demand and production in 2020. In the first quarter of 2020, the volume of meat substitute products intended for sale rose from just under 14.7 thousand tons to just over 20 thousand tons, an increase of 37% compared to the same quarter of the previous year. According to a comparison by the Federal Statistical Office, companies produced almost 39% more meat substitute products in 2020 than in 2019, and the value of these products increased from EUR 272.8 million to EUR 374.9 million in the same period. This represents an increase of 37%. At the same time, the daily consumption of meat and sausage products is decreasing. Compared to 2015, it fell from 34% to 26%. In contrast, sales of vegetarian products in the German food trade increased by almost 40% during the Corona pandemic, and those of purely plant-based products by as much as 59 Rapidly increasing sales of plant-based foods during COVID-19 have been recorded not only in Germany, but worldwide (*Source: Vegan Trend*).

12.6.4 First mover with strong brand recognition and high consumer awareness

There is increasingly a fierce competition in the market for purely plant-based food. We believe to be able hold our own well here, as the awareness of our brand is extremely high among structurally growing target groups with an increasing focus on health and sustainability. The better known our brand becomes and the more it is associated with a particular message, the more it becomes an indispensable part of our retail customers' assortment.

12.6.5 High degree of innovation power

As a rule, our products are based on comparatively complex manufacturing processes and not merely on recipes. Unlike recipes, these manufacturing processes can also be protected as intellectual property. This enables us increasingly to offer a product portfolio that cannot easily be emulated by our competitors. The manufacturing processes and product developments shall increasingly carried out in-house. We believe that this allows us to quickly and flexibly adapt our purely plant-based product portfolio to changing trends in the food market. Our three Stores in Berlin, which we opine is the most evolved market for purely plant-based products in Europe (*Company estimate*), are important signaling points for such changing trends. Thus, they contribute to increase our innovative power.

We have also received awards for our innovative strength. In an exclusive analysis by market research institute YouGov for the German newspaper Handelsblatt, we were voted Germany's most innovative food brand this year. The result placed us and our products even ahead of other food brands and competitors like Beyond Meat, Like Meat and Simply V. When compared with other industries we were ranked among the Top 3 innovative companies in Germany. With the ranking including companies in 20 different categories such as the automotive and insurance industry, it was its innovative strength that made our brand stand out. With as little as a one to two-point difference, we are in third place behind Tesla and the Danish company Too Good To Go. With this placement, the survey even saw us pull ahead of global technology companies like Apple, Amazon, Netflix, and Google (*Source: Handelsblatt, June 5, 2021*).

12.6.6 In-house production paired with innovative foodtech lab

With our own Production Site I and our planned Production Site II, we believe to have secured and will secure a specific product know how as well as an important element to differentiate us from our competitors and create a unique offering that has a positive impact on our brand and has the potential to render our product offering indispensable in any assortment of retailers who are our customers (*Company estimate*). In addition, setting up our own production capabilities strengthens our profitability.

A potential component of our future in-house production may be vertical farming. This means a perennial production of vegetables, fruit, edible mushrooms and seaweed in building complexes on levels arranged like shelves. Vertical farming not only completes the circular economy in which we trim our energy concept to maximum efficiency. Vertical farming also saves production steps compared to conventional cultivation, for example the sifting of stones that are brought in from the field is no longer necessary. In conventional farming, this is an essential and expensive step in production, because the machines that grind the raw material are not damaged. In addition, we will remain very flexible in production because we can grow other plants at any time.

In addition, such building up our own production for our raw materials makes us independent of the world market. This applies in particular to pea proteins. We currently expect global demand for pea proteins to rise by 13.5% per year, which will be reflected in an increase in prices (*Source: Organic Way*).

Simultaneously, the use of vertical farming also reflects our efforts to make our production methods as ecological as possible. After all, vertical farming enables regional plant production, more economical consumption of water, less CO_2 emissions, and a higher purity of the plants produced without the use of pesticides, and thus also protects biodiversity.

12.6.7 Strong sales growth with future margin improvement potential

A growing number of POS and strengthening of product range through a strong innovation pipeline enables us to boost our top line sales. A product information management and several reports we receive from our customers ensures inventory visibility. This allows us to closely monitor stock levels and movement at our customers and work on the rotation of the provided products. We believe that with multiple channels giving us a good visibility of product rotation and visibility and a strong innovation pipeline of new products and line extenders also means that we are flexible and able to respond fast to shifting consumer behavior and changes in demand.

Furthermore, we see future margin improvement potential by elevating our brand "Veganz" even further. We believe to have a unique brand positioning in the market, especially in DACH Region, as the only multi-category supplier of plant-based products with working on climate change through the reduction of CO_2-emmissions (*Company estimate*) and we assume that this sets us even more apart from other companies in the food industry and strengthens our unique brand positioning. Our aim is, that our brand appeals to our customer base at an emotional level, but also status and lifestyle. In our experience, consumers are willing to spent more on products when they feel better about themselves with the purchase.

As demand for our products increases, we believe to be able to benefit from volume and scale effects at our suppliers and negotiate corresponding price discounts. Solid sourcing financing ensures a stronger negotiating position than was previously the case (*Company estimate*).

A key aspect for margin improvement especially gross profit margin might potentially arise through vertical integration from our own production sites. The establishment of an own production capacity and focus on three categories, cheese-alternatives, fish-alternatives and textured vegetable proteins, would allow us to leverage technology and supplier relationships, to reduce costs through supply-chain improvement and furthermore improve commodity pricing through potential own indoor farming. Due to all these factors, products from our own production could potentially yield twice the margin as products whose production we have outsourced.

12.7. Our strategy

We believe that our strong position in the German food market for purely plant-based food will allow us to achieve continued growth and become the leading player within this segment in the European food market. To achieve our goals, we have identified the following key elements of our strategy that we want to implement in the short to long term:

12.7.1 POS increase: Increase of the POS with existing and new customers paired with international expansion (short-term)

The cooperation with our Retailers allows us to utilize a very established and strong selling distribution network of POS, granting us access for our products to a large number of consumers. However, even though we have a longstanding business relationship with some Retailers, our products are not yet represented in their entire store network. We see this as an opportunity to further expand our portfolio in their stores. In addition, our international business is very extendable and there is great potential to increase the number of POS and thus our sales. We intend to implement this part of our growth strategy in the short term.

12.7.2 Margin improvement: Increase production capacity to capture continuously growing demand in the sector (short- & mid-term)

In-house production secures product knowledge and is an important element in setting us apart from our competitors. We have also found that the gross margin on sales of products produced in-house is significantly better than on products we have manufactured by third parties. Therefore, we established our first own production site in 2020. Since the end of September 2020, we have been producing "Cashewbert", a purely plant-based Camembert consisting mainly of cashew kernels at Production Site I. In the financial year 2021, self-produced cheese substitutes are already expected to contribute around EUR 140.0 thousand to our total sales. In view of this, we are planning to establish the larger Production Site II at Werder (Havel), Germany, in the Federal State of Brandenburg, Germany. The Production Site II is supposed to produce purely plant-based fish (smoked salmon, shrimp, tuna) and textured protein used to make unrefrigerated meat substitutes as well as cheese alternatives. To our knowledge, Production Site II would be the largest production site for cheese, meat and fish alternatives in Europe so far and may also include vertical farming. We intend to implement this part of our growth strategy in the short to midterm.

12.7.3 Customer growth: Further accelerate brand awareness and consumer trial (mid-term)

With our brand strategy that targets both light and non-consumers and activates vegans, flexitarians and vegetarians as first movers for our product innovations, we want to further increase the awareness of our brand. We want to build a distinctive brand that is able to reinforce with consumers the implicit goal we stand for: The adventure and excitement of sustainable nutrition. With sponsorship in sports and entertainment, marketing on the radio and on digital channels and platforms and promotion at the respective POS, we aim to reach, emotionalize and activate consumers on their customer journey. In this way, we will not only be able to attract new POS, but also to further increase sales per every existing POS. We intend to implement this element of our growth strategy in the midterm.

12.7.4 Vertical integration: Use of innovative technology to secure ingredients to not only expand product pipeline but also optimize production (long-term)

In addition, we are focusing on innovations in our production area, which is currently being established. This may include vertical farming, which is superior to conventional farming methods. In addition, we are setting standards in the production of alternative soft cheeses by using home-grown crops in the ripening process. We intend to implement this element of our strategy in the long term.

12.8. Our operations

We have built a value chain encompassing a product development department which develops products and recipes in view of internal (market research and our retail stores) as well external impulses (trade fairs, industry newsletters, inquiries from food start-ups and universities) the production of our purely plant-based products, their marketing and their distribution. This value chain enables us to offer innovative new products of highest quality (*Company estimate*). We offer our customers access to a comprehensive portfolio around 120 products with 101 active products offered as of September 30, 2021 in all relevant categories under our own brand "Veganz" through our "Retail", "Stores" and "Food Service" sales channels in more than half of the member states of the EU with a focus in the DACH Region.

In the DACH Region as our core market, we currently sell our purely plant-based food products through well-known food Retailers such as EDEKA, REWE, Coop, Aspiag or Kaufland as well as drugstore chains such as Budnikowsky, Rossmann, dm and Müller, and discounters such as LIDL, ALDI, Penny and Netto. Internationally, our purely plant-based food products are distributed through food Retailers such as SPAR (Italy, Hungary, Slovenia, Croatia, Greece, Cyprus), Kaufland International (Czech Republic, Slovakia, Romania, Bulgaria, Croatia, Poland), Coop (Denmark) and Sonae/Continente (Portugal). Through retailers and drugstores, customers could as of June 30, 2021 purchase our products in 22,264 POS globally, where at least one of our purely plant-based products is sold to a consumer also including, for example, temporary individual promotional activities inter alia at certain discounters like LIDL. We also offer our products through our "Stores" sales channel at our three own Stores in Berlin, Germany, as well as through our new "Food Service" sales channel via our partners the baked goods company Bakerman, being a specialist in high-quality frozen bakery products, and the football club RB Leipzig. We are also currently in close negotiations (*Company estimate*) with Aramark, one of Germany's largest caterers. As part of such cooperation, purely plant-based products are also to be offered under our label in the canteens operated by Aramark. In addition, our products can be purchased via (i) online sales platforms such as amazon.com, rohlik.cz, snacky.ch and vekoop.de and (ii) quick online commerce providers such as Gorillas, flink, Foodpanda and weezy. These distribution possibilities provide us with a strong leverage experience and networks, which we use to create what we believe a unique product portfolio for purely plant-based products of our own brand (*Company estimate*). Furthermore, to capture diets, eating and shopping behaviors in Europe, we conducted our own nutrition survey in 2019 involving 24,000 participants in 15 European countries.

For the production of our products, we are working closely together with our long-standing, selected and certified contract producers. To increase our sales and strengthen our independence, we are already operating our Production Site I and are planning to set up our Production Site II for plant-based cheese alternatives as well as for fish alternatives and textures vegetable proteins.

12.8.1 Our product portfolio

Our product portfolio encompasses around 120 products with 101 active products offered as of September 30, 2021 for all types of storage (ambient, chilled and frozen). We believe, that our product portfolio covers the most relevant food categories (*Company estimate*) and contains inter alia breakfast ingredients, cheese alternatives, meat, fish and cold cut alternatives, protein products, ready meals, sweets and snacks.

We align our product portfolio to demand, trends and customer structure. Since the beginning of the distribution of our products under the "Veganz" brand until September 30, 2021, we have already developed 471 products. We started with the dry assortment because our main customers at that time were drugstore chains and their stores are not equipped with refrigerated shelves or freezers.

The assortment has evolved from simple mono items (including superfoods, basic items such as chia seeds, coconut blossom sugar, milk alternatives, etc.) to complex recipes that are not easy to imitate (e.g., Protein Choc Bars, "Ohnig", "Cashewbert"). We pay particular attention to certain criteria ensuring climate and environmental protection. These criteria include: no usage of genetically modified organisms, no white industrial sugar, ingredients that do not endanger the rainforest and packaging material that is as sustainable as possible for the product category. The vast majority of our products is already free of palm oil and almost half of our product packaging is made from sustainable materials, such as recovered paper or recycled plastic.

In the dry sector, we have proven with our coconut choc bar, our sandwich cookies and our own purely plant-based shortbread (*Butterkeks*) that we are able to offer purely plant-based alternatives to conventional top sellers and to establish them in the market. By reaching out to customers in the food retail sector and gaining access to refrigerated and frozen shelves, we have further developed our product range accordingly. We believe that our offerings regarding for soft cheese and pizza are particularly appealing to customers.

Due to our openness to external influences, trend developments, innovations and technology, our organization allows us to flexibly integrate the needs of the market and thus dynamically develop our assortment of purely plant-based products.

Our assortment is well positioned with around 120 products and 101 active products offered as of September 30, 2021. The portfolio fluctuates throughout the year as it changes through constant optimization. We want to be number one in the market for purely plant-based products and the first choice when a consumer decides for a purely plant-based alternative. Thus, we permanently fill shelf gaps where there is not yet a purely plant-based answer to a conventional classic. Our "Genießerstück" as a cheese alternative to gouda or "Tunno" as an alternative to tuna constitute examples for this.

Our product portfolio consists of the following product categories, in which we offer inter alia the following products:

No.	Product category	Products
1.	Baked Goods	Veganz Chocolate Chip Muffins, Veganz Double Choc Muffins
2.	Canned Fish	Veganz "Tunno", Veganz "Laxs"
3.	Chocolate	Veganz Organic Caramel Choc Bar, Veganz Organic Coconut Choc Bar, Veganz Organic Choc Bar Crisp, Veganz Organic Hazelnut Choc Bar, Veganz Organic Strawberry Choc Bar, Veganz Organic Coconut Original, Veganz Organic Coconut Fruity Quinoa, Veganz Organic Hazelnut Brittle, Veganz Organic Nougat Dark Chocolate Bar, Veganz Organic Roasted Hazelnut, Veganz Organic Wafer Crunch, Veganz Organic White Strawberry Crisp, Veganz Organic White Coconut Flakes, Veganz Organic White Coffee Nibs, Veganz Organic White Roasted Almond, Veganz Organic Christmas Chocolate Calendar
4.	Dressing	Veganz Sandwich Spread Classic, Veganz Sandwich Spread Remoulade Style
5.	Fish Specialties	Veganz Smoked Salmon Style Slices, Veganz Vegan Sea Style Sticks
6.	Grated Cheese	Veganz Mild Melter
7.	Hard/Semi-Hard Cheese	Veganz Gourmet Slices Strong, Veganz Gourmet Slices Herb, Veganz Gourmet Slices Mild, Veganz Gourmet Piece, Veganz Gourmet Block Spicy, Veganz Gourmet Block Smoky
8.	Meat Preparation	Veganz Crispy Nuggets, Veganz Vegan Duck Style Bites, Veganz Vegan Classic Schnitzel, Veganz Vegan Lemon-Pepper-Schnitzel, Veganz Vegan Cold Cuts Natural, Veganz Vegan Cold Cuts Bell Pepper, Veganz Vegan Liver Sausage, Veganz Vegan Tea Sausage, Veganz Vegan Meat Sausage
9.	Other Frozen Food	Veganz Spiral Shaped Pastry Apple Cinnamon, Veganz Spiral Shaped Pastry Spinach, Veganz Spiral Shaped Pastry Kebab Style, Veganz Vegan Chicken Fricassee
10.	Pastries	Veganz Organic The Biscuit, Organic Veganz Sandwich Biscuits Cocoa, Veganz Organic Sandwich Biscuits Lemon Cake Style, Veganz Organic Sandwich Biscuits Original, Veganz Organic Cherry Pastries, Veganz Organic Gingerbread, Veganz Organic Marble Biscuit, Veganz Organic Chocolate Biscuits, Veganz Organic Speculoos Biscuit, Veganz Organic Hazelnut Wafer, Veganz Organic Coconut Wafer, Veganz Organic Lemon Biscuits, Veganz The Biscuit
11.	Pizza	Veganz Pizza Spinaci, Veganz Pizza Tricolore, Veganz Pizza Verdura, Veganz Pizza Tunno, Veganz Pizza Salami, Veganz Pizza Snack BBQ Bacon Style
12.	Salty Pastries	Veganz Organic Cracker Cheese Style, Veganz Organic Cracker Onion
13.	Sausages	Veganz Original BBQ Sausage Alternatives, Veganz Spicy BBQ Sausage Alternatives
14.	Soft Cheese	Organic Veganz "Cashewbert", The Veganz Organic Gourmet Classic, The Veganz Organic Gourmet Herbs, The Veganz Organic Gourmet Mediterranean
15.	Spreads	Veganz Organic Bell Pepper Hemp Spread, Veganz Organic Tomato Hemp Spread, Veganz Organic Chocolate Spread, Veganz "Ohnig",
16.	Staple Food	Veganz Organic Agave Syrup, Veganz Organic Basic Brown Sauce, Veganz Organic Hemp Protein Powder, Veganz Organic Cocoa Nibs, Veganz Organic Coconut Blossom Syrup, Veganz Organic Protein Drink Cocoa, Veganz Organic Protein Drink Buttermilk Mango Style, Veganz Organic Pulled Soy, Veganz Seitan Powder, Veganz Soy Mince, Veganz Soy Medallions, Veganz Shredded Soy

17.	Sweets	Veganz Organic Cocoa Bliss Ball, Veganz Organic Coconut Bliss Ball, Veganz Organic Bliss Ball Spekulatius Style, Veganz Organic Bliss Ball Nougat Core, Veganz Organic Bliss Ball Peanut Core, Veganz Organic Clean Protein Bar Cocoa, Veganz Organic Clean Protein Bar Coconut, Veganz Organic Clean Protein Bar Peanut, Veganz Organic Blueberry Vanilla Hemp Seed Bar, Veganz Organic Chocolate Hemp Seed Bar, Veganz Organic Protein Choc Bar Chocolate Brownie Style, Veganz Organic Protein Choc Bar Cookie Dough Style, Veganz Organic Protein Choc Bar Strawberry Cake Style, Veganz Organic Blueberry Snack Bar, Veganz Organic Cocoa Snack Bar, Veganz Organic Peanut Snack Bar, Veganz Organic White Winter Almonds, Veganz Organic Cinnamon Winter Almonds, Veganz Fizzy Cola, Veganz Fruity Peaches, Veganz Gummy Bears, Veganz Sour Sticks, Veganz Organic Wafer Coc Bar Hazel, Veganz Organic Choc Bar Dark, Veganz Organic Protein Choc Bar White Almond Crisp

This range of purely plant based products covers every meal. For a sweet or savory breakfast, for example, we offer our award-winning honey alternative "Ohnig", chocolate cream, hemp spreads, cold cuts, various cheese alternatives and our salmon alternative "Laxs". For lunch or dinner that can be quickly prepared as a ready meal (freekassee, pizza) or semi-ready meal (schnitzel, nuggets, fish sticks) leaves plenty of room and creativity in cooking (soy granules, seitan) or can complement meals like our various cheese alternatives. A coffee table can be completely filled with the various cookies and muffins we offer. For a reward after exercise, there are our various protein candy bars. But also as snacks in between we have a lot to offer from healthy snacks (date-based "Bliss Balls", Clean Protein Bars) or as sweets chocolate barriers to various chocolate bars.

We consider our sweets in particular to be an optimal entry point for previous non-consumers of purely plant-based products. At this point, the similarity to conventional foods is very high and those who like this component of our product portfolio will also be willing to try other parts of our portfolio.

Due to the diversity of our product range, consumers come across our products in a wide variety of places during their shopping tour in a retailer's store. From October 2021, we expect to be represented with ten of our products at various baking stations via our cooperation partner Bakerman, a specialist in high-quality frozen bakery products. This is a pure licensing business. Bakerman develops certain pure plant-based baked goods. We then approve these developments and agree to them being sold under the Veganz brand. Currently, this assortment consists of purely plant-based alternatives to hot dogs, ham and cheese croissants, chocolate croissants, filled puff pastry pockets, vanilla puff pastry pockets, pizza pieces, BBQ pulled soy, pizza donut with salami, quark balls and bee sting cake. We are currently cooperating with Bakerman to enhance this product portfolio.

We are constantly monitoring market developments, including technological developments and innovations that allow us to create purely plant-based alternatives that would not have existed a few years ago. Such new technological developments were, for example, the basis for the development of our salmon alternative "Laxs" and the development of "Cashewbert". At the date of the prospectus, we have a pipeline for new product developments for the next two years. With our product range, we are strengthening the relationship with our existing customers and can already significantly increase the number of POS in this way. As our product portfolio is composed to a considerable extent of product alternatives to existing established conventional products and we already have a large product range, we believe to be a popular contact for new customers or for early-stage markets (*Company estimate*).

In the six-month period ended June 30, 2021, the sales performance and gross margin of our ten top selling products was as follows:

Product group	Six-month period ended June 30, 2021		
	Sales		Gross Margin
	(in EUR million)	(in % of total sales)	(in %)
Pastry	2.4	15.4	29.1
Cheese	2.2	14.1	36.9
Pizza	2.1	13.5	38.4
Protein bar	1.8	11.5	49.5
Chocolate	1.3	8.3	34.5
Chocolate bar	1.1	7.1	37.1
Meat substitute	0.9	5.8	23.7
Textured vegetable proteins	0.8	5.1	26.7
Fish substitute	0.3	1.9	32.7
Spread	0.3	1.9	32.4
Others	2.4	15.4	39.5

These top selling products account for 84.0% of our sales in the six-month ended June 30, 2021.

Our position as a multi-category provider allows us to continuously pick up the latest food trends, to add new products or categories to our assortment and react to customer demands. Thus, we focus to extend our product offering on food products for all storage levels, namely ambient, chilled and frozen.

In terms of products that can be stored at room temperature, we have inter alia decided to develop in 2021 salami snack alternatives, tuna alternatives, vegan choc bars and aim to develop egg substitutes and snack pellets. Noteworthy products of this food category are in our opinion furthermore the artificial honey "Ohnig", the fish alternative on peaprotein and algea basis "Tunno" as well as our nougat crispy bar, a waffle bar with cream filling in compostable foil.

However, our main focus when it comes to the extension of our product offering is on chilled and frozen products because of the high potential in terms of sales channels, market access and we aim here to repeat the success of the ambient category. In the current year 2021, with regard to products to be chilled, we have in particular improved our range of cheese alternatives and alternatives for cold cuts. In terms of products to be frozen, we have expanded our product range, especially with regard to ready-made products, namely purely plant-based chicken fricassee, lasagna, pizza baguettes and now also offer a purely plant-based pepper steak as well as a purely-plant based pizza tunno and further bake-off snacks.

As to respond to the trend of sustainability we offer our products only in sustainable – i.e. biodegradable – packaging without plastic.

12.8.2 Our sales channels

With respect to our sales channels, see "*9.2.2 Development of our sales channels*".

12.8.3 Marketing

We consider the perception of our brand as crucial to achieve increased consumer awareness in the food market. Only if consumers of purely plant-based food perceive our brand as appealing and demand our products to an increasing degree, the Retailers will include them in their assortments or grant them greater space and present them preferentially to the consumers. Thus, we have made, and expect that we will continue to make, significant investments in our marketing efforts, including

- online and email marketing (e.g., contentmarketing, newsletters),
- search engine advertising and optimization (e.g., Google and Bing),
- TV campaigns on the private television stations Pro7, Sat1 and Kabel 1,
- highlighted exhibition of our goods at POS,
- cooperations with caterers,
- paid and non-paid social media (e.g., Tik Tok, Facebook, Youtube and Instagram) and
- influencer on social media platforms and cooperations (e.g., with the football club RB Leipzig) as well as public relations.

We have recognized the significance of social media. On Instagram, we had 162,413 followers as of September 30, 2021 while 61.9% of them were under 35 years. As of September 30, 2021, we had 208,287 followers on Facebook and 48.8% of them were under 35.

In allocating our marketing investments, we analyze data from a broad range of sources like Nielsen Data, scanner data from selected Retailers, our own sell-out data, data from our field sales force, and online marketing data from campaigns as well as social listening data and brand monitoring with Civey. Based on the data, we can find an understanding of the effectiveness of our campaigns. We are in the process to further improve the integration of marketing data for automated competitive overview and market and marketing forecasts.

Our marketing is entirely run by an In-House team of ten people divided into three divisions:

- Research and Data Insights;
- creative Team; and
- communications team.

Our in-house marketing team allows us to react dynamically to new challenges and our experts are driven by an agile test-and-learn approach to help to grow the brand. For our marketing efforts, we were awarded the Marketing4Future Award in the category "Know the Score" in June 2020 (*Source: Vegconomist – August 12, 2021*).

We believe to have built a strong vegan and vegetarian community around our brand rendering us one of the Top 5 most engaged food brands on Instagram in 2020. Apart from our own media channels (Instagram, Facebook, Website, E-Mail), we have a strong connection to market relevant NGO's like PETA, Deutsches Tierschutzbüro and Sea Sheperd as well as bloggers in terms of food, sustainability and empowerment like Kirsten Kaminski, Viktoria Müller, Isabelle Friedrich, Julia Stephan, Gordon Prox. Besides, we incentivize our employees to promote our products. For example, one of our employees having developed the "Cashewbert" is also allowed promote this product while the trademark rights remain with us.

Our strong media campaigns have been awarded twice with the Marketing for Future Award (2020, 2021) by *Bündnis für Klimapositives Verhalten* (*Sources: Vegconomist – June 23, 2020, Vegconomist – May 6, 2021*) and raised our unsupported brand awareness in Germany to now 25% (*Source: Civey Brand Monitoring*) and increased our rotation in an effective combination of TV, Online Video, Influencer and activities at the POS (*Company estimate*). Due to our target group focus in the ecology-conscious camp, we managed to reach position one in the ranking of our Instagram followers (*Source: Vegconimist*). There, we specifically compare the CO_2 emissions of conventional meat products with our climate-friendly variants. This generates a lot of approval in the vegan community, which in turn spreads our message. We conducted a new TV/media campaign in Germany and Austria in 2020 to further promote sales. Subsequently, we initiated a successful TV/media campaign starting February 2021 until July 2021 whose digital parts are extended until the end of 2021 to create repeated and long term brand awareness in Germany among non and light category consumers.

The most important goal of our marketing activities is to increase sales. To measure this success, it is essential for us to measure our market share in the respective product category. This determines whether we continue, change or stop a marketing campaign. The higher our market share in our target group, the more successful our marketing activities were. In addition, we need to strengthen our campaigns and marketing activities as well as our brand. The higher our brand awareness and brand salience, the stronger our brand presence among consumers. With a correspondingly high level of distribution of our products and awareness for our products, we are also able to activate the non-buyers and occasional buyers who usually make up 65% of a brand's buyers (*Source: Sharp - How Brands Grow*). As a still growing consumer goods brand, we always target as many consumers as possible and attach great importance to the reach of our marketing activities. For our performance-driven marketing and for cost-optimized management of marketing spend, we calculate the cost of reaching our potential consumers and the margins that can be achieved, so that we can optimally allocate our budget for our marketing activities.

Our marketing aims to increase the sales of our purely plant-based products and to enhance our brand. Within the positioning as a multi-category provider of plant-based food that reaches out into the future category of climate friendly food our marketing efforts are divided into a baseline that appeals to early adopter customers of a vegan or vegetarian lifestyle mainly through our own media channels (web, mail, social media) alongside with a digital strategy that increases reach through influencers, bloggers, partnerships with NGO, PR, Sponsorships and Generation Z relevant social media like TikTok. Through that base audience we continuously strengthen our brand in our early adopter target group to keep it at top of the mind awareness. Thus we can easily introduce new plant-based products towards the early adopters.

In a quarterly rhythm we are reaching through *above the line - campaigns* via digital video, radio and optional TV out too flexitarians, consumers who occasionally opt for purely plant-based products and those who have not yet done so. By recurring advertising for our brand throughout the year, we remain on top in the perception of these groups of buyers. Based on diligent market research we address in particular their reservations to purchase our products. Our digital campaigns are planned in close collaboration with advertisers and we have dedicated partners at Google and TikTok to discuss our strategies and support us in the high quality execution. New campaign set-ups like ads in mobile game apps or campaigns targeted around the stores of Retailers can be run quickly thanks to this partnership.

With our expansion of markets, new categories, business partnerships, innovations and new products we believe to be a leading driver in the cultural change of the food industry and the consumers turn to plant-based alternatives as part of a climate friendly lifestyle.

Additionally, part of our marketing efforts is also to constantly adapt the appearance of our products and thus reposition our brand through a new design. Therefore, we developed a new corporate design at the end of 2018, which we had also extended to all packaging designs by the end of 2020. The aim of this repositioning of our brand's image was to give the brand Veganz its own identity in the market segment for purely plant-based nutrition, without making it interchangeable.

12.8.4 Product innovation

Our innovations are aimed in particular at high-quality products that are difficult to imitate and for which we expect significantly increased sales. Therefore, we focus in particular on cheese, fish, and meat alternatives, as well as ready meals. Three departments are involved in our product development. We have established a product management team consisting of four persons. They are responsible for trend scouting as well as market and competition analyses. Furthermore, we have a strategic purchasing team consisting of three persons. This team is in steady contact with our suppliers. Thus, it has access to a large network of suppliers and machinery. Additionally, we also have a quality management team of four people. This team consists of engineers, technologists and chemists. They contribute both technological, receptor and legal input for our product development.

The cycle for a product development consists of the development of a concept for the product, approval of the concept, tender for the manufacturing to existing or potential new suppliers, sample rounds organized by the supplier, feedback from our sensory team until approval of the formulation, test production if necessary, price approval, kick off and launch. We constantly review our product pipeline for the next 18 months in order to launch new innovations in the guise of new products and recipes. Our strategic focus for the next twelve months are the extension of the chilled and frozen products and setting highlights in the ambient category, like tuna or wafer choc bars.

Our innovation department, which we consider as innovation hub, usually receives impulses from our own market research as well as from the products that are in demand in our Stores in Berlin. But we are also interested in external impulses. Hence, we rely on our impressions from trade shows, industry newsletters, inquiries by food startups and also universities.

Our product innovations relate not only to the food we offer but also to its packaging. Here we rely on sustainable and renewable raw materials. To our knowledge, we have launched the first compostable packaging for products to be refrigerated. Composting takes place within 90 days. The carbon footprint of a purely plant-based cheese alternative we produce is therefore 473g per pack while its conventional counterpart is at least 1,942g per pack.

12.8.5 Supply chain and procurement

Our purchase team negotiates the general conditions with the suppliers. Together with our quality management team, they take care of the onboarding of the suppliers. We have established a strategic and an operational purchasing department. Both are closely linked in terms of processes with quality assurance and product management. The strategic purchasing department looks after the selection and onboarding of the right suppliers and fixes the framework parameters of the cooperation (contract, logistics, quality requirements, incl. analysis plans, lead times, minimum production quantities, etc.). The operational purchasing department is responsible for procurement, inventory management and range analysis based on these framework conditions.

Before a supplier is allowed to supply us, the individual suppliers and their certifications and capabilities are checked (see checklist for starting cooperation). We also work with mainly German suppliers. This enables us to be on site and conduct audits. There are audit plans and annual assessments and risk analyses for each product and for each supplier.

We assign highest priority to sustainability and transparency along the supply chain of our products. Thus, we helped to introduce the "Eaternity" score for the food industry and since then have focused on achieving at least three stars in all its four categories. With our purely plant-based pizza alternative, we have already achieved our target rating in the climate category of the "Eaternity" score by saving 915 metric tons of CO_2. Additionally, we were the first company to display the score on our packaging:

☆☆☆	No animal-based products	Improves the climate balance above average	More than 50% of water savings	Products are free of palm oil and soya
☆☆	Contains certified animal products	Overall improves the climate balance	50% of water savings compared to normal products	Contains certified and critical products
☆	Contains animal products without certification	Deteriorates the climate balance	30% worse water usage than average products	Contains critical products which destroy the rainforest

An internal sales department and a logistics department take care of the order acceptance and processing of our customers until the delivery of our products to the customer. For this purpose, they order the articles freight paid from our central warehouses. For ambient and refrigerated products, this involves Nagel Group. For frozen products we use NORDFROST. Our internal sales and logistics department takes care of order acceptance and processing for our customers and has the goods delivered by Nagel Group or NORDFROST. The framework parameters for the customer were previously agreed with the key account management. The complete supply chain is recorded in our merchandise management system, including inventory management at our logistics provider. In accordance with contractual agreements, our suppliers initially assume responsibility for our cold chain until the goods are received in the warehouses of our logistics partners. Upon receipt of the goods, the responsibility for the cold chain then passes to latter. Based on our ten years of experience and the network of suppliers we have built, we have established a very good quality management system to expect food safety and availability.

12.8.6 Production

At the date of the Prospectus, we largely outsource production to third parties acting as co-manufacturers and have only set up the small scale Production Site I. We provide the recipe and packaging know-how in each case, enabling these co-manufacturers to produce the desired products. We entertain supply relationships with 38 businesses at the moment. We also adjust this portfolio based on our changing product portfolio. Our product portfolio includes around 120 products. Of the 101 active products we offered as of September 30, 2021, we manufactured 61 in Germany and 40 in other European countries, namely the Netherlands, Switzerland, Austria, the United Kingdom, Bulgaria, France, Italy and Greece.

The supplier purchases the raw materials for its production independently. Most of these suppliers and co-manufacturers are based in Germany, the rest in other European countries, namely the Netherlands, Switzerland, Austria, the United Kingdom, Bulgaria, France, Italy and Greece. In the selection of these co-manufacturers, the quality as well as the know-how for the product manufacturing are the decisive criteria for us.

We established our first own small-scale Production Site I in 2020. Since the end of September 2020, we have been producing "Cashewbert", a purely plant-based Camembert consisting mainly of cashew kernels at Production Site I. In the financial year ending December 31, 2021, self-produced cheese substitutes are already expected to contribute around EUR 140.0 thousand to our total sales. For the production of the "Cashewbert" we do not revert to the assistance of suppliers.

In-house production secures product knowledge and might be an important element in setting us apart from our competitors. We have also found that the gross margin on sales of products produced in-house is significantly better than on products we have manufactured by third parties. While external production allows for a gross profit margin of 32% in-house production enables us to achieve a gross profit margin of 58%.

In view of this, we are planning to establish the larger Production Site II at Werder (Havel), Germany, in the Federal State of Brandenburg, Germany, on around 10,000 square meters. The planning and designing of Production Site II we carry out ourselves together with an engineering office. According to current planning, the investment costs for its establishment amount to EUR 12,600 thousand – including investments in intangible assets. The Company could receive promotional loans at 3% interest rate in the amount of EUR 1,500 thousand and further subsidies totaling 30% of the overall investment amount.

We aim for a sustainable production which is as CO_2 neutral as possible and the energy supply for Production Site II shall stem from renewable energy sources. The Production Site II is supposed to produce purely plant-based fish alternatives (smoked salmon, shrimp, tuna) and textured protein used to make unrefrigerated meat substitutes as well as cheese alternatives. Additionally, the production conditions shall meet certification as organic by IFS Food Standards. As of September 30, 2021, the share of sales of self-produced goods is 0.3%. In the medium term, we expect to raise this to 30%.

The buildings for Production Site II are completed. In particular, the offices are ready to use. A soil structure and an energy concept require still build up. It is planned that Production Site II will be able to supply itself with energy. For this purpose, we plan the construction of a cogeneration unit (*Blockheizkraftwerk*) including a solar energy system (*Solaranlage*). Furthermore, the production sites for the manufacturing of our various purely plant based foodstuffs themselves still need to be built. To our knowledge, Production Site II when ready would be the largest production site for purely plant-based food alternatives in Europe so far. We expect Production Site II to be operating at full capacity in 2026.

By then, our production capacities for the production capacities built there will increase as follows:

Assumed production capacities (volumes in tons)	2022	2023	2024	2025	2026
Cheese alternatives ("Cashewbert", "Bluebert", Goat Brie)	60	150	250	400	500
Fish alternatives (Smoked Salmon, Prawns, Tuna Steaks)	20	100	300	450	600
Textured vegetable proteins	500	1,000	1,300	1,800	2,000

12.8.7 Fulfillment

Our fulfillment set-up aims for flexibility and efficiency to meet our customer needs. We do not have our own logistics and use external logistics companies to supply our customers. Therefore, we are dependent on the smooth running of the logistics carried out by third parties. These include inter alia Nagel Group with whom we have entered into a supply contract until end of 2023 and NORDFROST. These contracted logistics companies temporarily store our products in their own facilities, pick the order of the Retailers and then deliver the products to them. Nagel also handles the delivery of the "Cashewbert" produced by us at Production Site I. The "Cashewbert" is delivered to our central warehouse operated by Nagel near Hamburg and stored there with our other assortment until delivery.

The fulfillment of goods ordered online via the online platforms that offer our products is handled by service providers or subcontractors of these platforms.

12.8.8 Information technology (IT)

Our IT infrastructure is based on a heterogeneous onPremise system landscape, consisting of twelve Windows-based systems (Hyper-V). We use Microsoft Hyper-V as our server virtualization solution. As directory service we use Microsoft Active Directory with an Azure AD connecter to Exchange Online/Office365 Business. The Company's headquarter is using Büroware from Softengine as central ERP system with a connected DMS-System. Our three Berlin branches use Biooffice from Bits&Bytes as their ERP and POS system. In total we have about 75 Windows10 and 5 Mac clients in use. All locations are connected via VPN site-to-site connections. Our website www.veganz.de is running with Wordpress and will be continuously developed by ourselves. As PIM system we use Access, which will have a connector to our Büroware ERP, GS1-1WorldSync and our website. Except for the website development, we do not have own developed software in use. As accounting software, we use DATEV. For image processing we use the Adobe Cloud Suite.

Our IT infrastructure is Cloud Ready. We have a fail-over, symmetrical 100MBit/s fiber channel internet connection.

We use a clustered firewall with:

- App blocker (e.g. Tor browser is blocked);

- Antivirus (files are checked whether they contain malicious code);
- Content filter (websites are blocked);
- IDP (exploiting server application gaps) and
- Anomaly detection (block port scan, brute force defense).

Our clients are encrypted with bitlocker (256 bit) and we are planning to secure the server access with a MAC-filter.

Extensive monitoring is implemented. This monitors the server room (water ingress, room temperature and temperature of the CPUs), the hard drives, the backups and the WLAN network. If the limit values are exceeded, an email is sent directly to our IT. The server room is also monitored by video.

Furthermore, we have Business WLAN devices and manage the firewall and WLAN devices via a central management. To optimize our smartphone management and costs, we plan to introduce a "Phone-as-a-Service" concept including a Mobile Device Management-System. Regarding Büroware ERP we will probably update to a new browser-based version, which is also suitable for mobile devices. As controlling software we plan to implement "Agicap Liquiditätsplanung".

12.9. Intellectual property

12.9.1 Trademarks

As of the date of the Prospectus, we have registered, or filed for registration of, a number of word and/or figurative trademarks in various jurisdictions, including our brand "Veganz". Temporarily, this brand was pledged as collateral for a shareholder loan, but has since been released. We cannot ensure that the trademark registration provides comprehensive protection against imitation. We constantly monitor our trademarks in order to maintain and protect these assets, including by pursuing any infringements by third parties.

12.9.2 Domains

As of the date of the Prospectus, we are the legal and beneficial owner of various domains, including the following domains that we regard essential to our business:

- www.veganz.de;
- www.veganz.com;
- www.veganz.at;
- bredackvv.de;
- imagineallthevegans.com;
- imagineallthevegans.de;
- laxs.eu;
- laxs.info;
- populus-research.com;
- veganz-blog.com; and
- yesvegan.de.

12.10. Compliance management

Our legal and compliance team has established a compliance management system aimed at ensuring lawful conduct by our employees. Our compliance system is designed to identify potential violations in advance and to systematically prevent their occurrence. This system comprises, among other things, guidelines offering an overview of our compliance regime and our mandatory compliance policies, regular employee training courses on relevant compliance risks and measures as well as a whistleblowing system to allow employees and third parties to report potential compliance violations. Our compliance system is, among others, aimed at preventing bribery and corruption as well as violations of anti-money laundering, sanctions control, data protection, antitrust and antidiscrimination laws and regulations.

12.11. Employees

As of the date of the Prospectus, the Group employed a total of 98 employees, of which 72 were employed by the Company. All of our employees are located in Germany, except for one individual located in Australia.

In the financial year ended December 31, 2020, the Company employed 59.75 persons on average (financial year ended December 31, 2019: 65.5 persons on average; financial year ended December 31, 2018: 67.5 persons on average). In the six-month period ended June 30, 2021, the Company employed 68 employees on average.

The following table provides a breakdown of the Group's employees by main category of activity to the respective date:

	As of December 31,			As of June 30,	As of the date of the Prospectus
	2018	2019	2020	2021	
	(unaudited)				
Company	**70**	**61**	**66**	**68**	**72**
Operations	*25*	*20*	*29*	*30*	*31*
Marketing	*9*	*7*	*6*	*12*	*13*
Sales	*13*	*11*	*11*	*8*	*8*
Finance & Administration	*12*	*13*	*9*	*7*	*8*
IT	*7*	*6*	*6*	*6*	*7*
Management	*4*	*4*	*5*	*5*	*5*
Retail	**26**	**27**	**31**	**28**	**26**
TOTAL GROUP	**96**	**88**	**97**	**96**	**98**

As of the date of the Prospectus, there are no arrangements for involving the employees in the Company's capital. The Company has not entered into pension arrangements with its employees. Therefore, no amounts have been set aside or accrued to provide pension, retirement or similar benefits.

In addition, via Instasell GmbH & Co. KG ("**Instasell**"), an average of 25 people in the course of the year are responsible for our sales force and promote our products to specific Retailers. However, as their employer acts Instasell. There is no employment contract between us and the respective member of the sales force.

12.12. Insurance coverage

We have taken out a number of insurance policies that are customary in our industry (e.g., loss of profits insurance, product liability insurance, transport insurance, business liability insurance). We believe that our insurance policies contain market-standard exclusions and deductibles. We regularly review the adequacy of our insurance coverage and consider our insurance coverage market standard insurance coverage customary in our industry. There is, however, no guarantee that we will not suffer any losses for which no insurance coverage is available or that the losses will not exceed the amount of insurance coverage under existing insurance policies.

We have also taken out a directors and officers ("**D&O**") insurance policy that covers the current and future members of the Management Board and Supervisory Board as well as equivalent bodies of other entities of the Group with a market standard coverage including various sub-limits depending on the specific nature of claims. The D&O insurance provides for a deductible for all members of the Management Board in line with the AktG.

12.13. Material contracts

12.13.1 VSOP

Selected members of the Management Board, employees, consultants and freelance collaborators of the Company may participate in its virtual stock option program (*Virtuelles Beteiligungsprogramm* – "**VSOP**"). The VSOP simulates a share option program aimed at a participation of the respective beneficiary in the equity capital of the Company. It grants the option holders the opportunity to participate in the future development of the Company's enterprise value. In contrast to a share option program, the virtual options under the VSOP do not grant the option holders the right to acquire shares in the Company upon exercise of the virtual options.

In the event of the Listing, an exercise event is triggered under the VSOP. Upon occurrence of the Listing, the option holders are entitled to exercise their virtual options, provided they have vested options and the options have not expired. The Company is obliged to notify the option holders of such exercise event within one month after its occurrence. Option holders may exercise their virtual options within three months of receipt of such notification.

Under the VSOP, the option holders are generally entitled to receive a settlement in cash. Alternatively, they can also be compensated with shares. Payment must be made within twelve months after receipt of the exercise notice by the Company. Three private persons currently participate in the existing VSOP. We assume that all three option holders will exercise their options after the Listing.

If the VSOP is settled in shares, such new shares may be issued using the Authorized Capital 2021/Ib as resolved by the Company's extraordinary shareholders' meeting (*außerordentliche Hauptversammlung*) on October 6, 2021 ("**Authorized Capital 2021/Ib**") (see "*16.2.2 Authorized Capital 2021/Ib*"). Under the Authorized Capital 2021/Ib, the Management Board is authorized to increase the Company's share capital in the period up to October 5, 2026 by issuing new shares against contributions in cash or in kind on one or more occasions by up to a total of EUR 28,600.0.

12.13.2 Factoring agreement

The Company is party to a factoring agreement with Coface Finanz GmbH, Mainz, Germany ("**Coface**"), dated October 21/27, 2014, under which the Company sells its receivables stemming from the sale of their products, subject to certain limits for each of the Company's contractors. Coface will buy the receivables offered by the Company up to a total maximum amount of EUR 5,000 thousand, provided, inter alia, that each receivable is valid, free from objections or defenses, assignable, not encumbered with third party rights and has a payment term of less than 90 days. Coface assumes the del credere liability for the purchased receivable. The purchase price corresponds to the nominal value of the reduced by deductions relating to the receivables that the Company has granted to its contractor and less the factoring fee and interest. The initial term of the contract was one year. The contract is extended by one year at a time (until September 30 of the following year), unless the contract is terminated three months before expiry. If there are any changes in the shareholder structure of the Company, Coface is entitled to terminate the agreement within a period of one month after becoming aware of such changes.

12.13.3 License agreement with Bakerman

The Company as licensor and Bakerman GmbH & Co. KG ("**Bakerman**") as licensee entered into a trademark and name use license agreement on March 25, 2021 ("**License Agreement**") for the word and figurative mark "Veganz" registered with the European Union Intellectual Property Office (EUIPO) on February 5, 2015. The License Agreement exclusively grants the right to use the word and figurative mark "Veganz" for purely plant-based bakery products as well as pizzas within the *bake-off area* of inter alia at baking stations in food retail stores, discounters as well as bakeries to Bakerman. Bakerman shall pay to the Company for the license granted in the License Agreement a fee in the amount of 3.5% of the net sales price of the goods sold under the trademark plus the statutory value added tax.

12.13.4 Cooperation agreement with RasenBallsport Leipzig GmbH

As of August 12, 2021, the Company entered into a sponsorship and cooperation agreement ("**Cooperation Agreement**") with RasenBallsport Leipzig GmbH ("**RB Leipzig**"), a subsidiary of the football club RB Leipzig e. V. where the licensed teams of RB Leipzig e. V. are located. The Cooperation Agreement was extended by a supplementary agreement dated August 31, 2021 ("**Supplementary Agreement**"). Pursuant to the Cooperation Agreement, the Company is in particular entitled to designate the brand "Veganz" as official Partner of RB Leipzig as well as from RBLZ Gaming ("**RBLZ Gaming**"), the FIFA eSports team from RB Leipzig. This right relates to both the first men's football team and the first women's football team of RB Leipzig. The Sponsorship Agreement gives the Company the exclusive advertising rights in the "vegan food" sector of RB Leipzig. Therefore, RB Leipzig will not conclude a sponsorship agreement with any other domestic or foreign company from the "vegan food" sector in the contract area during the term of the contract.

Under the Sponsorship Agreement, the Company receives advertising presence, inter alia on the LED video board on the sidelines as well as in the upper tier, and in this context agrees to photo and video recordings of the brand logo by authorized third parties. In particular, such advertising presence is granted at kiosks at respective sales stands of the RB Leipzig's stadium, the Red Bull Arena, where purely plant-based food is sold. In the digital context, RB Leipzig will display the Company's brand logo in its smartphone app, RB Leipzig will display the Company's brand logo in its app on its website as well as in the respective partner area and link it to Veganz's website.

Pursuant to the Supplementary Agreement, the Company will receive inter alia the right to display its brand logo in the form of a badge on the left sleeve of the jerseys at all DFB Cup matches played by the first men's team of RB Leipzig for the 2021/22 season. This relates, in particular, to all DFB Cup matches and all competitive matches in the UEFA Club competition.

Additionally, RB Leipzig undertakes in the Sponsoring Agreement to offer our purely plant-based products for sale or have them offered for sale by the respective stadium caterers at Bundesliga matches, other home matches, as well as concerts and third-party events in the Red Bull Arena. Our supply right includes both the sales area encompassing inter alia kiosks and the respective sales stands. In addition, the parties intend to integrate a selection of our purely plant-based products into the VIP catering at RB Leipzig's home games, depending on the overall gastronomic concept and after consultation with the respective VIP caterer. The specific product range, purchase prices and delivery and procurement channels will be determined by mutual agreement.

The Company pays EUR 650 thousand plus VAT per season for the rights granted to it under the Cooperation Agreement. EUR 100 thousand is to be provided in kind consisting of products from our product portfolio. As part of the Supplementary Agreement, the Company will also make a one-off payment of EUR 350 thousand plus VAT to RB Leipzig for the right to display its brand logo on the left sleeve of the jerseys. The Cooperation Agreement inured as of August 1, 2021, and ends on June 30, 2024. It will be automatically extended for another season (i.e., until June 30, 2025) unless terminated in writing by either party no later than December 31, 2023. During the term of the contract, however, RB Leipzig may also enter into sponsorship agreements with our competitors if they seek (i) a higher-level partnership with RB Leipzig and (ii) RB Leipzig concurrently does not accept a competing offer from the Company. If RB Leipzig decides to do so, it may at the same time terminate the contract by giving written notice to the end of the respective season (June 30). The Supplementary Agreement, on the other hand, shall become effective on September 1, 2021 and shall expire on June 30, 2022. In addition, any termination of the Sponsorship Agreement without any further declarations shall result in the termination of the

Supplementary Agreement.

12.13.5 Notes

The Company has outstanding unsubordinated, unsecured Notes in the aggregate principal amount of EUR 5,730.0 thousand, divided into 5,730 notes in the principal amount of EUR 1,000 each and ranking pari passu with each other (ISIN DE000A254NF5 / WKN A254NF). The Notes have a term of five years, were issued in bearer form (*Inhaberschuldverschreibung*) and bear interest on their principal amount at the rate of 7.5% per annum from and including February 24, 2021. Interest is payable in arrear on February 24 in each year. Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at par on February 24, 2025.

The Company may redeem all or – subject to further conditions – only some of the Notes in whole or in part as of February 24, 2023 at 102% of the principal amount plus accrued interest and as of February 24, 2024 at 101% of the principal amount plus accrued interest. If 80% or more of the aggregate principal amount of the Notes initially issued have been repurchased and cancelled, the Company may call, at its option, the remaining Notes at 100% of the principal amount plus accrued interest. Furthermore, the Company will be entitled to redeem all Notes at the at 100% of the principal amount plus accrued interest, if at any future time as a result of a change of the laws applicable in Germany or a change in their official application, the Company is or will be required to pay additional taxes or duties of whatever nature with respect to the Notes and such obligation cannot be avoided taking reasonable measures available to the Issuer.

If a change of control occurs, each holder of the Notes has the right to require the Company to redeem or, at the Company's option, purchase (or procure the purchase by a third party of) in whole or in part his Notes at 100% of the principal amount. Under the terms and conditions of the Notes, there is a change of control if (i) the Company becomes aware that any person other than an affiliated company or group of such persons acting in concert within the meaning of Section 2 para. 5 WpÜG has become the legal or beneficial owner of more than 50% of the voting rights of the Company, or (ii) the merger of the Company with or into a person other than an affiliated company or the merger of such person with or into the Company, or the sale of all or substantially all of the assets (determined on a consolidated basis) of the Company to a such a person, other than in a transaction following which (a) in the case of a conversion or a corresponding merger with holders that represented 100% of the voting rights of the Company own directly or indirectly at least a majority of the voting rights of the surviving person immediately after such merger and (b) in the case of a sale of all or substantially all of the assets, each transferee becomes a guarantor in respect of the Notes and is or becomes a subsidiary of the Company. It shall is not qualified as a change of control under the terms and conditions of the Notes, inter alia, if following the admission of the Company's shares to trading on the regulated market of a German stock exchange or an equivalent market segment of a foreign stock exchange less than 50% of the voting rights of the Company are owned by a holding company of the Company.

Each holder of Notes will be entitled to declare his Notes due and demand immediate redemption of his Notes at the principal amount plus accrued interest, if

- the Company fails to provide principal or interest within seven days from the relevant due date;
- the Company fails to perform or duly perform any other obligation arising from the Notes and such default, except where such default is incapable of remedy, continues unremedied for more than 30 calendar days after the Company has received notice thereof from a holder of Notes and has informed the Company accordingly;
- the Issuer or a material subsidiary states in writing that it is unable to pay its debts as they become due (c*essation of payment*);
- the Issuer or a material subsidiary fails to fulfil any payment obligation in excess of a total amount of EUR 2,000 thousand under any financial indebtedness – understood as indebtedness for (i) borrowed money, (ii) obligations, secured or unsecured, evidenced by bonds, debentures, notes or other similar instruments, (iii) the principal component of obligations in respect of letters of credit, bankers' acceptances and similar instruments – or under any guaranty or suretyship for any such indebtedness of a third party, when due (including in case of any acceleration) or after expiry of any grace period or, in the case of such guarantee or suretyship, within 30 days of such guarantee or suretyship being invoked (*cross default*);
- (i) the Company's assets or the assets of a material subsidiary of the Company have been subjected to an insolvency proceeding, or (ii) the Company or a material subsidiary of the Company applies for or institutes such proceedings or offers or makes an arrangement for the benefit of its creditors generally, or (iii) a third party applies for insolvency proceedings against the Issuer or a Material Subsidiary and such proceedings are not discharged or stayed within 30 days, unless such proceeding is dismissed due to insufficient assets;
- the Company ceases its business operations in whole or sells or transfers its assets in whole or a material part thereof to a third party and this causes a substantial reduction of the value of the assets of the Issuer (on a consolidated basis);
- the Company or a material subsidiary of the Company is wound up, unless this is effected in connection with a merger or another form of amalgamation with another company or in connection with a restructuring, and the other or the new company effectively assumes substantially all of the assets and liabilities of the Company or its material subsidiary,

including all obligations of the Company arising in connection with the Notes.

The Terms & Conditions provide for restrictions and obligations for the Company, inter alia, regarding the collateralization of capital market liabilities by the Company or its subsidiaries (negative pledge), certain prohibited disposals and distributions, including dividend payments, the granting of loans or guarantees, and reporting obligations. In particular, payments of dividends are prohibited, if the Company's equity ratio on the basis of the Company's annual financial statements immediately prior to the distribution falls below 20%.

The Notes are included to trading on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*).

The net proceeds of the issuance of the Notes shall be used for refinancing of payables to suppliers, strengthening Veganz' presence through sales representatives, additional marketing measures, investments in product innovation and management, and optimizing the financing structure. The Notes are governed by German law.

12.13.6 Credit facility agreement

The Company as borrower and Deutsche Bank AG Filiale Deutschlandgeschäft, Königs Wusterhausen, Germany, as lender, are parties to a revolving credit facility agreement dated October 6/8, 2015 ("**DB Facility Agreement**"). The revolving credit facility under the DB Credit Facility Agreement amounts to EUR 2,000 thousand and is granted without a maturity. The facility is used to finance the Company's working capital requirements. The current interest rate for cash drawings in current account is 3.5% and may be adjusted in line with the development of the European Central Bank's interest rate on the main refinancing operations. The credit facility is secured by a loan guarantee dated June 4, 2015 of Commerzbank Aktiengesellschaft, Frankfurt am Main, Germany, in the amount of EUR 2,000 thousand. The lender is entitled to terminate the DB Credit Facility Agreement extraordinarily for good cause, inter alia, if there is a change of shareholder and the parties are unable to reach an agreement on the continuation of the loan agreement on terms that may have to be adjusted, e.g., with regard to interest rates, collateral or other agreements. As of August 31, 2021, the credit facility under the DB Facility Agreement is utilized in an amount of EUR 1,969.24 thousand.

12.13.7 Crowdfunding with OneCrowd Loans GmbH

The Company as borrower is party to subordinated loan agreements in the total amount of EUR 1,998,750 in connection with a crowd financing campaign conducted with OneCrowd Loans GmbH (formerly: Seedmatch GmbH) Dresden, Germany ("**OneCrowd**"). Based on a framework agreement dated August 1/5, 2019 between OneCrowd and Veganz GmbH, the Company's legal predecessor, Veganz GmbH entered into several subordinated loan agreements with lenders with a fixed interest rate of 8% p.a., depending on the point in time at which lenders have entered into the subordinated loan agreement, payable semi-annually. The subordinated loan agreements have indefinite terms and can be terminated by either party at the earliest on December 31, 2023, with six months' notice to the end of the respective financial year. The principal amount of the loan is to be repaid to the lender if the subordinated loan agreement is terminated by one of the contracting parties or if the contract is terminated in any other way. In addition, the Company is obligated to pay a one-time, revenue-based bonus interest, due on July 31 in the year following the termination of the subordinated loan agreement. The bonus interest amounts to 10%, 20% or 30%, if the highest sales revenues as recorded in the annual financial statements during the term of the subordinated loan agreements succeeds EUR 40,000 thousand, EUR 45,000 thousand or EUR 50,000 thousand, respectively. Pursuant to the subordinated loan agreements, the lenders, in accordance with Section 19 para. 2 sentence 2 of the of the German Insolvency Code (*Insolvenzordnung* – "**InsO**"), rank behind all receivables of other existing and future creditors with respect to all receivables arising from the subordinated loan agreement in such a way that repayment of the loan, interest and bonus interest can only be demanded in subordination to all other creditors ranking in accordance with Section 39 para. 1 nos. 1 to 5 InsO. In addition, the lenders' receivables under the Agreement are excluded, among other things, for as long as and to the extent that a reason for the opening of insolvency proceedings already exists or the fulfillment of the lenders' receivables would give rise to a reason for insolvency (*Qualifizierte Nachrangklausel*).

12.13.8 Profit Participation Rights

In 2013, Veganz GmbH, as the legal predecessor of the Company, issued 14 profit participation rights (*Genussrechte*) in the meaning of Section 221 AktG with a total volume of EUR 332.5 thousand ("**Profit Participation Rights**"). The Profit Participation Rights are registered by name. They are not securitized and cannot be sold. However, a gratuitous transfer shall be permissible in exceptional cases. The Company is also entitled to acquire the Profit Participation Rights. The paid-in profit participation rights are serviced annually in the amount of 7.5% of the respective Profit Participation Right amount ("**Basic Dividend**"). In addition, the Profit Participation Rights participate proportionately in 15% of the distributable annual result (net income) of the Company.

The Basic Dividend may not result in a net loss for the year. If the Company's net profit for the year is not or not fully sufficient to pay the Basic Dividend or if it must be used in whole or in part to replenish the capital of the Profit Participation Rights or to make the prescribed allocation to reserves in accordance with the Articles of Association or the pertinent statutory provisions, the distribution amount attributable to the respective Profit Participation Rights shall be reduced accordingly.

If the Company were to report a net loss for a certain financial year, the invested profit participation capital (*Genussrechtskapital*) would participate *pro rata temporis* in the loss of Veganz GmbH up to the full amount by reducing the invested profit participation capital proportionately in relation to the recognized equity shares (*Eigenkapitalanteilen*) being not specially protected against distribution and primarily in relation to the recognized equity shares that are specially protected against distribution. The repayment claims of the holders of profit participation rights are reduced accordingly.

If, after participation of the invested profit participation capital in losses, annual profits are generated in subsequent financial years during the term of the invested Profit Participation Rights , the profit participation capital must be increased again from these profits – after the statutory replenishment of the statutory reserves or reserves under the Articles of Association – up to the amount of the profit participation rights before any other appropriation of profits is made. The term of the Profit Participation Rights is indefinite. They may be terminated at the earliest at the end of the minimum contractual period of five years up to the end of a financial year, and subsequently at the end of the following financial year.

The Profit Participation Rights are expected to be terminated and fully repaid in the financial year ending December 31, 2021 (see "*23.1 Recent developments*"). The respective persons have already been provided with respective termination agreements.

12.13.9 Silent Partnerships

Veganz GmbH, as the legal predecessor of the Company, entered into silent partnership agreements ("**Silent Partnerships**") with 14 persons as silent partners ("**Silent Partners**") with a total volume of EUR 975.6 thousand. Under the Silent Partnerships, each of the Silent Partners participates in the profit and loss of the Company. The Silent Partners are entitled to annual payments in the amount of 3% of their respective participation capital. Additionally, the Silent Partners participate proportionately to their participation capital in 5% of the net income to be distributed based on the total amount of the participation capital. The payment may not result in a net loss for the year. If the Company recognizes a net loss for the year, the participation capital participates pro rata temporis in the loss of the Company up to the full amount by reducing the silent partnership capital on a pro rata basis. If, after such participation in loss, the Company generates annual surpluses again, this must first be used again within the statutory limits to replenish the participation capitals. The term of the Silent Partnerships is indefinite. Termination is possible at the end of the financial year. The notice period is two years. The amount to be repaid is the respective participation capital less any deductions due to the Silent Partner's participation in losses. The silent partnerships are now no longer recognized in the balance sheet of the Company.

The Silent Partnerships are expected to be terminated and fully repaid in the financial year ending December 31, 2021 (see "*23.1 Recent developments*"). The Silent Partners have already been provided with respective termination agreements.

12.13.10 Framework Agreement with Instasell

The Company has entered into a framework agreement with Instasell which became effective June 1, 2020 for an indefinite period. According to this framework agreement Instasell undertakes towards the Company to duly carry out sales promotion measures at certain Retailers named by the Company in the Federal Republic of Germany. The respective promotion measures are agreed separately in individual orders on the basis of the framework agreement. Instasell shall assume these orders on its own responsibility and shall perform them using its own work equipment. The Company is not entitled to issue instructions to the district managers employed by Instasell. The parties have currently set the total annual remuneration of the district managers at EUR 1,911,000.00 plus VAT. In addition, the Company pays Instasell a monthly management fee of EUR 10,000.00.

12.13.11 Framework Agreement with Nagel SE & Co. KG

The Company has concluded a framework agreement with Nagel SE & Co. KG ("**Nagel**") for warehousing and transport services for the period from January 1, 2021 to December 31, 2023. From then on, the framework agreement can be terminated with a notice period of 6 months. Otherwise, the framework agreement is automatically renewed and can be terminated with a notice period of six months to the respective expiration date. Under the framework agreement, Nagel will be responsible for carrying out all activities related to the delivery/distribution of goods from manufacturers to both the Company's wholesale customers and the Company's affiliates. In this context, Nagel shall assume the transport, handling, commissioning and also the storage of the goods exclusively from the warehouse location in Hamburg. During storage, Nagel undertakes to maintain the ambient room temperatures of +2 C to +7 C (for fresh goods) and frost-free storage for dry goods required for the stored goods during the performance of the agreed services.

12.13.12 Commissioning of NORDFROST

The Company's legal predecessor, Veganz GmbH, had already commissioned Nordfrost GmbH & Co. KG ("**NORDFROST**") for the delivery of its raw and finished goods and in particular its refrigerated products. The storage locations provided by NORDFROST are situated in Hann. Münden, Germany, and Großbeeren, Germany. Additionally, NORDFROST and Veganz GmbH entered into a quality agreement. Pursuant to this agreement, NORDFROST warrants that it will usually store the Company's purely plant-based products at a temperature of minus 21 degree Celsius. In exceptional cases, the cooling temperature may rise by a maximum of 3 degrees Celsius for a short time. If the temperature rises by more than 6 degrees Celsius, the Company must be informed immediately. Furthermore

NORDFROST assures compliance with food law requirements, in particular those of Regulation 178/2002/EC of the European Parliament and of the Council of 28 January 2002 and the Food, Commodity and Feed Act (*Lebensmittel- und Futtermittelgesetzbuch (LFGB)* as well as the Guideline for Good Hygiene Practice in Cold Stores of the Association of German Cold Stores (*Verband Deutscher Kühlhäuser – VDKL*). Besides, NORDFROST warrants to comply with quality requirements for storage facilities which encompasses inter alia the Hazard Analysis Critical Control Point Concept (HACCP) and the International Featured Standards (IFS). In addition, the commissioning of NORDFROST is governed by general terms and conditions of refrigerated goods (*Allgemeine Bedingungen der Kühlhäuser – ABK*). They contain, inter alia, provisions on the inspection and approval of the storage facilities, the quality of the goods to be stored, and notification periods for storage damage. In accordance with the ABK, an insurance policy secures the refrigerated goods during storage, delivery and removal. Furthermore, the General German Forwarding Conditions (*Allgemeine Deutsche Speditionsbedingungen – ADSp*) apply to the legal relationship between NORDFROST and the Company.

12.13.13 Real estate

Our headquarters are located at Warschauer Straße 32/Revaler Straße 100, 10243 Berlin, Germany. We have leased this property until May 31, 2025 with automatic one-year prolongation until further notice. The leased office space to approximately 664.38 square meters. As of the date of the Prospectus, the aggregate monthly lease rate amounts to EUR 12,864.64.

In addition, we operate three Stores located at (i) Berlin-Friedrichshain (Warschauer Straße 32, 10243 Berlin, Germany), (ii) Berlin-Kreuzberg (Marheinekeplatz 15 Marheineke Markthalle/Obergeschoss, 10961 Berlin, Germany), and (iii) Berlin-Prenzlauer Berg (Schivelbeiner Straße 34, 10439 Berlin, Germany). We have leased the properties (i) Berlin-Friedrichshain until September 30, 2022 with the option to twice extend this lease for additional five years, and (ii) in Berlin-Kreuzberg and (iii) in Berlin-Prenzlauer Berg for an unlimited period of time.

Furthermore, the Company leased a building and a site for the Production Site II from Gazeley Berlin 6 S.à r.l. ("**Gazeley**") by lease agreement dated August 25, 2021 in Werder (Havel), Germany, in the Federal State of Brandenburg, Germany. The lease includes

- a hall area of approximately 9,329.00 sqm,
- office-/ social space of approximately 825.90 sqm,
- mezzanine of approximately 1,204.50 sqm and
- 56 car parking spaces.

The leased object is located in the commercial and logistics park *Magna Park Berlin-Brandenburg* ("**Magna Park Berlin**"). Gazeley belongs to the GLP-Group. The GLP-Group continues the development of the logistics park. The current building development of Magna Park Berlin has not been completed and not all infrastructure facilities exist yet. The GLP-Group reserves the right that it is entitled at any time to modify, relocate, reduce or extent the buildings and infrastructure facilities. The Company has no claims against Gazeley or the GLP-Group to request any specific measures in this regard. The Gazeley and the GLP-Group have the right to determine the performance within the meaning of Section 315 of the German Civil Code (*Bürgerliches Gesetzbuch*) and to form the future development of the Magna Park Berlin area according to this reasonable discretion. The Company's co-use of the area shall, however, not be limited or restricted by the future development of the Magna Park Berlin and during the period of the respective construction measures in an unreasonable way.

The Company intends to use the roof area for the installation and operation of photovoltaic installations. However, the roof area and the load-bearing building structures are not pre-equipped for photovoltaic systems and such equipment was not intended. The installation and operation of photovoltaic installations on the roof requires the prior consent of the Gazeley. However, Gazeley undertakes to grant its consent to the installation and operation of photovoltaic systems which is in particular subject (i) to the condition that the Company shall bear all costs of planning and construction (ii) and that there is no important reason for Gazeley to deny its consent. Such important reason constituted, in particular, the missing consent by Gazeley 's banks to the installations which already has been granted.

Other modifications by the Company similarly require the consent of the Gazeley, which may only be refused for an important reason. Such important reason is inter alia given if other tenants would be significantly limited in their use or the building would no longer obtain the DGNB Gold certification by the German Sustainable Building Council (*Deutsche Gesellschaft für Nachhaltiges Bauen* – DGNB) due to the modifications carried out.

The lease agreement provides for a fixed term of 15 years ending automatically on September 30, 2036. The Company is entitled to extend the lease by an additional five years once. The current permitted use of the lease is the operation of a logistics for storing, receiving, sorting and delivering goods (non- food), including secondary offices, staff rooms/lounges.

Since the building was originally intended as a logistics center and not for food production, the permitted use is changed to process and produce food. The change of the permitted use requires the prior consent of Gazeley. However, Gazeley undertakes to grant its consent to such change of permitted use if there is no important reason for Gazely to deny its consent.

For the processing and production of food the Company will submit the complete application for the change of the use to the competent building authority until October 31, 2021 at the latest. If the Company is denied this extension of use, it shall have a special termination right. If the Company exercises its special termination right, it is obliged to compensate Gazeley the broker's fee in the amount of EUR 204,104.60 plus VAT.

The monthly total rent consists of a total rent in the amount of EUR 71,025.64 including inter alia a monthly advance on ancillary and a lump-sum payment for property management and statutory VAT. Furthermore, Gazeley grants the Company a rent deduction in the amount of EUR 306.156,90 which will be deducted equally from the monthly net rent in the amount of EUR 51,026.15 for the first 36 months until this amount is used.

As of the date of the Prospectus, we do not own any real estate property and do not lease any real estate property, except for our headquarters and our physical store.

12.13.14 Media Agreement

By notarial deed dated April 12, 2019, the Company's legal predecessor Veganz GmbH and its shareholders entered into an agreement with a nationwide media group ("**Media Group**") for the implementation of a TV and media campaign in the third quarter of 2019 via various media channels ("**Media Agreement**"). The Media Agreement provided for a one-year term. The gross media volume amounted to a total of EUR 2,500 thousand (whereby the remuneration claim of the Media Group amounts to EUR 850 thousand). In connection with the Media Agreement, the parties also agreed, as part of an option agreement, on the discharge of the Media Group's claim by either (i) the Company's payment or (ii) the Media Group's right to acquire certain shares in the Company held by BVV against cash payment to BVV of the nominal value of such shares plus contribution of the Media Group's claim into the capital reserves (*andere Zuzahlung in die Kapitalrücklage*) of the Company pursuant to Section 272 para. 2 no. 4 HGB. The Media Agreement has since been terminated and no Shares have been granted under the Media Agreement.

12.13.15 Letter of engagement with financial advisor

The Company entered into a letter of engagement with a financial advisor becoming effective on April 29, 2020 ("**LoE**"). In the LoE the financial advisor undertook to provide the Company with certain advisory services in connection with the conclusion (i) of a fundraising transaction which encompasses any and all fundraising events securing liquidity for the Company or its shareholders in the guise of inter alia equity, equity-linked securities and/or quasi-equity securities or (ii) a sales transaction encompassing inter alia a merger, business combination or the sale of control or material interest of the Company's share capital. The advisory services shall in particular include to assist the Company in (i) developing a list of prospective investors/buyers, (ii) preparing to respond to ongoing discussions with investors and buyers and (iii) managing the transaction process. As compensation for the services rendered under the LoE the financial advisor shall receive a success fee consisting of several components which shall at minimum amount to EUR 750 thousand. In connection with the contribution of further equity in the amount of EUR 11,268.0 thousand, the financial advisor shall receive approximately EUR 1 million.

12.14. Governmental, legal or arbitration proceedings

In the course of our business activities, we are regularly exposed to numerous legal risks, particularly in the areas of product liability, competition, intellectual property disputes and tax matters. We are, however, not aware of any governmental, legal or arbitration proceedings (whether pending or threatened) which may have, or have had, a significant effect on our financial position or profitability during the past twelve months.

13. REGULATORY AND LEGAL ENVIRONMENT

The offering of our products extends to more than half of the member states of the EU. Therefore, our business is subject to various regulatory requirements under European law and the applicable national laws of the European countries in which we operate. While the relevant laws and regulations are typically of a national scope, within the EU, a considerable degree of regulatory harmonization exists in a number of areas relevant to our business. The EU has created a common regulatory framework that applies not only in our most important market Germany, but in all member states of the EU and comprises directives and regulations. Directives only become effective once they are transposed into national law in the respective member state of the EU and the implementation of directives may vary between member states. Regulations, however, do not require implementation into national law and apply directly and uniformly in all member states of the EU.

The following description provides an overview of selected regulations applicable to our business.

13.1. Food law

As a food business operator, we have to comply with several food laws/regulations when producing, processing or placing foodstuffs on the market in the EU. In general, these laws/regulations aim to ensure that food products are safe. Food business operators have to comply with applicable duties of care throughout the entire production, processing and distribution process.

On the EU level, these duties of care are specified in several regulations, such as

- Regulation 178/2002/EC of the European Parliament and of the Council of January 28, 2002 on general principles and requirements of food law,
- Regulation 852/2004/EC of the European Parliament and of the Council of April 29, 2004 on the hygiene of foodstuffs,
- Regulation 853/2004/EC of the European Parliament and of the Council of April 29, 2004 on specific rules for the hygiene of foodstuffs of animal origin,
- Regulation 1924/2006/EU of the European Parliament and of the Council of December 20, 2006 on nutrition and health claims made on foods,
- Council Regulation 834/2007/EC of June 28, 2007 on organic production and labelling of organic products,
- Regulation 1169/2011/EU of the European Parliament and of the Council of October 25, 2011 on the provision of food information to consumers,
- Regulation 2015/2283/EU of the European Parliament and of the Council of November 25, 2015 on novel foods,
- Regulation 178/2002/EC of the European Parliament and of the Council of January 28, 2002 on general principles and requirements of food law,
- Directive 2001/95/EC of the European Parliament and of the Council of December 3, 2001 on general product safety, as amended, as transposed into national laws, with respect to product liability,
- Directive 83/2011/EU of the European Parliament and of the Council of October 25, 2011 on consumer rights, as amended, as transposed into national laws, with respect to consumer protection,
- Regulation 290/2018/EU of the European Parliament and of the Council of February 26, 2018 amending Regulation 1881/2006/EC as regards maximum levels of glycidyl fatty acid esters in vegetable oils and fats, infant formula, follow-on formula and foods for special medical purposes intended for infants and young children,
- Regulation 396/2005/EC of the European Parliament and of the Council of February 23, 2005 on maximum residue levels of pesticides in or on food and feed of plant and animal origin and amending Council Directive 414/1991/EEC,
- Regulation 1333/2008/EC of the European Parliament and of the Council of December 16, 2008 on food additives,
- Commission Regulation 1881/2006/EC of December 19, 2006 setting maximum levels for certain contaminants in foodstuffs,
- Commission Regulation 432/2012/EU of May 16, 2012 establishing a list of permitted health claims made on foods, other than those referring to the reduction of disease risk and to children's development and health,
- Regulation 2283/2015/EU of the European Parliament and of the Council of November 25, 2015 on novel foods, amending Regulation 1169/2011/EU of the European Parliament and of the Council and repealing Regulation 258/1997/EC of the European Parliament and of the Council and Commission Regulation 1852/2001/EC,
- Commission Regulation 2073/2005/EC of November 15, 2005 on microbiological criteria for foodstuffs,
- Commission Regulation 1881/2006/EC of December 19, 2006 setting maximum levels for certain contaminants in foodstuffs,
- Commission Regulation 2023/2006/EC of December 22, 2006 on good manufacturing practice for materials and articles

intended to come into contact with food,

- Commission Regulation 10/2011/EU of January 14, 2011 on plastic materials and articles intended to come into contact with food and
- Regulation 1935/2004/EC of the European Parliament and of the Council of October 27, 2004 on materials and articles intended to come into contact with food and repealing Directives 80/590/EEC and 89/109/EEC.

On the national level in Germany, these regulations are, amongst others, implemented and complemented by

- the Food, Commodity and Feed Act (*Lebensmittel- und Futtermittelgesetzbuch (LFGB)*),
- the Food Hygiene Regulation (*Lebensmittelhygieneverordnung (LMHV)*),
- the Regulation on the adoption of national rules to regulation 1169/2011/EU (*Verordnung zur Anpassung nationaler Rechtsvorschriften an die Verordnung (EU) Nr. 1169/2011 (LMIDV)*),
- the German Verification Act (*Mess- und Eichgesetz*) and
- the Finished Pack Regulations (*Fertigpackungsverordnung*).

These regulations impose extensive duties and responsibilities on food business operators primarily to protect the health of the customers that get into contact with certain products. In addition, they grant extensive powers to the competent authorities in order to supervise the compliance of manufacturers and distributors of food products with their respective legal duties. Responsibilities of food business operators include, but are not limited to, the following:

- Food business operators have to comply with various general duties and prohibitions for the protection of consumers' health and for the prevention of consumer deception. For example, food business operators may not produce or place foodstuffs on the market that could harm the human health. In addition, foodstuffs may not be placed on the market or be advertised using misleading names, information or presentations.
- Food business operators are subject to regulations on the sanitary conditions of the premises, technology and organization of food processing facilities as well as the personal hygiene of their employees that aim to maintain food hygiene and to prevent foodstuffs from being contaminated. For example, business premises have to be kept clean and in a good condition and have to be equipped, amongst others, with wash basins, disinfection dispensers and, if necessary, suitable work and storage space that allow for temperature control of foodstuffs. Food business operators are required to document their food hygiene by establishing a hygiene management in accordance with HACCP (Hazard Analysis and Critical Control Point) that is commensurate to the nature and the size of the food business. Additionally, they have to establish systems or processes that allow for complete traceability of foodstuffs for all stages of the grocery chain. In addition, food business operators are required to assure that their employees who are handling foodstuffs are supervised and instructed and/or trained in hygiene matters and to register with the competent authorities who are granted extensive powers in order to supervise the compliance of manufacturers and distributors of food products with their respective legal duties.
- Food packages are subject to strict labelling requirements. In particular, food packages are to be labelled with detailed and accurate information on, amongst others, the name of the food, the list of ingredients, in particular those causing allergies or intolerances, the quantities of nutrients and other substances contained in the food and the date of minimum durability (i.e., the date until which the food retains its specific properties when properly stored) or the "use by"-date. Also, the labeling of food packages in relation to a person's health (so called "health claims") is strictly regulated and only permitted under certain conditions. In particular, health claims may not be false or misleading.
- Where the foodstuff is sold via distance selling, the mandatory labelling information (excluding the date of minimum durability) has to be made available to the customer prior to the conclusion of the contract and to the food delivery.

In addition, Council Regulation 834/2007/EC on organic production and labelling of organic products determines how products and foodstuffs labeled as organic products must be produced and manufactured. Only products that comply with this regulation may use the terms organic, ecological, biological, ecological, controlled organic, controlled organic, organic farming, biodynamic and organic or bear the European or national organic seal. The implementing rules for this regulation are contained in Commission Regulation 889/2008/EC of September 5, 2008.

With regard to our gluten-free products, we must also comply with Commission Implementing Regulation 828/2014 of July 30, 2014 on the requirements for the provision of information to consumers on the absence or reduced presence of gluten in food. This regulation applies to all foods that are intended to meet the special dietary requirements of people with gluten intolerance due to their particular composition or special manufacturing process and are marketed as gluten-free.

Commission Regulation 881/2006/EC of December 19, 2006 setting maximum levels for certain contaminants in foodstuffs limits the levels for certain contaminants in foodstuffs to toxicologically acceptable values. Foodstuffs containing contaminants that are harmful to health above the maximum permitted level may not be placed on the market either as such or after mixing with other foodstuffs or as an ingredient. From production to placing on the market, the content of contaminants in foodstuffs has to be limited to as low a level as reasonably possible.

As far as the acrylamide presence in food is concerned, the requirements of Regulation 2017/2158/EU of November 20, 2017 establishing mitigation measures and benchmark levels for the reduction of the presence of acrylamide in food laying down minimization measures and guide values for the reduction of acrylamide content in food must be observed. These specify minimization measures and guideline values for the reduction of acrylamide presence in food. Foods within our range that are affected by this are in particular bakery products, breakfast cereals as well as coffee.

Commission Regulation 2073/2005/EC of November 15, 2005 on microbiological criteria for foodstuffs imposes increased duties on food business operators like Veganz when assessing microbiological hazards, in particular with regard to testing and sampling.

In addition, we have to observe regulation regarding the packaging of food products, such as Regulation 1935/2004/EC of October 27, 2004 on materials and articles intended to come into contact with food.

13.2. Free movement of goods in the EU

As an online retailer who offers goods in different countries in the EU, we benefit from the principle of free movement as stipulated in the Treaty on the Functioning of the EU ("**TFEU**"). Pursuant to Article 28 TFEU, the EU comprises a customs union, which means that member states of the EU are not allowed to impose customs duties on imports and exports within the EU. The same applies to all charges having equivalent effect. Moreover, quantitative restrictions on imports and exports, as well as all measures having equivalent effect, are also prohibited between member states of the EU (Articles 34 and 35 TFEU).

However, these rules do not preclude prohibitions or restrictions on imports and exports which are justified by general, non-economic considerations, e.g., public morality, public policy or public security and the protection of health and life of humans. Such prohibitions or restrictions shall not, however, constitute a means of arbitrary discrimination or a disguised restriction on trade between member states.

13.3. Data protection and privacy

13.3.1 General framework for the processing of personal data

In 2018, Veganz terminated its own online store activities. Since then, we have only collected limited personal data via the network. This is mainly done when interested persons sign up for the newsletters that we regularly send to our subscribers via email. The processing of personal data by Veganz is extensively regulated by European and national legislation. In the EU, the 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 (General Data Protection Regulation – "**GDPR**") is the general regulatory framework for the processing of personal data. In Germany, the GDPR is supplemented and modified by the German Federal Data Protection Act (*Bundesdatenschutzgesetz* – "**Federal Data Protection Act**"). In addition to the GDPR and the Federal Data Protection Act, various sector-specific statutes set forth specific rules which apply to certain industries, businesses or processing activities.

The data protection laws regulate under which conditions and how personal data may be processed. In the GDPR "processing" is defined as any operation or set of operations which is performed on personal data or on sets of personal data, whether or not by automated means, such as collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction. Any processing of personal data is only permissible to the extent that a legal basis for processing stipulated in the GDPR applies. Furthermore, personal data must be processed for specified and legitimate purposes only, limited to what is necessary to achieve the pursued purposes, accurate and, where necessary, kept up to date, stored no longer than is necessary for the purposes pursued and processed in a manner that ensures appropriate security.

If consent of the data subjects (i.e., the natural persons to whom the personal data relate) is necessary for a certain processing activity conducted by Veganz, strict transparency and information requirements must be complied with in order to obtain valid consent. Furthermore, consent in a processing of personal data must be given freely to be valid and may be withdrawn at any time and without causing.

The GDPR also requires Veganz to implement appropriate technical and organizational measures to ensure and to be able to demonstrate that processing of personal data in connection with our business operations is performed in accordance with the GDPR. That includes, inter alia, the appointment of a data protection officer (*Datenschutzbeauftragter*), the maintenance of records of processing activities, the conclusion of data processing agreements with our processors and the conduct of different legal and risk assessments for any business process comprising the processing of personal data such as privacy impact assessments in cases where the processing of personal data is likely to result in a high risk to the rights and freedoms of individuals.

The following selected topics related to data protection and privacy laws are of particular relevance to our business:

13.3.2 Individual rights of data subjects

Under the GDPR, we are obliged to proactively inform the data subjects about the modalities of the processing of their personal data by Veganz, for example by means of a regularly updated privacy policy.

Furthermore, each data subject has several rights with regard to the processing of its personal data by us. Inter alia, each data subject has the right to require comprehensive information from us about the processing of its personal data by Veganz, the right to data portability as well as the right to object against certain processing of its personal data.

Furthermore, the GDPR establishes a right to erasure of personal data. Therefore, data subjects may require Veganz that personal data relating to such data subjects is deleted under certain conditions, particularly when the personal data are no longer necessary in relation to the purposes for which they were processed, when the personal data have been unlawfully processed or where the data subjects have withdrawn their consent to the processing.

13.3.3 Direct marketing

In general, advertisement by means of a telephone call or electronic mail, such as newsletters, requires the recipients explicit prior consent to receiving such communication. In order to be able to proof valid consent, consent must be obtained by way of a double-opt-in procedure. This procedure requires that recipients give actively their consent, e.g., by signing up for a newsletter, and subsequently additionally confirm their contact details before getting contacted for advertisement.

In order to obtain valid consent, the recipients have to be transparently and comprehensively informed on which products or services of which companies they will be informed by such direct marketing activities and which companies will make use of the consent.

As an exception from the consent requirement, advertisement, e.g., personalized product recommendations, may be sent to customers by email without their explicit prior consent provided, if the email address has been obtained in connection with a prior sale of goods or services to the respective customer, the advertisement relates to products identical or similar to those previously purchased by the respective customer and that the customer has been duly informed about his right to object to receiving such recommendations.

13.3.4 Transfer of personal data to third countries

As a result of the Schrems II decision rendered by the European Court of Justice ("**ECJ**") on 16 July 2020 (case C-311/18), the transfer of personal data from the EU to recipients located in non-EU- or EEA-member states ("**Third Countries**"), particularly to the United States, in compliance with the GDPR has become difficult for all businesses in the EU. In its Schrems II decision, the ECJ invalided the United States-EU Privacy Shield which had been the basis for the transfers of personal data from the EU to the United States in many cases. Furthermore, the ECJ decided that the implementation of the standard safeguards provided for by the GDPR, such as the EU standard contractual clauses which most of the transfers of personal data from the EU to Third Countries rely on, are no longer sufficient to ensure compliance with the GDPR if a level of data protection that is essentially equivalent to the level of data protection in the EU is not ensured in a Third Country despite of the implementation of said standard safeguards.

Against this background, Veganz might have to implement additional technical (e.g., encryption) and/or organizational measures to comply with the GDPR, or restructure our business processes comprising the transfer of personal data to Third Countries, particularly with regard to the use of cloud services, social media platforms and tracking tools.

13.3.5 Cybersecurity

We are also required to comply with various cybersecurity requirements. In particular, the GDPR obliges Veganz to implement appropriate technical and organizational measures to ensure a level of security appropriate to the risk with regard to the processing of personal data by us. That includes, inter alia, the encryption of personal data, measures to ensure the ongoing confidentiality, integrity, availability and resilience of our processing systems and services, the ability to restore the availability and access to personal data in a timely manner in the event of an incident and a process for regularly evaluating the effectiveness of the measures taken.

Furthermore, GDPR generally requires Veganz to inform the competent data protection supervisory authority of any data breach, i.e., any breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, personal data processed by Veganz within 72 hours of becoming aware of such data 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 such data breach without undue delay.

13.3.6 Consequences of non-compliance

Under the GDPR, any non-compliance with the relevant regulations may result in severe administrative fines. Depending on the gravity of the infringement, administrative fines of up to the higher of (i) 4% of the annual worldwide turnover of Veganz belongs in the preceding financial year, or (ii) EUR 20,000 thousand may be imposed. Furthermore, the competent data protection supervisory authority can initiate administrative proceedings and take the necessary measures to remedy the infringement. In addition, under some circumstances the data subjects affected also have the right to receive a compensation for damages and even for non-material damages and inconveniences caused by the violation of data protection law. Moreover, particularly in the case of unlawful direct marketing, we can be sued for elimination and to cease and desist by the recipients as well as by competitors, and the Federal Network Agency is entitled to impose administrative fines of up to EUR 300,000.00.

13.4. Consumer protection

Since we offer products to consumers, we must comply with various consumer protection laws. Throughout the EU, consumer protection is extensively regulated, such as on the basis of the following EU directives:

- Council Directive 93/13/EEC of April 5, 1993 on unfair terms in consumer contracts;
- Directive 1999/44/EC of the European Parliament and of the Council of May 25, 1999 on certain aspects of the sale of consumer goods and associated guarantees;
- Directive 2005/29/EC of the European Parliament and of the Council of May 11, 2005 concerning unfair business-to-consumer commercial practices in the internal market and
- Directive 2011/83/EU of the European Parliament and of the Council of October 25, 2011 on consumer rights ("**Consumer Rights Directive**").

The aforementioned European directives on consumer protection and the national laws implementing or complementing these directives impose extensive duties and responsibilities in particular on online retailers. As sellers, we are responsible for the conformity of our products with the agreed condition and liable to consumers for any lack thereof at the time of fulfillment. Advertising efforts (e.g., promotional games, newsletters and personalized product recommendations) are heavily regulated, in particular if distributed via email or telephone. Advertisements may, in particular, 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 and other competent bodies will apply them.

Failure to comply with provisions on consumer protection may give rise to civil liability, invalidity of the affected agreements with the relevant consumer, warning letters and legal proceedings initiated by competitors or customer or business associations and/or may lead to administrative orders or fines.

13.5. Product safety

13.5.1 Requirement to ensure product safety

As producer and distributor who markets products in the EU, we have to act with due care to help ensure that our products are safe. To this end, Directive 2001/95/EC of the European Parliament and of the Council of December 3, 2001 on general product safety, as amended ("**Product Safety Directive**"), which has been implemented in Germany by the German Act on Product Safety (*Produktsicherheitsgesetz*) as well as various governmental regulations (*Rechtsverordnungen*) on the safety of specific products and product groups, imposes various obligations on manufacturers and retailers.

Under the Product Safety Directive, distributors are required to act with due care to ensure compliance of their products with the applicable safety requirements, in particular by not marketing products, if they know, or should have presumed, that such products do not comply with such safety requirements. The Product Safety Directive applies to all products which are intended for consumers, or likely to be used by consumers even if not intended for them, whether new, used or reconditioned.

In addition, distributors are generally required to participate in the monitoring of the safety of their products, especially by passing on information with respect to product risks, by keeping and providing the documentation necessary for tracing the origins of their products, and by cooperating with manufacturers and competent governmental authorities to mitigate risks from defective products. Retailers may also become subject to the even more extensive regulations relating to producers under the Product Safety Directive, for example if they modify their products in a way that affects the safety of such products.

13.5.2 Safety requirements for individual products

Certain products of Veganz may be subject to additional regulations, including:

- the German Act on Food, Feed and Consumer Products (*Lebensmittel-, Bedarfsgegenstände- and Futtermittelgesetzbuch*); and
- the German Consumer Goods Ordinance (*Bedarfsgegenständeverordnung*).

Such regulations are primarily aimed at protecting the health of consumers that come into contact with certain products and grant extensive powers to the competent governmental authorities in order to supervise the compliance of retailers with their legal duties.

13.5.3 Consequences of non-compliance

A violation of European or national product safety laws and related regulations may be sanctioned with fines and in severe cases even with criminal sanctions.

The German Product Liability Act (*Produkthaftungsgesetz* – "**Product Liability Act**") provides for an additional liability regime with respect to products that cause injury or death of a natural person or damage to property and such liability generally applies irrespective of fault (*verschuldensunabhängig*). The Product Liability Act provides for a liability limit (*Haftungshöchstbetrag*) in an amount of EUR 85,000 thousand. In addition, in case of damage to property, the owner of such property is required to bear damages in an amount of EUR 500 himself.

13.6. Trademarks

The registration and protection of trademarks is regulated by international, European and national legislation:

- On an international level, trademark registration and protection are, inter alia, governed by the Madrid Agreement Concerning the International Registration of Marks of June 27, 1989, as last amended on September 28, 1979 ("**MMA**"), the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks of June 27, 1989, as last amended on November 12, 2007 ("**PMMA**"), and the Paris Convention for the Protection of Industrial Property of March 20, 1883, as last amended on September 28, 1979.
- On the European level, trademarks are governed by Directive (EU) 2015/2436 of the European Parliament and of the Council of December 16, 2015 on the approximation of the laws of the member states relating to trademarks ("**Trademarks Directive**") 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 EU trade mark ("**EU Trademark Regulation**").
- In Germany, trademarks are governed by the German Trademark Act (*Markengesetz* – "**Trademark Act**").

Trademarks may be registered with the respective national trademark authority (e.g., the German Patent and Trade Mark Office (*Deutsches Patent- und Markenamt*) as well as with EUIPO 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 10-year periods. Such registrations may be renewed repeatedly. Upon receiving an application, the EUIPO will examine whether there are grounds for refusal of granting the trademark registration (e.g., due to earlier, identical or similar trademarks registered in a member state of the EU or 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 trademark, the proprietor is entitled to prohibit any third party from using such trademark commercially without his prior consent. In addition, national trademark laws of the member states of the EU stipulate that the proprietor of a European trademark is entitled to, inter alia, receive compensation for damages arising from the illegal use his trademark.

However, the protection of registered trademarks is limited pursuant to Article 15 Trademarks Directive, which has been implemented into German law in Section 24 of the Trademark Act, and, with respect to union-wide trademarks, pursuant to the identical rule in Article 15 of the EU Trademark Regulation. Under these provisions, the proprietor of a trademark is not entitled to prohibit third parties to use trademarks that relate to goods which the proprietor has put on the market (or which have been put on the market with the proprietor's consent) in Germany or any other member state of the EU or the EEA (so-called "exhaustion"). This limitation of trademark protection does not apply only if there are legitimate reasons for the proprietor to oppose further commercialization of the goods, especially if the condition of the goods is changed or impaired after they have been put on the market.

13.7. Internet domains

The reservation, transfer and renewal of top-level Internet domains such as generic top-level Internet domains (e.g., ".com") and most country code top-level Internet domains (e.g., ".de") are administered by the Internet Corporation for Assigned Names and Numbers ("**ICANN**"), which is a US-based non-profit organization. The reservation, transfer and renewal of second-level Internet domains are administered by certain registries which are accredited by ICANN. In Germany, Internet domains ending with ".de" are administered by DENIC eG ("**DENIC**"), a German non-profit organization. Reservations of second level Internet domains are made by DENIC depending on who is the first applicant for the relevant domain.

If a domain infringes on trademarks or name rights, the proprietor of the relevant trademarks or name rights can under certain conditions file an injunction to prevent the registration or use of such domain. Such proprietor may also be entitled to compensation for damages arising from infringements on such rights. Furthermore, specific dispute resolution proceedings are available for disputes over domains, including with respect to infringements of trademark or name rights. For example, the Uniform Domain-Name Dispute Resolution Policy of the ICANN applies to disputes over the abusive reservation and use of domains for generic and certain national top-level domains.

In Germany, DENIC refers to the German courts for any disputes arising from the reservation and use of national domains. German courts may, inter alia, approve requests for consent to the cancellation of domains, but not for the transfer of the disputed domains. However, if an entry on the disputed domain has been made with DENIC, such domain is transferred automatically to the claimant upon cancellation of the relevant domain. In addition, holders of domains who are also proprietors of trademarks corresponding to such domains can under certain conditions defend their domains vis-a-vis third parties against abusive reservation or use on the grounds of trademark protection.

13.8. Fair competition

We are subject to a number of private competition laws. On a European level, general rules governing private competition are set forth in 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, Directive (EC) 2006/114 of the European Parliament and of the Council of December 12, 2006 concerning misleading and comparative advertising and Directive (EU) 2016/943 of the European Parliament and of the Council of June 8, 2016 on the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure. In addition, there are various directives and regulations containing other prohibitions of misleading information in relation to specific kinds of products and services. In Germany, private competition is governed by the German Act against unfair Competition (*Gesetz gegen den unlauteren Wettbewerb* – "**UWG**").

In general, these rules are designed to protect market participants, such as competitors and consumers, in order to ensure free and open competition in the market and thereby enhance competitiveness and economic efficiency. The UWG prohibits any unfair business practices (e.g., bait advertising and deception of origin). With regard to the sale of products, market practices are considered misleading if they contain untrue statements or other information that is likely to be deceptive with respect to the main characteristics of the relevant products and warranty rights of consumers. Non-compliance with the rules on fair competition may result in claims for injunctive relief being asserted by competitors or consumer protection bodies, claims for damages being asserted by competitors, and, in countries other than Germany, fines being imposed by the competent authorities.

14. SHAREHOLDER INFORMATION

14.1. Major shareholders

As of the date of this Prospectus, the following shareholders of the Company (together "**Major Shareholders**") directly hold an interest in the Company's share capital and voting rights that would qualify as a notifiable interest within the meaning of Section 33 of the German Securities Trading Act (*Wertpapierhandelsgesetz* – "**WpHG**"), if this provision was applicable to the Company:

- BVV;
- Vegan Angels;
- Paladin Asset Management Investmentaktiengesellschaft mit Teilgesellschaftsvermögen;
- Katjesgreenfood;
- VBKG;
- Develey Holding GmbH & Co. Beteiligungsgesellschaft KG;
- Brandenburg Kapital GmbH;
- Michael Durach; and
- Bernd Drosihn.

The following table sets forth (i) the direct shareholdings of the Major Shareholders, (ii) the ultimate controlling shareholders of the Major Shareholders within the meaning of Sections 33 et seq. WpHG immediately prior to the Offering, and (iii) their expected shareholdings, together with the expected shareholdings of the public float, upon completion of the Offering, assuming final placement of all 547,120 Offer Shares, and (iv) no exercise of the Greenshoe Option and (v) full exercise of the Greenshoe Option:

SHAREHOLDER		SHAREHOLDING IN %[1]		
			Upon completion of the Offering[2]	
Ultimate	Direct	Immediately prior to the Offering	(No exercise of Greenshoe Option)	(Full exercise of Greenshoe Option
Jan Bredack[3]	BVV	26.3%	17.9%	17.9%
Manfred Wilde	Vegan Angels	14.1%	7.6%	5.7%
Marcel Jo Maschmeyer[4]	Paladin Asset Management Investmentaktiengesellschaft mit Teilgesellschaftsvermögen[5]	13.2%[6]	9.0%	9.0%
Bastian Fassin	Katjesgreenfood	7.8%	5.3%	1.3%
Jan Bredack[3]	VBKG[7]	7.4%	0.0%	0.0%
Develey Holding GmbH[8]	Develey Holding GmbH & Co. Beteiligungsgesellschaft KG	3.5%	2.4%	2.4%
Investment Bank of the Federal State Brandenburg (*Investitionsbank des Landes Brandenburg*)[9]	Brandenburg Kapital GmbH	3.5%	2.4%	2.4%
Michael Durach[10]		3.3%	2.2%	2.2%
Bernd Drosihn		3.0%	2.0%	2.0%
Public float		*17.8%*	*51.0%*	*56.9%*
Total		**100%**	**100%**	**100%**

(1) Percentages have been rounded according to established commercial standards. As a result, such percentages may not add up to the sum totals, which are calculated based on unrounded figures.
(2) Assuming placement of all Offer Shares.
(3) Member of the Management Board.
(4) As of the date of the Prospectus, Marcel Jo Maschmeyer directly holds 0.7% of the Company's share capital and voting rights.
(5) As of the date of the Prospectus, Paladin Asset Management Investmentaktiengesellschaft mit Teilgesellschaftsvermögen directly holds 12.5% of the Company's share capital and voting rights.
(6) The shareholding includes the direct shareholdings of Marcel Jo Maschmeyer and Paladin Asset Management Investmentaktiengesellschaft mit Teilgesellschaftsvermögen.
(7) As of the date of the Prospectus, the shareholders Timo Hildebrand and 4L Vision GmbH, Karlsruhe, Germany, are also limited partners (*Kommanditisten*) of VBKG. Jan Bredack acts as the general partner (*persönlich haftender Gesellschafter*) of VBKG. He is not invested in the fixed capital (*Festkapital*) of VBKG.
(8) As of the date of the Prospectus, none of the shareholders (Michael Durach and Stefan Durach) of Develey Holding GmbH, Unterhaching, Germany, have a controlling influence in Develey Holding GmbH, Unterhaching, Germany.
(9) As of the date of the Prospectus, none of the owners of the Investment Bank of the Federal State Brandenburg (*Investitionsbank des Landes Brandenburg*) (NRW.Bank and the Federal State of Brandenburg (*Land Brandenburg*)), Potsdam, Germany, have a controlling influence on the Investment Bank of the Federal State Brandenburg (*Investitionsbank des Landes Brandenburg*), Potsdam, Germany.
(10) Member of the Supervisory Board.

As of the date of the Prospectus, none of the Company's shareholders holds a majority of the Company's share capital and voting rights and, therefore, has a controlling influence (*beherrschender Einfluss*) within the meaning of Section 17 para. 1 AktG on the Company.

The Company assumes that the regulations of the German corporate law, in particular the stock corporation law and the capital market law are sufficient to prevent abuse of control. Special measures in regard to the Company were not taken. The Company is currently not aware of any agreements that could, at a later date, lead to a change in control of the Company. The shareholders of the Company do not have different voting rights. All Shares confer the same voting rights.

14.2. Shareholders' agreement

Certain Shareholders of the Company among them the Major Shareholders as well as Jan Bredack entered into the shareholders' agreement on June 1, 2021, which was amended on August 3, 2021 ("**Shareholders' Agreement**"). The Shareholders' Agreement provides for a fixed term until December 31, 2030. Furthermore, the Shareholders' Agreement terminates upon the occurrence of an exit event. An exit event shall be deemed to have occurred, inter alia, (i) if the shares of the Company or of a legal successor of the Company are admitted to a regulated market and these shares are completely placed or (ii) in case of the inclusion of the Shares in the Regulated Unofficial Market of a German stock exchange. Thus, the Shareholders' Agreement terminates automatically with the Listing.

The Company undertakes to one of the investors to file a business registration (*Gewerbeanmeldung*) for its Production Site II with the competent authority by December 31, 2021 at the latest as the investment of this investor is specifically linked to the establishment of the production site. Insofar as the approval of the shareholders' meeting of the Company is required for certain measures as inter alia

- restructuring measures within Veganz,
- acquisition and disposal of companies or parts of companies,
- acquisition or disposal of assets that are essential for the operation of the Company's business,
- capital increases,
- the election of the members of the Supervisory Board as well as
- the occurrence of an exit event, the decision on the general conditions, the toleration, the implementation and the time of the exit,

they have always to be adopted with the votes of BVV, as long as Jan Bredack is still (i) its shareholder as well as its managing director and (ii) BVV is still a shareholder of the Company.

The shareholders undertake to ensure that an accession agreement to the Shareholders' Agreement is concluded with any purchaser of their shares. However, this does not apply to (i) acquisitions by small shareholders not holding more than 2% of the respective share capital of the Company and (ii) dispositions relating to the occurrence of an exit event, such as the inclusion of shares of the Company in the Regulated Unofficial Market of a German stock exchange. In the event of an IPO of the Shares, all shareholders of the Company entering into the Shareholders' Agreement have also committed themselves to promote such a transaction to the best of their ability and, in particular, to submit to any re-strictions on disposal with regard to their shares to the extent required on the basis of the applicable stock exchange regulations and/or deemed necessary by the investment bank accompanying the IPO for the Company.

Furthermore, the Shareholders' Agreement contains the obligation to establish a virtual employee stock option program. Under this program, up to 28,600 virtual shares in the Company shall be issued. These virtual shares will be issued by the Management Board to current and future employees. These virtual shares only require the Company to make payments in accordance with the more detailed provisions of an employee stock option program. No such virtual shares have been issued to date.

Within the statutory limits of the AktG, certain measures, such as amendments to the Articles of Association, are subject to the approval of certain investors. These are also entitled to certain other rights vis á vis the Management Board.

In addition, the parties of the Shareholder Agreement as well as the Company entered into a guarantee agreement with one of the shareholders as guarantee recipient as of August 3, 2021 ("**Guarantee Agreement**"). On the one hand, Jan Bredack grants in the course of the Guarantee Agreement certain warranties related to the Company, inter alia that to his knowledge no application for the opening of insolvency proceedings are filed and that the annual financial statements for the financial year ended December 31, 2020 are compiled in accordance with the Company's previous accounting practice and otherwise in accordance with the respective applicable legal requirements and generally accepted accounting principles. On the other hand, the shareholders of the Company who are party to the Guarantee Agreement provide a title guarantee in respect of shares in the Company tabulated in the Guarantee Agreement.

15. GENERAL INFORMATION ON THE COMPANY

15.1. Incorporation

The Company was incorporated as a German Stock Corporation (*Aktiengesellschaft* or *AG*) as a shelf company under the legal name "Youco D19-H-39 Vorrats-AG" by Articles of Association dated April 25, 2019 and registration with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Dusseldorf, Germany, under the registration number HRB 86512 on May 7, 2019. The Company was founded by Youco24 Gründungs GmbH, with registered seat in Cologne, Germany, and registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Cologne, Germany, under the registration number HRB 94388.

By purchase and assignment agreement dated August 27, 2019, all shares in the Company were sold and transferred to Veganz GmbH. Subsequently, the legal name of the Company was changed to "Veganz Group AG". The registration of the new legal name with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Dusseldorf, Germany, took place on October 8, 2019.

On September 25, 2019, Veganz GmbH and the Company entered into a merger agreement (*Verschmelzungsvertrag*). Pursuant to the merger agreement (*Verschmelzungsvertrag*), the Merger was resolved among the parties. Veganz GmbH as transferring legal entity (*übertragender Rechtsträger*) transferred its assets as a whole with all rights and obligations under dissolution without liquidation (*Auflösung ohne Abwicklung*) by way of merger pursuant to Sections 2 no. 1, 46 et seq., 60 et seq. of the German Transformation Act (*Umwandlungsgesetz* – "**UmwG**") to the Company as acquiring legal entity (*übernehmender Rechtsträger*).

As of September 25, 2019, the Company's shareholders' meeting (*Hauptversammlung*) and the shareholders' meeting (*Gesellschafterversammlung*) of Veganz GmbH, respectively, resolved on the conclusion of the merger agreement (*Verschmelzungsvertrag*) and the implementation of the Merger. The merger date (*Verschmelzungsstichtag*) pursuant to Section 5 para. 1 no. 6 UmwG was determined to be April 1, 2019, 00:00 hrs. With effect from this date, the Company assumed the assets of Veganz GmbH in the internal relationship and from this date onwards the business of Veganz GmbH was deemed to be conducted for the account of the Company. The Merger was completed with its registration in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Dusseldorf, Germany, on November 25, 2019. As a result of the Merger, the Company became the universal legal successor (*Gesamtrechtsnachfolger*) of Veganz GmbH. Veganz GmbH ceased to legally exist when the Merger became effective.

By resolution dated June 16, 2020, the Company's shareholders' meeting resolved to relocate Company's registered seat from Dusseldorf, Germany, to Berlin, Germany. The change of the Company's registered seat was registered with the Commercial Register on August 6, 2020.

15.2. Governing law

The Company is a German stock corporation (*Aktiengesellschaft* or *AG*). Therefore, it is generally governed by German law. Thus, the AktG as well as other laws applicable to a German stock corporation (*Aktiengesellschaft* or *AG*), in particular the UmwG and the HGB apply to the Company. Since the Shares will not be admitted to trading on a regulated market (*regulierter Markt*), the WpÜG and material parts of the WpHG do not apply to the Company after the Listing.

15.3. Legal and commercial name

The Company's legal name is "Veganz Group AG". The Company and the Group operate under the commercial name "Veganz".

15.4. Registration and LEI

The Company has its registered seat in Berlin, Germany, and is registered with the Commercial Register under the registration number HRB 219813 B. The Company's business address is Warschauer Straße 32, 10243 Berlin, Germany (telephone: +49 (0) 30 2936378 0).

The Company's LEI is 391200WJ0J8QYRQNC671.

15.5. History

For our history and key milestones see "*12.3 Our history and key milestones*". For the development of our share capital see "*16.1.2 Development of the share capital*".

15.6. Corporate purpose

Pursuant to Section 2 para. 1 of the Articles of Association, the Company's corporate purpose (*Unternehmensgegenstand*) is the development and production, retail and wholesale as well as the import and export with and the distribution of purely plant-based, vegan products, among other things, through its own supermarkets in Germany and abroad and through online stores on the Internet, the operation of bakery stores, bistros and cafés with purely plant-based products in its own supermarkets, individual nutritional advice on a vegan lifestyle in its own supermarkets and on the Internet, as well as the acquisition of assets of any kind.

Pursuant to Section 2 para. 2 of the Articles of Association, the Company is authorized to engage in all transactions and take all measures that serve the purpose of the Company. It is also entitled to acquire interests in other companies with the same or similar business purpose and/or to take over their management. It may establish branches.

Pursuant to Section 2 para. 3 of the Articles of Association, the purpose of the Company also includes that the business activity should achieve a significantly positive effect on the common good as well as the environment.

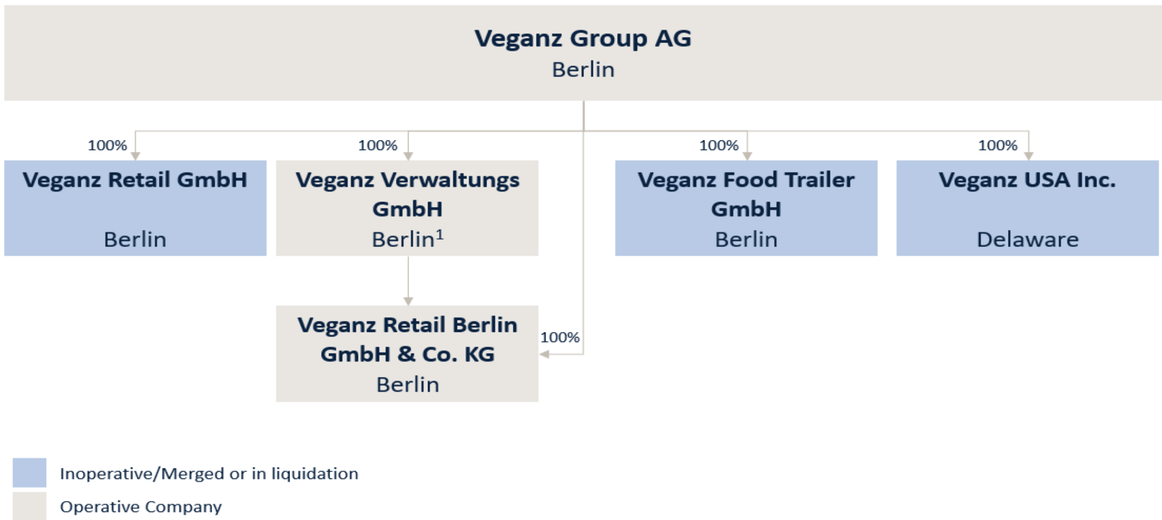
Section 2a of the Articles of Association provides for the objectives for the pursuit of the company's purpose. Pursuant to Section 2a para. 1 of the Articles of Association, the following effects of the actions of the Company shall be taken into account in pursuing the purpose of the Company: (i) the shareholders of the Company, (ii) the employees of the Company, its subsidiaries and its suppliers, (iii) the customers as beneficiaries of the Corporation's efforts to achieve a significant positive impact on the public welfare as well as the environment, (iv) the communities in which the Company, its subsidiaries or its suppliers are located, (v) the environment locally as well as in a global context and (vi) the short- and long-term interests of the Company, including the benefits arising from the Company's long-term plans or independence. Pursuant to Section 2a para. 2 of the Articles of Association, the Company may not be required to give priority to the interests of individual stakeholders or groups of stakeholders.

15.7. Websites

The Company's website is www.veganz.de.

15.8. Group structure

The Company is the parent company of the Group. The following chart provides an overview of the Company's subsidiaries as of the date of the Prospectus:



[1] Veganz Verwaltungs GmbH acts as general partner (*persönlich haftender Gesellschafter*) of Veganz Retail GmbH & Co. KG. Veganz Verwaltungs GmbH does not hold any interests in Veganz Retail Berlin GmbH & Co. KG.

Notwithstanding the above group presentation, the Company is exempted from the obligation to prepare consolidated financial statements in accordance with the provisions of the HGB.

15.9. Subsidiaries

The following table presents an overview of the Company's subsidiaries:

Legal name of the subsidiary	Registered seat	Share in equity and voting rights in %	Status
Veganz Retail Berlin GmbH & Co. KG	Berlin, Germany	100	Active.
Veganz Verwaltungs GmbH	Berlin, Germany	100	Active.
Veganz Retail GmbH i. L.	Berlin, Germany	100	Currently inactive; completion of insolvency proceedings in self-administration planned for the end of the financial year 2021.
Veganz Food Trailer GmbH	Berlin, Germany	100	Currently inactive; liquidation planned by the

			end of the financial year 2021.
Veganz USA Inc.	Delaware, USA	100	Currently inactive.

15.10. Financial year and duration

Pursuant to Section 1 para. 3 of the Articles of Association, the Company's financial year is the calendar year. The Company has been established for an unlimited duration.

15.11. Auditor

ECOVIS audited the Audited Financial Information (for further information see "*2.7 Documents available for inspection*" and "*2.9 Presentation of financial information*"). ECOVIS is a member of the German chamber of public accountants (*Wirtschaftsprüferkammer*), Ernst-Reuter-Platz 10, 10587 Berlin, Germany.

16. SHARE CAPITAL OF THE COMPANY AND APPLICABLE REGULATIONS

16.1. Share capital

16.1.1 Current share capital and Existing Shares

As of the date of the Prospectus, the Company's share capital amounts to EUR 834,666.00 and is divided into 834,666 Existing Shares, each such Existing Share representing a notional value of EUR 1.00 in the Company's share capital. The Company's share capital has been fully paid up. The Existing Shares were created pursuant to German law and are denominated in Euro.

Each Share carries one vote at the shareholdersˈ meeting. There are no restrictions on voting rights and the Shares carry full dividend rights.

16.1.2 Development of the share capital

The following table and paragraphs set forth the changes in the Company's share capital since its incorporation:

Date of the resolution to change the share capital	Nominal amount of the change in share (in EUR)	Resulting issued capital (in EUR)	Date of entry in the commercial register
August 27, 2019	617,733.00	667,733.00	October 8, 2019
June 29, 2021 as well as July 23, 2021	88,890.00	756,623.00	August 19, 2021
July 23, 2021	67,350.00	823,973.00	September 22, 2021
August 26, 2021	10,693.00	834,666.00	September 30, 2021

The shareholdersˈ meeting of the Company held on August 27, 2019 resolved to increase the Company's share capital from EUR 50,000.00 by EUR 617,733.00 to EUR 667,733.00 by issuing 617,733 Existing Shares against cash contributions. The implementation of the capital increase was registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Dusseldorf, Germany, on October 8, 2019.

Based on the authorization adopted by the annual shareholders' meeting on June 16, 2020, the Management Board resolved on June 29, 2021 as well as on July 23, 2021 with the approvals of the Supervisory Board dated June 30, 2021 as well as July 23, 2021 to increase the Company's share capital from EUR 667,733.00 by up to EUR 97,360.00 to up to EUR 765,093.00 by issuing up to 97,360 Existing Shares against cash contribution. The capital increase was subsequently implemented in the amount of EUR 88,890.00 to EUR 756,623.00 issuing 88,890 Existing Shares. The implementation of the capital increase was registered with the Commercial Register on August 19, 2021.

Based on the authorization adopted by the annual shareholders' meeting on June 16, 2020, the Management Board resolved on July 23, 2021 with the approval of the Supervisory Board as of July 29, 2021 to increase the Company's share capital from EUR 756,623.00 by EUR 67,350.00 to EUR 823.973.00 by issuing 67,350 Existing Shares against cash contribution. The implementation of the capital increase was registered with the Commercial Register on September 22, 2021.

Based on the authorization adopted by the annual shareholders' meeting on June 16, 2020, the Management Board resolved on August 26, 2021 with the approval of the Supervisory Board as of September 2, 2021 to increase the Company's share capital from EUR 823,973.00 by EUR 10,693.00 to EUR 834,666.00 by issuing 10,693 Existing Shares against cash contribution. The implementation of the capital increase was registered with the Commercial Register on September 30, 2021.

16.1.3 Conversion from registered shares with restricted transferability into ordinary bearer shares

The annual shareholdersˈ meeting of the Company dated June 24, 2021 resolved to convert the Existing Shares from registered shares with restricted transferability (*vinkulierte Namensaktien*) to bearer shares (*Inhaberaktien*). The conversion was registered with the Commercial Register on September 30, 2021.

16.2. Authorized capital

16.2.1 Authorized Capital 2021/Ia

Pursuant to Section 3 para. 3a) of the Articles of Association, the Management Board is authorized to increase the share capital of the Company in the period up to October 5, 2026 by issuing new shares against cash contributions on one or more occasions by up to a total of EUR 388,733.00. The Management Board shall decide on any exclusion of subscription rights. The issue price per share shall be EUR 1.00. The Management Board may determine the commencement of the dividend entitlement of the new shares in deviation from Section 60 para. 2 AktG. The decisions of the Management Board require the approval of the Supervisory Board.

16.2.2 Authorized Capital 2021/Ib

Pursuant to Section 3 para. 3b) of the Articles of Association, the Management Board is authorized to increase the share capital of the Company in the period up to October 5, 2026 by issuing new shares against cash or non-cash contributions on one or more occasions by up to a total of EUR 28,600.00. The Management Board shall decide on any exclusion of subscription rights. It shall determine the issue price of the new shares and may determine the start of their entitlement to profits in derogation of Section 60 para. 2 AktG; the issue price to be determined may not fall below an amount of EUR 1.00 per share. The decisions of the Management Board require the approval of the Supervisory Board.

16.3. General provisions governing the liquidation of the Company

Apart from liquidation as a result of insolvency proceedings, the Company may only be liquidated with a vote of 75% or more of the share capital represented at the vote. Furthermore, the commencement of insolvency proceedings regarding the assets of the Company, the rejection of insolvency proceedings for insufficient assets to cover the costs of the proceedings, a cancellation of the Company for lack of funds or the imposition of a final decision of the registry court about a material defect in the Articles of Association could lead to a cancellation of the Company. The AktG provides that any assets remaining once all of the Company's liabilities have been settled shall be distributed among the Company's shareholders in proportion to their shareholdings. The AktG provides certain protections for creditors in the event of a liquidation of the Company.

16.4. General provisions governing a change in the share capital

Under the AktG, a German stock corporation (*Aktiengesellschaft* or *AG*) requires a resolution of the Company's shareholders' meeting passed by a majority of at least 75% of the share capital represented at the vote to increase its share capital and the change of the Articles of Association accordingly.

The Company's shareholders' meeting may also create an authorized capital. This requires a resolution passed by a majority of at least 75% of the share capital represented at the vote, authorizing the Management Board to issue a specific number of shares within a period of no more than five years. The aggregate nominal amount of the new shares may not exceed 50% of the share capital existing at the time the authorization is granted (i.e., at the time the authorized capital is registered with the commercial register of the competent local court).

In addition, the Company's shareholders' meeting may create conditional capital by a resolution passed with a majority of at least 75% of the share capital represented at the vote, for the purposes of (i) granting exchange or subscription rights to holders of convertible bonds or other securities granting a right to subscribe for shares, (ii) preparing for a merger with another company, or (iii) granting subscription rights to managers and employees of the Company or an affiliated company by way of an approval resolution or authorization resolution. The nominal amount of conditional capital may not exceed 10% of the share capital at the time the resolution is passed in cases where it is created to grant subscription rights to managers and employees, and may not exceed 50% in all other cases.

Resolutions to reduce the Company's share capital require a majority of at least 75% of the share capital represented at the vote.

16.5. General provisions governing subscription rights

Pursuant to Section 186 AktG, all shareholders generally have the right to subscribe for new shares of the Company issued in case of a capital increase. The same applies to convertible bonds, bonds with warrants, profit participation rights and participating bonds. Subscription rights are freely transferable and may be traded on German stock exchanges for a prescribed period before the deadline for subscription expires. Yet, shareholders do not have the right to demand admission to trading for subscription rights. The Company's shareholders' meeting may resolve to exclude shareholders' subscription rights with a vote of 75% or more of the share capital represented at the vote. The exclusion of shareholders' subscription rights, in full or in part, also requires a report from the Management Board to the shareholders' meeting that justifies the exclusion and demonstrates that the Company's interest in excluding subscription rights outweighs the interests of the shareholders to be granted subscription rights. An exclusion of shareholders' subscription rights is, in particular, permissible if:

- the Company increases its share capital against cash contributions (*Bareinlagen*);
- the amount of the capital increase of the issued shares under exclusion of subscription rights does not exceed 10% of the outstanding share capital, both at the time when the authorization takes effect and at the time when it is exercised and
- the price at which the new shares are issued is not materially lower than the stock exchange price of the Shares.

16.6. Exclusion of minority shareholders

Pursuant to Sections 327a et seq. AktG, which govern the squeeze-out under the AktG, upon request of a shareholder holding 95% or more of the Company's share capital, the Company's shareholders' meeting (*Hauptversammlung*) may resolve to transfer the shares of minority shareholders to such majority shareholder against payment of an adequate cash compensation. The amount of the cash compensation offered to minority shareholders must reflect "the circumstances of the Company" at the time the shareholders' meeting passes the resolution. The amount of the cash compensation is based on the full value of the Company, which is generally determined using the capitalized earnings method (*Ertragswertmethode*). Minority shareholders are entitled to file for a valuation proceeding (*Spruchverfahren*), wherein the court will review the fairness (*Angemessenheit*) of the cash compensation.

Pursuant to Section 62 para. 5 sentence 1 UmwG, a majority shareholder holding at least 90% of the Company's share capital may require the Company's shareholders' meeting to resolve to transfer the shares of the minority shareholders to such majority shareholder against payment of an adequate cash compensation, provided that (i) the majority shareholder is a stock corporation (*Aktiengesellschaft* or *AG*), a partnership limited by shares (*Kommanditgesellschaft auf Aktien* or *KGaA*), or a European company (*Societas Europaea* or *SE*) having its registered seat in Germany; and (ii) the squeeze-out is performed to facilitate a merger under the UmwG between the majority shareholder and the Company. The shareholders' meeting held to approve the squeeze-out must take place within three months of the conclusion of the merger agreement.

The procedure for a squeeze-out under the UmwG is essentially identical to the squeeze-out under the AktG described above, including the minority shareholders' right to judicial review of the appropriateness of the cash compensation.

16.7. Integration

Pursuant to Section 319 et seq. AktG, the Company's shareholders' meeting may vote for an integration (*Eingliederung*) into another stock corporation that has its registered seat in Germany, provided the prospective parent company holds at least 95% of the shares of the Company. The former shareholders of the Company are entitled to adequate compensation, which generally must be provided in the form of shares in the parent company. In such case, Section 305 para. 3 sentence 1 AktG stipulates that shares must be issued based on the appropriate valuation in case a merger had taken place between the two companies. Fractional amounts may be paid out in cash.

16.8. Managers' transactions

A person discharging managerial responsibilities within the meaning of Article 3 para. 1 no. 25 MAR (i.e., the members of the Management Board and the Supervisory Board), must notify the Company and BaFin of transactions undertaken for their own account relating to the Shares or to financial instruments based on the Shares (subject to a EUR 20,000 *de-minimis* exception per calendar year for all such transactions). This also applies to persons closely associated with a person discharging managerial responsibilities within the meaning of Article 3 para. 1 no. 26 MAR. Such notifications shall be made promptly and no later than three business days after the date of the relevant transaction. Such notifications are made public promptly and no later than three business days after the date of the relevant transaction. The Company must ensure that such notifications are made public within two business days after receipt by the Company.

During a closed period of 30 calendar days before the announcement of an interim financial report or a year-end report which the Company is required to make public according to (i) the rules of the trading venue where the Shares are admitted to trading or (ii) national law, persons discharging managerial responsibilities are prohibited from conducting for their own account or for the account of a third party any transactions directly or indirectly relating to shares or debt instruments of the Company, or to derivatives or other financial instruments linked to such securities.

16.9. Short Selling Regulation (ban or naked short selling)

Pursuant to Regulation (EU) No. 236/2012 of the European Parliament and of the Council of March 14, 2012 on short selling and certain aspects of credit default swaps ("**Short Selling Regulation**"), the European Commission's delegated regulation for the purposes of detailing the Short Selling Regulation, and the German EU Short Selling Implementation Act (*EU-Leerverkaufs-Ausführungsgesetz*) of November 15, 2012, the short-selling of the Shares is only permitted under certain conditions. In addition, under the provisions of the Short Selling Regulation, significant net-short selling positions in the Shares must be reported to BaFin and published if they exceed a specific percentage. The reporting and publication process is detailed in the German Regulation on Net-Short Positions (*Netto-Leerverkaufspositionsverordnung*) of December 17, 2012. The net short-selling positions are calculated by offsetting the short positions of a natural person or legal entity in the Shares with its long positions in such shares. The details are regulated in the Short Selling Regulation and the other regulations the European Commission enacted on short-selling. In certain situations described in the Short Selling Regulation, BaFin may restrict short-selling and comparable transactions.

16.10. Disclosure requirements

As a result of the Listing, the Company will be subject to, inter alia, the following "follow-up inclusion obligations" pursuant to § 21 of the DBAG General Terms and Conditions:

- the submission and publication of the unconsolidated annual financial statements and the management report;

- the submission and publication of the half-yearly financial statements and the interim management report;
- the provision of information to the research provider;
- the update and submission of the Company's corporate calendar;
- the conduct of an information event for analysts and investors;
- the commissioning of a Capital Market Partner and
- the notification on and submission of changes with regard to the Company or the Shares.

16.11. Shareholder notification requirements

As the Shares will not be admitted to trading on a regulated market (*regulierter Markt*), the Company will not be subject to WpHG provisions governing, among other things, disclosure requirements for significant shareholdings. However, the following provisions of the AktG governing shareholder notifications of significant shareholdings are applicable to the Company as a German stock corporation (*Aktiengesellschaft* or *AG*):

As soon as more than one quarter of the Shares belong to an enterprise (*Unternehmen*), the Company must be notified of this fact in writing without undue delay pursuant to Section 20 para. 1 AktG. For purposes of this notification obligation, the Shares belonging to the enterprise include also Shares (i) regarding which the enterprise, an enterprise under its control, or some other party acting for the account of the enterprise, or for the account of an enterprise under its control, may demand that title to such Shares be transferred; and (ii) that the enterprise, an enterprise under its control, or some other party acting for the account of the enterprise, or for the account of an enterprise under its control, is obliged to purchase.

In addition, as soon as the enterprise holds a majority interest in the Company, the Company must also be notified of this fact without undue delay and in writing.

If the enterprise is a corporation (*Kapitalgesellschaft*), it must, as soon as it owns more than one-fourth of the Shares, also notify the Company thereof in writing without undue delay.

If the aforementioned shareholding no longer exists in the aforementioned amounts, the Company must also be notified in writing without delay.

The Company has to publish the existence and non-existence of a participation notified to it in the German Federal Gazette (*Bundesanzeiger*) without undue delay.

16.12. Non-applicability of the WpÜG; statement on public takeover offers

The WpÜG does not apply to the Company, as no market segment on which the Shares shall be traded following the Listing is an organized market (*organisierter Markt*) within the meaning of Section 1 para. 1 WpÜG. Therefore, even if a shareholder of the Company gains control of the Company, i.e., at least 30% of the Company's voting rights pursuant to Section 29 para. 2 WpÜG, such shareholder will neither be required to publish this fact nor to make a mandatory takeover offer (*Pflichtangebot*) to the other shareholders of the Company pursuant to Section 35 WpÜG.

During the last financial year and the current financial year of the Company, no public takeover offers have been made in respect of the Company's equity.

17. GOVERNING BODIES

17.1. Overview

The Company's governing bodies are the Management Board, the Supervisory Board and the shareholders' meeting. The powers and responsibilities of these governing bodies are determined by the AktG, the Articles of Association and the internal rules of procedure for both the Supervisory Board and the Management Board.

The Company's shareholders' meeting elects the members of the Supervisory Board, which in turn appoints the members of the Management Board. The Supervisory Board represents the Company in and out of court towards the members of the Management Board. The Supervisory Board is responsible for the appointment of members of the Management Board, the conclusion of their service contracts and the revocation of appointments as well as for the change and termination of their service contracts.

Simultaneous membership in the Supervisory Board and the Management Board is not permitted under the AktG, as the Supervisory Board is tasked with supervising and controlling the management of the Company by the Management Board. In exceptional cases and for an interim period, a member of the Supervisory Board may, however, assume a vacant seat on the Management Board. During this period, such individual may not perform any duties pertaining to his position on the Supervisory Board. In addition, the duration of such stand-in arrangements may not exceed one year.

The Management Board is responsible for managing the Company in accordance with applicable laws, the Articles of Association and its rules of procedure. The Management Board represents the Company in dealings with third parties. As set out in Section 111 AktG, the Supervisory Board advises and oversees the Management Board's administration of the Company, but is itself generally not authorized to manage or represent the Company.

The Articles of Association may designate transactions and measures that may only be conducted with the prior consent of the Supervisory Board. In addition, the Supervisory Board may itself determine that certain matters are subject to its prior approval. Pursuant to the rules of procedure of the Management Board, the following transactions and measures are, inter alia, subject to the prior consent of the Supervisory Board:

- the addition of new lines of business or areas of activity;
- the acquisition or disposal of businesses or parts of businesses;
- the assumption of sureties (*Bürgschaften*) and the entering into notes payable (*Wechselverbindlichkeiten*), debt assumptions (*Schuldübernahmen*), chattel mortgages (*Sicherungsübereignungen*), the assignment for security (*Sicherungsabtretung*) and the further granting of securities; insofar as they do not constitute measures of the ordinary course of business;
- the taking out, granting or early repayment of loans and other financing instruments in the amount of more than EUR 500,000.00 in each case;
- the conclusion or amendment of collective bargaining agreements (*Tarifverträge*) or works agreements (*Betriebsvereinbarungen*);
- the granting of participations in sales or participation in profits as well as bonuses and the creation of employee participation programs (in particular option plans or comparable long-term participation programs);
- the initiation or settlement of legal or arbitration proceedings with a value in dispute of more than EUR 100,000.00;
- the write-off (*Erlass*) and deferral (*Stundung*) of, or waiver of, receivables with a nominal amount of more than EUR 100,000.00, as well as the sale and assignment of such receivables;
- purchase, sale or encumbrance of land and rights equivalent to land, including condominium (*Wohnungseigentum*) and buildings and
- legal transactions or measures that go beyond the ordinary business operations of the Company.

Each member of the Management Board and Supervisory Board owes a duty of loyalty, duty of legality and duty of care to the Company. In discharging these duties, each member of these bodies must consider a broad spectrum of interests, particularly those of the Company and its shareholders, employees and other stakeholders. In addition, the Management Board must also consider the shareholders' rights to equal treatment and equal access to information. If members of the Management Board or Supervisory Board breach their duties, they may be jointly and severally liable with the other members of the Management Board or the Supervisory Board to the Company for any damage the Company has incurred.

Under German law, shareholders generally have no right to directly assert claims against members of the Management Board or Supervisory Board if they believe that such members have violated their duties to the Company (i.e., only the Company has the right to enforce such claims against the members of the Management Board or Supervisory Board). With respect to claims against members of the Management Board, the Company is represented by the Supervisory Board, and with respect to claims against members of the Supervisory Board, the Company is represented by the Management Board. The Federal Supreme Court (*Bundesgerichtshof*) has ruled that the Supervisory Board is generally required to assert claims against members of the Management Board if it is likely that such claims can be pursued and enforced successfully, unless significant interests of the Company conflict with the pursuit of such claims and outweigh the interests of the Company asserting such claims against members of the Management Board.

If either the Supervisory Board or the Management Board decides not to pursue claims of the Company against members of the respective other governing body for violations of their duties, such claims must nevertheless be asserted if the shareholders' meeting adopts a resolution to this effect with a simple majority of the votes validly cast. The Company's shareholders' meeting may also appoint a special representative (*besonderer Vertreter*) to assert such claims. Shareholders whose aggregate shareholdings amount to 10% of the Company's share capital or a pro rata share of EUR 1,000 thousand in the Company's share capital may also motion for the competent court to appoint such a special representative. If there are facts that justify the suspicion that the Company was harmed by dishonesty or a gross violation of laws or the Articles of Association, shareholders whose aggregate shareholdings amount to 1% of the Company's share capital or a pro rata share of EUR 100,000.00 of the Company's share capital may under certain conditions assert claims of the Company against members of the Management Board or Supervisory Board in their own names. Yet such claims become inadmissible once the Company itself files a suit to assert such claims.

In addition, the Company's shareholders' meeting may appoint special auditors (*Sonderprüfer*) to audit transactions, particularly management transactions, with a simple majority of the votes validly cast. If the shareholders' meeting rejects a motion to appoint special auditors, the competent court shall appoint such special auditors upon a motion by shareholders whose aggregate shareholdings amount to 1% of the Company's share capital or a *pro rata* share of EUR 100,000.00 of the Company's share capital, if there are facts that justify the suspicion that the relevant occurrence involved acts of dishonesty or gross violations of the law or the Articles of Association. If the Company's shareholders' meeting has resolved to appoint special auditors, the competent court shall appoint different special auditors upon a motion by shareholders whose aggregate shareholdings amount to 1% of the Company's share capital or a pro rata share of EUR 100,000.00 of the Company's share capital, if such appointment appears necessary due to reasons concerning the original special auditors.

Via the shareholders' forum of the Federal Gazette (*Bundesanzeiger*), which is also accessible via the website of the company register (*Unternehmensregister*), shareholders and shareholder associations may solicit other shareholders to file a motion, jointly or by proxy, for the appointment of special auditors, for the appointment of a special representative, the convention of a shareholders' meeting, or the exercise of voting rights in a shareholders' meeting.

The Company may only waive or settle claims for damages against members of the Management Board or Supervisory Board if at least three years have elapsed since such claims arose and if the Company's shareholders' meeting has consented to such waiver or settlement by a simple majority vote, provided that a minority of the shareholders whose aggregate shareholdings amount to at least 10% of the Company's share capital does not object to such resolution in the minutes of the Company's shareholders' meeting.

Under German law, neither individual shareholders nor other persons may use their influence on the Company to cause a member of the Management Board or the Supervisory Board to act in a manner that would be detrimental to the Company. Any person who uses its influence on the Company to cause a member of the Management Board or the Supervisory Board, an authorized representative (*Prokurist*) or an authorized agent (*Handlungsbevollmächtigter*) to act to the detriment of the Company or its shareholders may be liable to compensate the Company and the affected shareholders for the resulting losses. In particular, a controlling shareholder may not use its influence to cause the Company to act contrary to its own interests, unless (i) the Company and the controlling shareholder enter into a domination agreement (*Beherrschungsvertrag*) or (ii) the controlling shareholder compensates the Company for any disadvantages resulting from its influence. Moreover, in this context, the members of the Management Board and Supervisory Board are jointly and severally liable in addition to the person using his influence if such members acted in breach of their duty of care towards the Company.

17.2. Management Board

17.2.1 Overview

Pursuant to Section 4 para. 1 of the Articles of Association, the Management Board comprises one or more members. The Supervisory Board determines the exact number of the members of the Management Board. The Supervisory Board may appoint a chairman of the Management Board. If a Chairman of the Management Board has been appointed, he shall be responsible for coordinating all business areas of the Management Board.

The Supervisory Board may appoint members of the Management Board for a maximum term of up to five years. Reappointments or extensions, each for a maximum term of up to five years, are permissible.

The Supervisory Board may revoke the appointment of a member of the Management Board prior to the expiration of the relevant member's term for good cause (*wichtiger Grund*) (e.g., a gross breach of fiduciary duties, inability to properly manage the Company or if the Company's shareholders' meeting has passed a vote of no-confidence with respect to such member, unless the vote of no-confidence was clearly passed for arbitrary reasons).

If the Management Board has only two members, it has a quorum if all its members take part in the voting, and if it has three or more members, if at least half of its members take part in the voting.

The Company is represented towards third parties and in court proceedings by two members of the Management Board or a member of the Management Board jointly with an authorized representative (*Prokurist*). If the Supervisory Board has authorized a single member of the Management Board to represent the Company alone, such member may solely represent the Company towards third parties.

Additional provisions regarding, inter alia, the duties of its members, the overall responsibility of the Management Board, the passing of resolutions by the Management Board, the allocation of responsibilities for particular functions and the Management Board's internal organization are set forth in the rules of procedure of the Management Board (*Geschäftsordnung des Vorstands*).

17.2.2 Members of the Management Board

The following table sets forth the current members of the Management Board (*Vorstand*), their respective age and responsibilities and the duration of their remaining term:

Name	Age	First appointed	Appointed until	Responsibilities
Jan Bredack	49	August 27, 2019	July 1, 2024	Chairman, Chief Executive Officer (CEO)
Alexandra Vázquez Bea	38	July 1, 2021	June 30, 2024	Chief Financial Officer (CFO) Chief Human Resources Officer (CHRO) Chief IT Officer (CITO)
Anja Brachmüller	36	September 1, 2019	December 31, 2024	Chief Operating Officer (COO)
Moritz Möller	40	July 1, 2021	December 31, 2022	Chief Marketing Officer (CMO)

Jan Bredack was born, in Salzwedel, Germany, on April 9, 1972, and holds a Master of Business Administration from SGMI St. Galler Management Institut, Switzerland. He began his career in the automotive industry, working at Daimler-Benz group after the German reunification. At Daimler-Benz group, he built up the customer service function within German truck sales and was promoted to the position of Head of Sales and Service for Commercial Vehicles in Germany. In this position he was responsible, inter alia, for the entire aftersales business for the German market. In 2009, Jan Bredack assumed a managing position at Mercedes-Benz Trucks Vostok, a joint venture between Daimler AG and the Russian truck manufacturer KAMAZ, where he became technical director. His responsibilities included the construction of the first production plant for Mercedes trucks in Russia as well as building up the sales organization in Russia. In 2011, he founded Veganz, after having begun to identify with the vegan lifestyle in 2008. There, he served as managing director (*Geschäftsführer*) until the Merger, before he became Chief Executive Officer of the Company. He is also responsible for sales and distribution as well as retail.

Alongside his office as a member and chairman of the Management Board, Jan Bredack 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 Veganz:

Currently:

- BVV, Wandlitz, Germany (managing director since February 2016); and
- VBKG (general partner since February 2014).

Previously:

- none.

Other than listed above, Jan Bredack is not, and within the last five years was not, a member of the administrative, management or supervisory body of and/or a partner in any company or partnership outside Veganz.

Alexandra Vázquez Bea was born in Minden, Germany, on May 18, 1983 and holds a Bachelor of Business Administration, a Bachelor of Science as well as a Master of Laws from the University of Münster, Germany, where she graduated in 2013 with a specialization on insolvency and business law. Alexandra Vázquez Bea began her career in the corporate finance department at NORD/LB where she was employed for almost seven years. Afterwards, she served as a restructuring consultant at FTI Andersch AG for two and a half years supporting complex restructuring and refinancing projects across Europe, initially as a full-time employee and later as a freelancer. In 2016, she founded her own business in the delicatessen pastry sector under the label "LENCHEN - Der Lebkuchen", operated by Annie Treats GmbH. Currently, Alexandra Vázquez Bea is actively involved in the startup scene as a mentor, including at the agritech incubator RootCamp, the accelerator Venture Villa and the international Founder Institute. Since July 2021, Alexandra Vázquez Bea assumes the position of Chief Financial Officer, Chief Human Resources Officer and Chief IT Officer. Thus she is particularly responsible for accounting and controlling, IT and data management, human resources and legal.

Alongside her office as a member of the Management Board, Alexandra Vázquez Bea 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 Veganz:

Currently:

- none.

Previously:

- Annie Treats GmbH, Hannover, Germany (managing director from August 2016 to September 2020).

Other than listed above, Alexandra Vázquez Bea is not, and within the last five years was not, a member of the administrative, management or supervisory body of and/or a partner in any company or partnership outside Veganz.

Anja Brachmüller was born in Zossen, Germany, on March 6, 1985 and holds a degree in International Business Administration. Anja Brachmüller gained experience in more than 15 years in purchasing departments as a manager and later in leading positions in the national and international field of sustainable and organic food. At El Puente and later at Rausch Schokolade, she was responsible for purchasing and importing raw materials and products from mostly third world countries and having them processed and marketed in Europe. Before joining Veganz, Anja Brachmüller assumed the purchasing department of the Berlin-based wholesaler for organic and frozen food Ökofrost for several years. She commenced her position as Head of Purchasing at Veganz in February 2017, until she became member of the Management Board in August 2019. As Chief Operating Officer, she is responsible for procurement, production, quality and supply chain management.

Alongside her office as a member of the Management Board, Anja Brachmüller is not, and within the last five years was not, a member of the administrative, management or supervisory body of and/or a partner in any company or partnership outside Veganz.

Moritz Möller was born in Berlin, Germany, on October 31, 1980 and holds a degree in Art History and Italian Studies (Magister Artium) from Humboldt University Berlin, Germany, where he graduated in 2011. Before joining the Company in 2018, he worked for more than 16 years in cultural management. His work included building up a museum service provider in Germany with over 160 employees with the areas of visitor service, call centers, store operations, product range development, events and tourism as well as market research. Furthermore he successfully placed the Berlin publishing brand *Verlag M* on the market. In his consulting work, he was responsible for scaling the Swiss eCommerce brand Einfach Weniger and organized influencer events for brands such as Leica, EyeEm, Huawei and Meininger Hotels. From 2011 to 2017, Moritz Möller worked for Stadtmuseum Berlin as assistant to the management board. From September 2017 onwards, Moritz Möller worked as a freelance marketing consultant. In 2018, he joined the Company as head of department Marketing and eCommerce. In June 2020, Moritz Möller was appointed as member of the Management Board. He assumes the position of Chief Marketing Officer. Hence, he is responsible for product management, brand management, marketing and public relations, communication as well as market research and insights.

Alongside his office as a member of the Management Board, Moritz Möller is not, and within the last five years was not, a member of the administrative, management or supervisory body of and/or a partner in any company or partnership outside Veganz.

The members of the Management Board can be reached at the Company's office at Warschauer Straße 32, 10243 Berlin, Germany, (telephone: +49 (0) 30 2936378 0).

17.2.3 Remuneration of the members of the Management Board

The members of the Management Board Alexandra Vázquez Bea, Anja Brachmüller and Moritz Möller each entered into a service agreement with the Company governed by German law and based on substantially similar terms. Instead of a service agreement, Jan Bredack as well as BVV, a wholly-owned subsidiary of Jan Bredack, entered into a consulting agreement on December 11, 2019 ("**Consulting Agreement**").

<u>Jan Bredack</u>

The Consulting Agreement became effective upon the effectiveness of the Merger and had an original term until December 31, 2020. With an addendum to the Consulting Agreement dated June 9, 2021, the term was extended to December 31, 2024.

Under the Consulting Agreement, BVV receives a flat fee in the amount of EUR 28,560.00 in gross per month, i.e. EUR 342,720.00 in gross per year. In addition, BVV shall be reimbursed for any travel and other expenses necessary for the performance of the consulting services. With payment of the monthly flat fee and any additional costs, all expenses incurred by BVV and/or Jan Bredack shall be deemed as compensated. If the situation of the Company deteriorates in such a way that the continued payment of the remuneration would be inequitable for the Company, the Supervisory Board shall be entitled pursuant to Section 87 para. 2 AktG to reduce the remuneration to the appropriate amount.

The Company shall include Jan Bredack, insofar as legally possible, in the Company's D&O insurance (subject to the statutory minimum deductible pursuant to Section 93 para. 2 sentence 3 AktG) and accident insurance (*Unfallversicherung*) for the duration of his appointment as a member of the Management Board.

BVV and Jan Bredack are subject to a non-competition clause under the Consulting Agreement.

Alexandra Vázquez Bea, Anja Brachmüller and Moritz Möller

Under the service agreements between the Company and Alexandra Vázquez Bea, Anja Brachmüller and Moritz Möller, these members of the Management Board receive a fixed base compensation in cash in the aggregate amount of EUR 310,080.00 in gross which is paid in twelve equal installments as a monthly salary.

In the event of incapacity for work (*Arbeitsunfähigkeit*) not caused intentionally by the member of the Management Board itself, the Company will continue to pay the remuneration for a period of six months, at the longest till the termination of the service contract. The member of the Management Board must have credited to the payment what it receives from funds or insurance companies in the form of sick pay, daily sick pay or pension, insofar as the benefits are not based exclusively on contributions financed by the respective member of the Management Board.

If the situation of the Company deteriorates and the total compensation of the members of the Management Board has been determined in such a way that the continued granting such compensation would be inequitable for the Company, the Supervisory Board shall be entitled in accordance with Section 87 para. 2 AktG to reduce the compensation to an appropriate level.

In the event of incapacity for work not caused intentionally by the member of the Management Board itself, the remuneration of the member of the Management Board shall continue to be paid for a period of six months, at the longest until termination of the service contract.

Short term incentive

In addition to their fixed base remuneration, Alexandra Vázquez Bea, Anja Brachmüller and Moritz Möller each receive a performance-related variable compensation in the form of an annual bonus plan as amended from time to time. The annual bonus of Alexandra Vázquez Bea, Anja Brachmüller and Moritz Möller amounts to a maximum of 30% of the respective fixed gross annual salary of these members of the Management Board.

Other benefits

In addition to their remunerations, Alexandra Vázquez Bea, Anja Brachmüller and Moritz Möller receive reimbursement of expenses (e.g., travel expenses). The amount of each reimbursement shall be limited to a reasonable amount and shall be in accordance with the Company's policies and applicable tax law.

Alexandra Vázquez Bea, Anja Brachmüller and Moritz Möller are covered by the Company's D&O insurance as well as accident insurance (*Unfallversicherung*). The Company believes that terms of these insurance policies are in line with market practice (see "*12.12 Insurance coverage*").

Furthermore, even where there is no statutory obligation to insure, the Company pays Alexandra Vázquez Bea, Anja Brachmüller and Moritz Möller monthly allowances for its health and long-term care insurance. The individual allowances correspond in amount to half of the contributions payable by Alexandra Vázquez Bea, Anja Brachmüller and Moritz Möller, but at most to the maximum amount of the employer's contribution to pension, health and long-term care insurance owed by law in each case, taking into account the applicable contribution assessment ceiling (*Beitragsbemessungsgrenze*).

As of the date of the Prospectus, the Company has not made any pension commitments to the members of the Management Board.

Severance payment

Members of the Management Board do not receive any severance payment if they no longer perform their function.

However, if a member of the Management Board dies during the term of the service agreement, the spouse or his or her dependent children shall receive the portion of the annual salary attributable to the month of death and the following twelve months, but not beyond the term of the service agreement.

17.2.4 Shareholdings of the members of the Management Board

Jan Bredack holds 100% of the shares in BVV. As of the date of the Prospectus, BVV directly holds 26.3% of the Existing Shares (see "*14 SHAREHOLDER INFORMATION*"). In addition, Jan Bredack is the general partner (*persönlich haftender Gesellschafter*) of VBKG, but is not invested in the fixed capital (*Festkapital*) of VBKG. As of the date of the Prospectus, VBKG directly holds 7.4% of the Existing Shares (see "*14 SHAREHOLDER INFORMATION*").

17.3. Supervisory Board

17.3.1 Overview

In accordance with Sections 95 and 96 AktG as well as Section 5 para. 1 of the Articles of Association, the Supervisory Board comprises five members. All of the members are appointed by the Company's shareholders' meeting and represent the shareholders.

Pursuant to Section 102 para. 1 AktG, members of the Supervisory Board may be elected for a maximum term lasting until the end of the shareholders' meeting which resolves on the discharge (*Entlastung*) of the relevant members of the Supervisory Board for the fourth financial year after the commencement of the term of office. The financial year in which the term of office commenced is not counted towards the aforementioned number of four years. Reelections of members of the Supervisory Board are permissible.

When electing members of the Supervisory Board, the shareholders' meeting may also appoint substitute members (*Ersatzmitglieder*) who replace any members of the Supervisory Board leaving their office before the end of their term. Pursuant to Section 102 para. 2 AktG the office of the substitute member shall expire at the latest upon expiry of the term of office of the member of the Supervisory Board whose membership has ceased. Yet, the shareholders' meeting may also determine a deviating term of office. However, such term may not exceed the maximum term of office otherwise applicable for Supervisory Board members.

At the first meeting following its election, the Supervisory Board shall elect a chairman and one or two deputy chairmen from among its members. The chairman of the Supervisory Board is authorized in particular to make the declarations of intent (*Willenserklärung*) required to implement the resolutions on behalf of the Supervisory Board and to receive declarations addressed to the Supervisory Board. Each member of the Supervisory Board may resign from office by giving four weeks' notice, even without good cause. This notice period may be truncated by mutual agreement. The resignation must be made by declaration in text form (*Textform*) to the Management Board with notification of the Chairman of the Supervisory Board. The right to resign from office for good cause shall remain unaffected.

The chairman of the Supervisory Board or, if he is prevented from doing so, his deputy, shall convene the Supervisory Board to at least two meetings in each calendar half-year.

Meetings of the Supervisory Board shall be convened by the chairman or, if he is prevented from doing so, by his deputy, giving 14 days' notice in text form (in writing, by fax or by e-mail). The day on which the invitation is sent and the day of the meeting shall not be included in the calculation of the notice period. In urgent cases, the chairman may shorten the notice period appropriately and convene a meeting orally or by telephone.

Resolutions of the Supervisory Board are generally passed in meetings. Resolutions of the Supervisory Board may also be adopted in a telephone or video conference or outside meetings by voting orally, by telephone, in writing, in text form (in particular by fax or e-mail) or by other customary means of telecommunication (esp. including written circular resolutions (*Umlaufbeschlüsse*) as well as by way of a combined voting (i.e., partly in meetings and partly in one of the other aforementioned forms) if the chairman so orders.

Pursuant to Section 108 para. 2 AktG, the Supervisory Board is quorate if at least half of the members of which it has to consist of in total participate in the voting. Resolutions of the Supervisory Board are passed, unless otherwise provided by mandatory law, by a simple majority of the votes cast. For purposes of passing a resolution, abstentions do not count as votes cast.

In the event of a tie, the chairman shall decide whether a new vote shall be cast at the same meeting.

The Supervisory Board must adopt rules of procedure and may form committees in accordance with applicable laws and the Articles of Association. Pursuant to Section 107 para. 3 AktG, the Supervisory Board may appoint one or more committees from among its members, namely to prepare its discussions and resolutions or to monitor the implementation of its resolutions. In particular, this may be an audit committee. The audit committee shall prepare the decision of the Supervisory Board on the adoption of the annual financial statements and the approval of the consolidated financial statements if any. For this purpose, it shall conduct a preliminary review of the annual financial statements, the consolidated financial statements if any, the management reports and the proposal for the appropriation of profits.

17.3.2 Members of the Supervisory Board

The following table sets forth the current members of the Supervisory Board, their respective age and responsibilities, and the duration of their remaining term:

Name	Age	First appointed	Appointed until the end of the Company's annual shareholders' meeting in the financial year	Responsibilities
Roland Sieker	55	August 27, 2019	2023	Chairman
Dr. Jens Pippig	42	August 20, 2020	2023	Member
Ronny Gottschlich	46	August 20, 2020	2023	Member
Janina Mütze	31	June 24, 2021	2023	Member
Michael Durach	53	June 24,2021	2023	Member

Roland Sieker was born in Georgsmarienhütte, Germany, on December 11, 1965. He graduated in 1991 and holds a degree in Business Administration from the University of Cologne, Germany. Roland Sieker is an independent business consultant. He started off in marketing at Unilever Germany in 1992, followed by a 20-year international career (incl. Rotterdam, Bangkok, Paris, London) holding various senior management positions in marketing, strategy and business development. In his final four years with Unilever, Roland Sieker was a member of the global Unilever Foods leadership team in charge of Strategy and M&A, leading several transactions and ventures investments. Upon his return to Berlin, Germany, in 2017, he founded his own company - RSSC | Roland Sieker Strategy Consulting focused on marketing, strategy and M&A. In addition, he became a partner of The Future Business Partnership Ltd., acting as strategic advisor.

Alongside his office as a member and chairman of the Supervisory Board, Roland Sieker 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 Veganz:

Currently:

- RSSC – Roland Sieker Strategy Consulting e.K., Berlin, Germany (operating partner since October 2017);
- Unilever Deutschland Holding GmbH, Hamburg, Germany (member of the supervisory board of since March 2020); and
- The Future Business Partnership Ltd., London, United Kingdom (partner since December 2020).

Previously:

- none.

Other than listed above, Roland Sieker is not, and within the last five years was not, a member of the administrative, management or supervisory body of and/or a partner in any company or partnership outside Veganz.

Ronny Gottschlich was born in Halle/Saale, Germany, on May 14, 1975 and graduated in 2000 with a diploma in economics from the University of Halle/Wittenberg, Germany. Ronny Gottschlich works primarily as business consultant. He has more than 15 years of experience in the food retail sector. In this business area he started his career at the LIDL Group in 2004 and held various positions with management responsibility in the group until 2016. From 2004 to 2009, Ronny Gottschlich was responsible for all LIDL activities in the retail market of the United Kingdom as a regional director. Between 2009 and 2010, he acted as Chief Operating Officer and Chief Marketing Officer for LIDL in Germany and Austria. In 2010, he returned to the United Kingdom as Chief Executive Officer for LIDL's companies. In 2017, he founded Heunadel Retail Advisory GmbH, a platform that helps retailers become more efficient, and more relevant to their customers. In 2021, he also became managing director of Gorillas Technologies GmbH, an on-demand grocery delivery company. Additionally, Ronny Gottschlich is a senior advisor for the management consultancy Roland Berger and advised wholesalers like Wilko, REWE, ALDI and dm.

Alongside his office as a member of the Supervisory Board, Ronny Gottschlich 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 Veganz:

Currently:

- Gorillas Technologies GmbH, Berlin, Germany (managing director since December 2020);
- Studenac d.o.o., Omiš, Croatia (member of the supervisory board since August 2018); and
- Heunadel Retail Advisory GmbH, Halle/Saale, Germany (managing director since O 2016).

Previously:

- none.

Other than listed above, Ronny Gottschlich is not, and within the last five years was not, a member of the administrative, management or supervisory body of and/or a partner in any company or partnership outside Veganz.

Dr. Jens Pippig was born in Hanover, Germany, on February 21, 1979 and graduated in 2004 with a diploma in economics from Witten/Herdecke University, Germany, where he also obtained his PhD in economics in 2008. He also received a Bachelor of Science and a Master of Science from Stockholm Business School, Sweden, and completed graduate courses at Harvard University, United States. In 2002, Dr. Jens Pippig started off as founding partner of Potentialpark AB, a boutique market research and consulting company for large corporate clients and later also initiated the spin-off of Entrypark AB, a venture focusing on pan-European employer branding and recruiting. In 2004, he began his career at McKinsey & Company, Inc. in Berlin, Germany, as business consultant, starting as fellow and later being promoted to associate, senior associate and finally engagement manager in the European Consumer Goods and Retail Sector of McKinsey with specialized training in e-commerce, marketing and sales. From 2012 to 2020, he held various managerial functions with personnel responsibility at the ProSiebenSat.1 Group. He started as senior vice president competent for strategy & operations and was responsible for business development, digital transformation, and the project management office. Subsequently, he became Chief Executive Officer and managing director of ProSiebenSat.1's venture units SevenVentures and ProSiebenSat.1 Accelerator which he also founded. Dr. Jens Pippig is currently employed as an executive director at Russell Reynolds Associates, Inc. and is responsible for the department of digital and consumer practice, working across industries with a focus on digital businesses to advise publicly traded, family-owned, private equity and venture-backed companies and their boards to build effective leadership teams.

Alongside his office as a member of the Supervisory Board, Dr. Jens Pippig 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 Veganz:

Currently:

- none.

Previously:

- Managing director of ProSiebenSat.1 Accelerator GmbH, Unterföhring, Germany (from October 2014 to November 2019); and
- Managing director of SevenVentures GmbH, Unterföhring, Germany (from September 2019 to December 2019).

Other than listed above, Dr. Jens Pippig is not, and within the last five years was not, a member of the administrative, management or supervisory body of and/or a partner in any company or partnership outside Veganz.

Janina Mütze was born in Frankfurt am Main, Germany, on October 8, 1990 and holds a bachelor's degree in economics from Freie Universität Berlin, Germany, where she graduated in 2013. In 2014, Janina Mütze started her career in various functions at BVK Federal Association of German Capital Corporations (*BVK Bundesverband Deutscher Kapitalgesellschaften*). In 2015, as a co-founder Janina Mütze established Civey. Since 2018, Janina Mütze is managing director of Civey.

Alongside her office as a member of the Supervisory Board, Janina Mütze 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 Veganz:

Currently:

- Civey GmbH, Berlin, Germany (managing director since May 2018); and
- Comeco GmbH & Co. KG, Stuttgart, Germany (member of the supervisory board since April 2019).

Previously:

- none.

Other than listed above, Janina Mütze is not, and within the last five years was not, a member of the administrative, management or supervisory body of and/or a partner in any company or partnership outside Veganz.

Michael Durach was born in Munich, on December 26, 1967 and graduated in business administration from University of Regensburg, Germany. Michael Durach is a family entrepreneur and leads the Develey group, Germany's largest mustard supplier, together with his brother Stefan Durach in the fourth generation. He started his professional career as a key account manager in the FMCC-industry outside the family business and joined the Develey group in 1995, where he held positions in sales and marketing. Since 1999, he serves as managing director for the Develey group. In addition, Michael Durach performs a variety of honorary offices, including in the fields of business administration, sustainable management, agribusiness and child welfare. In 2019, he received the EY Entrepreneur of the Year award.

Alongside his office as a member of the Supervisory Board, Michael Durach 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 Veganz:

Currently:

- A.B. Bergrath sel. Wwe. GmbH, Dusseldorf, Germany (managing director since March 2003);
- Bautz'ner Senf & Feinkost GmbH, Bautzen, Germany (managing director since February 2008);
- Culinary Solutions Sp. zo. o., Warsaw, Poland (managing director since May 2017);
- Culifoods GmbH, Unterhaching, Germany (managing director since September 2009);
- Develey Holding GmbH & Co. Beteiligungs KG, Unterhaching, Germany (managing director of the general partner (*persönlich haftender Gesellschafter*) Develey Holding GmbH since December 1999);
- Develey Holding GmbH, Unterhaching, Germany (managing director since December 1999);
- Develey Italia s.r.l., Lana d'Adige, Italy (managing director since May 2011);
- Develey Management GmbH, Unterhaching, Germany (managing director since August 2014);
- Develey Mustards & Condiments Corp., Dyersburg, USA (Delaware) (managing director since February 2015);
- Develey Polska Sp. zo.o. Warsaw, Poland (managing director since December 2012);
- Develey Senf & Feinkost GmbH, Unterhaching, Germany (managing director since October 1999);
- DUBROSIS GmbH, Unterhaching, Germany (managing director since July 2020);
- Hotel Meerane Verwaltungs GmbH, Meerane, Germany (managing director since June 2005);
- KOCHs Meerrettich & Feinkost GmbH, Pfarrkirchen, Germany (managing director since February 2017);
- Löwensenf GmbH, Dusseldorf, Germany (managing director since December 2001);

- Mautner Markhof Feinkost GmbH, Vienna, Austria (managing director since February 1999);
- von der Heiden GmbH, Dusseldorf, Germany (managing director since December 2009);
- PRILA Holding GmbH, Unterhaching, Germany (managing director since October 2020);
- PRILA Beteiligungs GmbH, Unterhaching, Germany (managing director since October 2020);
- REINE DE DIJON SAS, Fleurey-Sur-Ouche, France (managing director since June 2002); and
- SNICO, s. r. o., Bratislava, Slovakia, (managing director since February 2008).

Previously:

- none.

Other than listed above, Michael Durach is not, and within the last five years was not, a member of the administrative, management or supervisory body of and/or a partner in any company or partnership outside Veganz.

The members of the Supervisory Board can be reached at the Company's office at Warschauer Straße 32, 10243 Berlin, Germany, (telephone: +49 (0) 30 2936378 0).

17.3.3 Supervisory Board committees

Pursuant to Section 107 para. 3 AktG, the Supervisory Board may appoint one or more committees from among its members, namely to prepare its discussions and resolutions or to monitor the implementation of its resolutions.

Since December 2, 2019, the Supervisory Board has established an audit committee. The audit committee shall in particular deal with:

- the monitoring of the accounting process;
- the effectiveness of the internal control system;
- the risk management system and the internal audit system;
- the audit of the annual financial statements, in particular of the auditor and the quality of the audit and
- the issuing of the audit mandate to the auditor.

The audit committee comprises of two members, namely:

- Michael Durach and
- Roland Sieker

The chairman of the audit committee shall regularly conduct discussions with the auditors. As a rule, the CFO also attends these discussions. In certain cases, discussions my also take place without the CFO. In connection with the fulfillment of its responsibilities, the audit committee may request information form the auditor, the Management Board or the Company's audit department**.** The Company has not established a remuneration committee.

17.3.4 Remuneration of the members of the Supervisory Board

Pursuant to Section 5 para. 6 of the Articles of Association, the members of the Supervisory Board are entitled to remuneration, the amount of which is determined by resolution of the shareholders' meeting.

Pursuant to the resolution of the extraordinary shareholders' meeting on September 19, 2019, each member of the Supervisory Board shall receive a basic remuneration per financial year plus D&O insurance at the Company's expense and reimbursement for their out-of-pocket expenses. The basic remuneration amounted to EUR 7,500.00 for the financial year ended December 31, 2019. Since January 1, 2021, the basic remuneration amounts to EUR 10,000.00 per financial year and is granted pro rata related to the number of meetings. The basic remuneration covers attendance at up to four Supervisory Board meetings per financial year (ordinary or extraordinary). The basic remuneration of the chairman of the Supervisory Board amounts to 1.25 times of the other members' basic remuneration. For each additional (ordinary or extraordinary) Supervisory Board meeting attended during the financial year, the basic remuneration is increases by a further EUR 500.00.

17.3.5 Shareholdings of the members of the Supervisory Board

Michael Durach holds a controlling interest in DUBROSIS GmbH, Unterhaching, Germany, and, together with his brother Stefan Durach, controls Develey Holding GmbH & Co. Beteiligungsgesellschaft KG. As of the date of the Prospectus, both companies are shareholders of the Company holding 1.3% and 3.5% of the Existing Shares, respectively. As of the date of the Prospectus, Michael Durach directly holds 3.3% of the Existing Shares (see "*14 SHAREHOLDER INFORMATION*").

17.4. Certain information regarding the members of the Management Board and the members of the Supervisory Board

Jan Bredack as chairman and CEO of the Management Board is also managing director of Veganz Retail GmbH. By decision of the local court (*Amtsgericht*) of Charlottenburg, Germany, dated January 30, 2016, self-administration pursuant to Section 270 InsO was ordered for the assets of Veganz Retail GmbH and insolvency proceedings were opened by order of January 30, 2017. The insolvency is expected to be completed by the end of 2021.

Other than stated above, in the last five years, no member of the Management Board or the Supervisory Board has been:

- convicted of fraudulent offenses or
- associated with any bankruptcy, receivership, liquidation or companies put into administration, acting in its capacity as a member of any administrative, management or supervisory body or
- the subject of any official public incriminations and/or sanctions have been pending or imposed by statutory or legal authorities, including designated professional bodies or
- disqualified 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.

17.5. Conflicts of interest

Jan Bredack as chairman and CEO of the Management Board is an indirect shareholder of the Company via BVV and exerts further voting rights in the Company as general partner (*persönlich haftender Gesellschafter*) of VBKG (see "*17.2.4 Shareholdings of the members of the Management Board*"). To the extent the interests of BVV and VBKG diverge from those of the Company, this would result in a conflict of interests for Jan Bredack.

Michael Durach as member of the Supervisory Board is a direct and an indirect shareholder of the Company via his participations in DUBROSIS GmbH and Develey Holding GmbH & Co. Beteiligungsgesellschaft KG ("*17.3.5 Shareholdings of the members of the Supervisory Board*"). To the extent the interests of Michael Durach's interests diverge from those of the Company, this would result in a conflict of interests for Michael Durach.

Janina Mütze as member of the Supervisory Board is managing director of Civey. The Company commissions Civey for the purpose of market research (see "*18.2.6 Business relationship with Civey*"). To the extent the interests of Janina Mütze's interests as managing director of Civey diverge from those of the Company, this would result in a conflict of interests for Janina Mütze.

Except as disclosed above, there are no conflicts of interest or potential conflicts of interest between the 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.

Neither the members of the Management Board nor the members of the Supervisory Board have entered into a service agreement with the 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 amongst themselves or in relation to the members of the other body.

17.6. Shareholders' meeting

17.6.1 Convening of the Company's shareholders' meeting

Pursuant to Section 175 para. 1 sent. 2 AktG, the Company's annual shareholders' meeting (*ordentliche Hauptversammlung*) must be held within the first eight months of each financial year. The shareholders' meeting is held at the registered seat of the Company. The Company's shareholders' meeting is generally convened by the Management Board. Notice must be issued in the German Federal Gazette (*Bundesanzeiger*) at least 30 days before the day of the shareholders' meeting. The day of the meeting and the day of the publication of the convocation in the German Federal Gazette (*Bundesanzeiger*) are not taken into account when calculating this 30-day period. This period is extended for the period for registration by the shareholders (see "*17.6.2 Shareholders' rights to participate in the Company's shareholders' meeting*"). A shareholders' meeting may also be convened by the Supervisory Board. In addition, shareholders whose aggregate shareholdings amount to at least 5% of the Company's share capital or a pro rata share of EUR 500,000.00 in the Company's share capital may request that a shareholders' meeting be held. If, such a request is not granted and a shareholders' meeting of the Company is not held in a timely manner, the competent local court (*Amtsgericht*) may authorize the shareholders who have requested such meeting to convene a shareholders' meeting of the Company.

17.6.2 Shareholders' rights to participate in the Company's shareholders' meeting

Pursuant to the Articles of Association, all shareholders of the Company who have duly submitted notification of attendance and evidence of their shareholdings are entitled to attend the shareholders' meeting and to exercise their voting rights. The registration for the shareholders' meeting must be received by the Company at the address specified in the convening notice at least six days prior to the day of the shareholders' meeting. The convening notice may provide for a shorter period to be measured in days. When calculating this period, the day of the meeting and the day of the receipt of the notice are not taken into account.

The shareholder's registration must be submitted in the German language or English language in writing (*Textform*), or by way of other electronic means as specified by the Company in greater detail. The evidence of the shareholding can be submitted in the form of proof prepared by a depository institution in German or English in text form. Such evidence must refer to the beginning of the 21st day prior to the shareholders' meeting (record date) and must be received by the Company at the address specified in the convening notice at least six days prior to the meeting, unless a shorter period to be measured in days was set forth in the convening notice. When calculating such period, the day of the meeting and the day of the receipt of the notice are not taken into account.

Voting rights may be exercised by proxy. The granting of the proxy, its revocation and the evidence of authorization to be provided to the Company must be submitted in text form (*Textform*), unless the convening notice specifies otherwise. Details on the granting of proxy, its revocation and the evidence to be provided to the Company are provided together with the convening notice for the shareholders' meeting. The Management Board may allow shareholders to cast their votes in writing or by electronic communication without attending the shareholders' meeting (absentee vote) and may determine the scope and the procedure of the exercising of rights in such way.

In addition, the Management Board may also provide that shareholders may participate in the shareholders' meeting without being present in person at the place of the shareholders' meeting or being represented, and may exercise all or specific shareholders' rights, in full or in part, by electronic communication (online participation) and may determine the scope and the procedure of the exercising of rights in such way.

17.6.3 Conduct of the Company's shareholders' meeting

The Company's shareholders' meeting is chaired by the chairman of the Supervisory Board or by another member of the Supervisory Board appointed by the chairman of the Supervisory Board. In the event that neither the chairman of the Supervisory Board nor a member of the Supervisory Board appointed by him chairs the meeting, the Supervisory Board shall elect the chairman of the meeting. If the Supervisory Board does not make use of this option, the shareholders' meeting shall elect the chairman.

The chairman of the Company's shareholders' meeting chairs the proceedings of the meeting and directs the course of the proceedings. In particular, the chairman may exercise rules of order and make use of assistants. The chairman determines the sequence of speakers and the consideration of the items on the agenda as well as the form, procedure and further details of voting. The chairman may also, to the extent permitted by law, decide on the bundling of factually related items for resolution into a single vote. The chairman is further authorized to impose a reasonable time limit on the right to speak. The chairman may also determine an appropriate time frame for the course of the entire shareholders' meeting, for individual agenda items or individual speakers. If necessary, the chairman may close the list of requests to speak and order the end of the debate in the Company's shareholders' meeting.

17.6.4 Resolutions of the Company's shareholders' meeting

Resolutions of the Company's shareholders' meeting are generally passed with a simple majority of the votes validly cast. If a majority of the share capital is required by law, a simple majority of the registered share capital represented at the vote is sufficient, unless a higher majority is required by mandatory law or the Articles of Association.

Pursuant to the AktG, resolutions of fundamental importance (*grundlegende Bedeutung*) mandatorily require a majority of at least 75% of the share capital represented at the vote. Resolutions of fundamental importance include:

- the approval to conclude, amend or terminate inter-company agreements (*Unternehmensverträge*) in the meaning of Sections 291 et seqq.;
- amendments to the corporate purpose of the Company;
- the creation of conditional or authorized capital;
- an exclusion of subscription rights as part of a capital increase by the shareholders' meeting or in the context of an issuance of, or authorization to issue, convertible and profit sharing certificates and other profit sharing rights;
- an authorization on the use of treasury shares;
- share capital reductions;
- a liquidation of the Company or a subsequent continuation of the liquidated Company;
- the approval of contracts within the meaning of Section 179a AktG (transfer of the entire assets of the Company) and management actions of special significance that require the approval of the shareholders' meeting of the Company in compliance with legal precedents;

- an integration of the Company into another corporation and
- any actions within the meaning of the UmwG.

Neither German law nor the Articles of Association limits the rights of foreign shareholders or shareholders not domiciled in Germany to hold shares or exercise voting rights associated therewith.

17.7. Corporate governance

Following the Listing, the Company will not become subject to the obligation to declare compliance with the recommendations of the German Corporate Governance Code (*Deutscher Corporate Governance Kodex* – "**Code**") pursuant to Section 161 para. 1 AktG. Such obligation requires a listing in a regulated market in Germany. The Company also does not intend to voluntarily issue declarations of compliance (*Entsprechenserklärungen*) with the recommendations of the Code. Whereas the Management Board and the Supervisory Board consider a good corporate governance as important for the Company, they believe that such structures can be established in a more flexible manner rather than voluntarily complying with the recommendations of the Code.

18. CERTAIN RELATIONSHIPS AND RELATED-PARTY TRANSACTIONS

Related parties of the Company include the members of the Management Board and the Supervisory Board, including their close family members, as well as those companies on which members of the Management Board or the Supervisory Board or their close family members can exercise significant influence or hold a significant share of voting rights. In addition, related parties are also companies with which the Company forms a group or in which the Company holds an interest that enables the Company to exercise significant influence, as well as the principal shareholders of the Company, including their affiliated companies.

Set forth below is a detailed description of such transactions with related parties for the financial years ended December 31, 2018, December 31, 2019 and December 31, 2020 and up to and including the date of the Prospectus. Business relationships between companies of Veganz are not included.

18.1. Relationships with the Existing Shareholders or former existing shareholders

18.1.1 Cost sharing and indemnity agreement

On October 25, 2021, the Selling Shareholders and the Company entered into an agreement regarding their cooperation relating to the preparation of the Offering. As required by law, the Selling Shareholders have agreed that they will reimburse the Company for external costs incurred in connection with the preparation and the execution of the Offering on a pro rata basis calculated in accordance with the ratio of (i) the gross proceeds from the Existing Shares placed in the Offering to (ii) the sum of the gross proceeds from the New Shares and Existing Shares placed in the Offering. The costs for which the Selling Shareholders will reimburse the Company include legal, auditor and other advisors' fees. With respect to commissions to be paid to the Underwriters in connection with the Offering, see "*19.3 Commissions*".

The obligations of the Selling Shareholders to reimburse the Company remain unaffected if the Offering is postponed or terminated. As required by law, the Selling Shareholders have also agreed to indemnify the Company from any potential liability in connection with the Offering on a pro rata basis in accordance with the aforementioned ratio, including for the pro rata share of any reasonable legal costs and expenses. Furthermore, the Company has agreed that upon indemnification by the Selling Shareholders and to the extent legally permissible, it will assign certain claims the Company may have against members of the Management Board or the Supervisory Board or third parties to the Selling Shareholders.

18.1.2 Shareholder loans

The Company or Veganz GmbH as the Company's legal predecessor entered into several shareholder loan agreements ("**Shareholder Loans**") as stated in the table below:

Lender	Borrower	Agreement dated	Loan amount in EUR	Interest in % p.a.	Date of maturity
BVV	Veganz GmbH	April 5, 2019, as amended	90,000.00	3.0 (5.0 as of June 1, 2019)	May 31, 2019 The repayment of the loan was prolonged for the time being.
	Company	April 30, 2020	100,000.00	3.0 (5.0 as of November 1, 2020)	October 31, 2020 The repayment of the loan was prolonged for the time being.
Thomas Mai (VBKG)	Veganz GmbH	June 10, 2019	50,000.00	18.0	September 30, 2019
Ralph Suikat(1)	Company	September 1, 2020(2)	2,250,000.00	6.0 (plus a bonus payment in the amount of EUR 100,000.00 on the date of redemption)	March 3, 2021
HMS ADVISORY GmbH	Veganz GmbH	June 12, 2019 as amended	100,000.00	18.0	January 1, 2020
Timo Hildebrand	Veganz GmbH	June 19, 2019, as amended	50,000.00	18.0	January 31, 2020 The repayment of the loan was prolonged for the time being.

(1) Ultimate shareholder of 4L Vision GmbH.

(2) The agreement dated September 1, 2020 replaced the aforementioned agreements with 4L Vision GmbH dated May 23, 2019 and May 4, 2020.

18.1.3 Loans to shareholders of the Company

Lender	Borrower	Agreement dated	Loan amount in EUR	Interest in % p.a.	Date of maturity
Veganz GmbH	BVV	March 12, 2019	100,000.00	0.0 (3.0 as of April 9, 2019)	April 8, 2019 plus a subsequent prolongation
Veganz GmbH	BVV	September 16, 2019	150,000.00	3.0 (5.0 as of January 1, 2020)	December 31, 2019 plus a subsequent prolongation

As of the date of the Prospectus, the both of the aforementioned loans have been terminated and repaid in full.

18.2. Relationships with members of the Management Board and Supervisory Board

18.2.1 Consulting Agreement

For a description of the Consulting Agreement, see "*17.2.3 Remuneration of the members of the Management Board".*

The payments by the Company under the consulting agreement amounted to EUR 342,720.00 in the financial year ended December 31, 2019, EUR 338,400.00 in the financial year ended December 31, 2020, EUR 171,360.00 in the six-month period ended June 30, 2021, and EUR 57,120.00 in the period from June 30, 2021 to the date of the Prospectus.

18.2.2 Remuneration of the members of the Management Board

In the financial year ended December 31, 2019, the members of the Management Board received an aggregate remuneration of EUR 194,370.99. In the financial year ended December 31, 2020, the members of the Management Board received an aggregate remuneration of EUR 200,160.00. In the six-month period ended June 30, 2021, the members of the Management Board received an aggregate remuneration of EUR 100,080.00. In the period from June 30, 2021 to the date of the Prospectus, the members of the Management Board received an aggregate remuneration of EUR 136,720.00. This amount includes remunerations of a Former Member (as defined below), who has resigned his office. In addition, this member of the Management Board received a severance payment in the amount of EUR 35,000.00 and 600 Existing Shares at a nominal value of EUR 1.00 per Existing Share (see "*18.2.5 Termination agreement with a former member of the Management Board*").

For a description of the current remuneration of the members of the Management Board, see "*17.2.3 Remuneration of the members of the Management Board*"*.*

18.2.3 Participation in the VSOP by Anja Brachmüller

Anja Brachmüller received virtual options based on the VSOP as of August 1, 2018. Her options comprised a total of 1.5% of the share capital of Veganz GmbH and thus corresponded to 8,721 shares. She received the virtual options on a valuation basis of EUR 100,000.00, i.e. at EUR 0.172 per virtual share. Subject to the terms of the VSOP, the virtual options are deemed to have been fully saved upon expiry of 24 months after the allocation date.

18.2.4 Remuneration of the members of the Supervisory Board

In the financial year ended December 31, 2019, the members of the Supervisory Board received an aggregate remuneration of EUR 28,125.00. In the financial year ended December 31, 2020, the members of the Supervisory Board received an aggregate remuneration of EUR 46,500.00. In the six-month period ended June 30, 2021, the members of the Supervisory Board received an aggregate remuneration of EUR 42,500.00. In the period from June 30, 2021 to the date of the Prospectus, the members of the Supervisory Board did not receive any remuneration. In each year or period, the remuneration consisted of a basic remuneration plus D&O insurance at the Company's expense and reimbursement for the out-of-pocket expenses. For a description of the current remuneration of the members of the Supervisory Board, see "*17.3.4 Remuneration of the members of the Supervisory Board*".

18.2.5 Termination agreement with a former member of the Management Board

The ordinary term of office of a former member of the Management Board ("**Former Member**") was agreed until December 31, 2021. By mutual agreement between the Former Member and the Management Board and the Supervisory Board, the Former Member resigned from its office prematurely at the end of September 30, 2021. The Former Member has been released from duty from July 1, 2021 till September 30, 2021 with settlement of all outstanding vacation entitlements while the payment of the remuneration is continued. During this period, the Former Member shall be released from all duties in accordance with the currently valid schedule of responsibilities. The Company undertakes to pay the Former Member the gross monthly compensation of EUR 8,340.00 until December 31, 2021. Additionally, the Former Member shall receive a one-time severance payment of EUR 35,000.00 gross. Besides, the

Former Member will receive 600 shares in the Company at a nominal value of EUR 1.00 per share. The shares are to be allocated to the Former Member as part of future capital measures by utilization of the authorized capital of the Company. If these shares are not transferred by December 31, 2021, a compensation amount of EUR 40,500 will be paid to the Former Member together with the aforementioned severance payment in the amount of EUR 35,000.00 after the Listing.

18.2.6 Business relationship with Civey

The Company has engaged Civey GmbH to assist it in its market research efforts. On this basis, Civey has carried out a series of surveys, thus supporting the company in the further development of its product portfolio.

18.2.7 Sureties and guarantees of Jan Bredack

To secure certain loans raised by the Company and its legal predecessor Veganz GmbH, Jan Bredack has repeatedly provided sureties and other collateral from his personal fortune. Regarding certain sureties and guarantees he provided, the Company awarded him a compensation of 5% on the loan amounts by way of an agreement dated April 16, 2019. As of July 2021, Jan Bredack has issued a directly enforceable surety to aifinyo finetrading GmbH to secure in the amount of EUR 200.0 thousand existing, future and contingent claims to which aifinyo finetrading GmbH is entitled against the Company arising from a framework supply agreement.

19. UNDERWRITING

19.1. General

On October 25, 2021, the Company, the Selling Shareholders and the Underwriters entered into the Underwriting Agreement relating to the offer and sale of the Offer Shares in connection with the Offering.

Under the terms of the Underwriting Agreement and subject to certain conditions, including the execution of the volume and pricing agreement, the Underwriters will be required to acquire such number of Offer Shares as will be specified and agreed in the volume and pricing agreement, but in any event only up to the maximum number of Offer Shares set forth opposite the respective Underwriters' name below:

Underwriters	Maximum number of Offer Shares	Percentage of maximum number Offer Shares (in %)
M.M.Warburg & CO (AG & Co.) Kommanditgesellschaft auf Aktien	492,408	90%
Quirin Privatbank AG	54,712	10%
TOTAL	**547,120**	**100%**

(1) Assuming placement of the maximum number of Offer Shares and full exercise of the Greenshoe Option.

In connection with the Offering, the Underwriters and any of their respective affiliates, acting as an investor for their own account, may acquire Offer Shares in the Offering and in that capacity may retain, purchase or sell for their own account such Offer Shares or related investments and may offer or sell such Offer Shares or other investments outside the Offering. Accordingly, references in this Prospectus to Offer Shares being offered or placed should be construed as including any offering or placement of Offer Shares to the Underwriters or any of their respective affiliates acting in such capacity. The Underwriters do not intend to disclose the extent of any such investments or transactions, other than in accordance with any legal or regulatory obligation to do so. In addition, the Underwriters or their respective affiliates may enter into financing arrangements, including swaps with investors, due to which the Underwriters or their affiliates may, from time to time, acquire, hold or dispose of Offer Shares.

19.2. Underwriting Agreement

In the Underwriting Agreement, the Underwriters agreed to underwrite and purchase the Offer Shares with a view to offering them to investors in the Offering, subject to certain conditions, including the execution of a volume and pricing agreement to determine the Offer Price.

The Underwriters agreed to remit the purchase price from the sale of the New Shares, less agreed upon commissions and expenses, to the Company at the time the New Shares are delivered to investors. Furthermore, the Underwriters agreed to acquire the Existing Shares from the holdings of the Selling Shareholders, to sell such shares as part of the Offering and to remit the purchase price, less agreed commissions and expenses, to the Selling Shareholders at the time the Existing Shares are delivered to investors.

For purposes of a potential Over-Allotment, the Stabilization Manager will be provided with up to 71,363 Over-Allotment Shares from the holdings of the Lending Shareholders in the form of a securities loan. The Lending Shareholders have granted the Stabilization Manager an option to acquire a number of Existing Shares equal to the number of Over-Allotment Shares at the Offer Price, less agreed commissions.

The obligations of the Underwriters under the Underwriting Agreement are subject to various conditions, including:

- the agreement of the Underwriters, the Company and the Selling Shareholders on the Offer Price and the final number of Offer Shares to be purchased by the Underwriters;
- the absence of a material adverse event (see "*18.4 Termination and Indemnification*");
- receipt of certain customary deliverables (e.g., legal opinions); and
- the Listing.

The Underwriters and their respective affiliates may in the future provide services to Veganz in the ordinary course of business and may extend credit to, and have regular business dealings with Veganz in its capacity as financial institution. For a more detailed description of the interests of the Underwriters in the Offering, see "*3.11 Interests of parties participating in the Offering*".

19.3. Commissions

The Underwriters will offer the Offer Shares at the Offer Price. In return, the Underwriters will receive a fixed underwriting commission calculated as a percentage of the gross proceeds from the Offering. In addition, the Company and the Selling Shareholders may in their sole discretion decide to pay the Underwriters a discretionary fee, which is calculated as a percentage of the gross proceeds from the sale of the New Shares, the Sale Shares and Over-Allotment Shares, respectively.

The Company will bear any fees in connection with the sale of the New Shares, while the Selling Shareholders will bear any fees in connection with the sale of the Sale Shares and the Over-Allotment Shares. Assuming (i) an Offer Price at the mid-point of the Price Range, (ii) placement of the maximum number of Offer Shares, (iii) full exercise of the Greenshoe Option and (iv) payment of the discretionary fee in full, the Company estimates that the Underwriters would receive EUR 2,667.2 thousand in commissions in connection with the Offering.

In general, all commissions are due upon transfer of the net proceeds to the Company and may be deducted and retained from the gross issue proceeds by the Sole Global Coordinator in the name and on behalf of the Underwriters prior to distribution of the net proceeds to the Company or the Selling Shareholders. The commissions attributable to the Greenshoe Shares are due upon settlement of the purchase price for the Greenshoe Shares and may be retained therefrom. The satisfaction commission is due for payment 30 calendar days after the end of the stabilization period after invoicing. All other commissions, costs and expenses are due no later than 15 days.

19.4. Greenshoe Option and securities loan

To cover potential Over-Allotments, the Lending Shareholders will provide the Stabilization Manager with up to 71,363 Over-Allotment Shares free of charge in the form of a securities loan. The total number of Over-Allotment Shares will not exceed 15% of the final number of New Shares and Sale Shares placed in the Offering. In addition, the Lending Shareholders granted the Stabilization Manager the Greenshoe Option to acquire up to 71,363 Shares at the Offer Price less agreed commissions.

The Stabilization Manager may exercise the Greenshoe Option provided by the Lending Shareholders to the extent Over-Allotments were initially made. The number of Shares that can be acquired under the Greenshoe Option is reduced by the number of Shares held by the Stabilization Manager on the date when the Greenshoe Option is exercised and that were acquired by the Stabilization Manager in the context of stabilization measures, if any. However, the Stabilization Manager is entitled to exercise the Greenshoe Option during the Stabilization Period even if such exercise follows any sale of shares by the Stabilization Manager which the Stabilization Manager has previously acquired as part of any stabilization measures (so-called "refreshing the shoe"). The Greenshoe Option will terminate 30 calendar days after commencement of stock exchange trading of the Shares on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*).

19.5. Termination and Indemnification

Under certain circumstances, the Underwriters, may terminate the Underwriting Agreement, including after the Offer Shares have been allocated and the Listing, up to closing of the Offering, in particular, in the following cases:

- a material adverse effect on the business of the Company as currently conducted and as described in the Prospectus, or any material adverse effect on its financial condition or results of operations;
- a material adverse change in the Company's share capital;
- a material adverse change in the Company's long-term debt;
- a material adverse change in the Company's general business, management or financial condition or results of operations or a development has occurred that would reasonably be expected to result in such a change;
- a material change in the Management Board or Supervisory Board;
- the suspension, in whole or in part and not for a short period or insignificantly, of trading on the Frankfurt Stock Exchange, the London Stock Exchange or the New York Stock Exchange or on any of these three exchanges;
- the imposition of a general moratorium on commercial banking activities in Frankfurt am Main, London or New York;
- significant interruptions in securities settlement, payment or booking services in Europe;
- a material adverse change in national or international financial, political, industrial, economic or legal conditions or capital market conditions or foreign exchange rates; and
- significant outbreaks or intensification of acts of war or terrorism, for example, the occurrence or outbreak of hostilities, the declaration of a national emergency or a declaration of war, or any other disaster or crisis (including the current COVID-19 pandemic), in each case in Germany, the United Kingdom or the United States.

If the Underwriting Agreement is terminated, the Offering will not take place, in which case any allocations already made to investors will be invalidated and investors will have no claim for delivery of Offer Shares. Claims with respect to purchase fees already paid and costs incurred by an investor in connection with the purchase will solely be governed by the legal relationship between the investor and the financial intermediary to which the investor submitted its purchase order. Investors who engage in short-selling bear the risk of being unable to satisfy their delivery obligations.

In the Underwriting Agreement, the Company and the Selling Shareholders have agreed to indemnify the Underwriters against certain liabilities that may arise in connection with the Offering, including liabilities under applicable securities laws.

19.6. Selling restrictions

The distribution of this Prospectus and the sale of the Offer Shares may be restricted by law in certain jurisdictions. No action has been or will be taken by the Company, the Selling Shareholders or the Underwriters to permit a public offering of the Offer Shares anywhere other than in Germany or the transmission or distribution of this Prospectus into any other jurisdiction, where additional actions for that purpose may be required.

Accordingly, neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction other than in Germany, except in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes are required to inform themselves about and observe any such restrictions, including those set out in the following paragraphs. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

19.6.1 Selling Restrictions with respect to the United States

The Company does not intend to register either the Offering or any portion of the Offering in the United States, or to conduct a public offering of shares in the United States. The Offer Shares are not and will not be registered pursuant to the provisions of the Securities Act or with securities regulators of individual states of the United States. The Offer Shares may not be offered, sold or delivered, directly or indirectly, in or into the United States. There will be no public offer of the Offer Shares in the United States. The Offer Shares may at no time be offered, sold, exercised, pledged, transferred or delivered directly or indirectly, to or within the United States.

19.6.2 Selling Restrictions with respect to the United Kingdom

In the United Kingdom, this Prospectus is only addressed and directed to:

- investors who have professional experience in matters relating to investments falling within Article 19 para. 5 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended ("**Order**");
- investors who are high net worth entities falling within Article 49 para. 2 lit. a) through d) of the Order; and
- other persons to whom it may otherwise lawfully be communicated

(all such persons together being referred to as "**Relevant Persons**").

In the United Kingdom, the Offer Shares are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire Offer Shares in the United Kingdom will only be engaged in with, Relevant Persons. Any person in the United Kingdom who is not a Relevant Person should not act or rely on this Prospectus or any of its contents.

19.6.3 Selling Restrictions with respect to the EEA

In the member states of the EEA, no offer of Offer Shares to the public has been or will be made, except for (i) the offer to the public in Germany and (ii) any offers of Offer Shares in any member state of the EEA in accordance with the following exceptions under the Prospectus Regulation:

- to qualified investors as defined in Article 2 lit. (e) of the Prospectus Regulation; or
- to fewer than 150 natural or legal persons per member state of the EEA (other than qualified investors as defined in Article 2 lit. (e) of the Prospectus Regulation), subject to obtaining the prior consent of the Sole Global Coordinator for any such offer; or
- in any other circumstances falling within Article 1 para. 4 of the Prospectus Regulation.

For the purposes of this Prospectus, the expression "offer to the public" in relation to any member state of the EEA means a communication to persons in any form and by any means, presenting sufficient information on the terms of the Offering and the Offer Shares, so as to enable an investor to decide to purchase or subscribe to Offer Shares, including any placing of Offer Shares through financial intermediaries.

20. WARNING ON TAX CONSEQUENCES

Income received from Shares is subject to taxation. In particular, the tax laws of any jurisdiction with authority to impose taxes on the Company's shareholders and the tax laws of the Company's state of incorporation, statutory seat and place of effective management (i.e., Germany) may have an impact on the income received from Shares.

21. FINANCIAL INFORMATION

The following English-language financial information are translations of the respective German-language financial information.

UNAUDITED UNCONSOLIDATED FINANCIAL STATEMENTS
OF THE COMPANY
AS OF AND FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021
(PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OF THE HGB)

Balance sheet as of June 30, 2021

in EUR	June 30, 2021	Dec 31, 2020
ASSETS		
A. Non-current assets		
I. Intangible assets		
1. Software acquired for consideration	1,502.56	4,158.00
2. Brands	12,077,671.36	12,551,338.00
	12,079,173.92	**12,555,496.00**
II. Property, plant and equipment		
1. Technical equipment and machinery	271,509.12	256,397.00
2. Other equipment, operating and office equipment	106,528.83	114,308.33
	378,037.95	**370,705.33**
III. Long-term financial assets		
1. Holdings in affiliated companies	776,664.90	816,911.18
2. Long-term equity investments	0.00	0.00
	776,664.90	**816,911.18**
	13,233,876.77	**13,743,112.51**
B. Current assets		
I. Inventories		
1. Raw materials, consumables and supplies	25,782.49	42,973.55
2. Finished goods and merchandise	1,882,847.81	1,913,869.55
3. Prepayments made	214,984.03	144,483.56
	2,123,614.33	**2,101,326.66**
II. Receivables and other assets		
1. Trade receivables	2,872,493.63	2,072,596.98
2. Receivables from affiliated companies	626,881.45	1,061,583.24
3. Receivables from companies in which an equity investment is held	19,305.66	14,819.09
4. Other assets	1,926,068.04	879,720.17
	5,444,748.78	**4,028,719.48**
III. Cash in hand, bank balances	**73,567.25**	**100,412.94**
	7,641,930.36	**6,230,459.08**
C. Prepaid expenses	**118,321.53**	**187,099.26**
D. Deficit not covered by equity	**8,732,365.46**	**4,746,215.97**
	29,726,494.12	**24,906,886.82**

in EUR	June 30, 2021	Dec 31, 2020
EQUITY AND LIABILITIES		
A. Equity		
I. Subscribed capital	**667,733.00**	**667,733.00**
II. Capital reserves	**3,767,715.34**	**3,767,715.34**
III. Losses carried forward	**(13,167,813.80)**	**(9,181,664.31)**
IV. Deficit not covered by equity	**8,732,365.46**	**4,746,215.97**
	0.00	**0.00**
B. Accrued expenses		
1. Other accruals	2,604,297.83	1,331,907.56
	2,604,297.83	**1,331,907.56**
C. Liabilities		
1. Bonds	4,270,000.00	3,360,000.00
2. Balances due to banks	2,116,739.22	2,142,646.85
3. Trade payables	7,732,898.16	6,658,258.32
4. Liabilities to affiliated companies	0.00	135,135.28
5. Liabilities to companies in which a long-term equity Investment is held	147,873.43	11,401.79
6. Other liabilities	9,466,485.67	7,746,466.73
	23,733,996.48	**20,053,908.97**
D. Deferred tax liabilities	**3,388,199.81**	**3,521,070.29**
	29,726,494.12	**24,906,886.82**

Income statement for the period
from January 1, 2021 to June 30, 2021

in EUR	Jan 1 - June 30, 2021	Jan 1 – June 30, 2020
1. Sales	15,555,404.31	13,108,280.06
2. Other operating income	121,440.60	266,487.97
3. Cost of materials		
a) Cost of raw materials, consumables and supplies and of purchased merchandise	10,653,552.10	9,104,991.96
4. Personnel expenses		
a) Wages and salaries	1,431,336.56	1,019,214.28
b) Social security and retirement costs	267,750.68	245,899.91
of which for retirement EUR 2,449.92 (PY: EUR 2,863.92)		
	1,699,087.24	1,265,114.19
5. Amortization and depreciation		
a) on intangible assets and property, plant and equipment	510,884.59	522,158.17
6. Other operating expenses	6,277,867.46	3,797,370.93
7. Other interest and similar income	8,714.38	0.00
8. Interest and similar expenses	657,523.67	502,615.62
9. Taxes on income	(127,261.28)	(132,870.58)
10. After tax results	**(3,986,094.49)**	**(1,684,612.26)**
11. Other taxes	55.00	336.00
12. Net loss for the year	**(3,986,149.49)**	**(1,684,948.26)**
13. Losses carried forward from prior year	(9,181,664.31)	(4,242,167.61)
14. Accumulated deficit	**(13,167,813.80)**	**(5,927,115.87)**

Statement of cash flows for the period from January 1, 2021 to June 30, 2021

	in EUR	June 30, 2021	June 30, 2020
Net loss for the year		**(3,986,149.49)**	**(1,684,948.26)**
+	Amortization and depreciation of non-current assets	510,884.59	522,158.17
+/-	Increase/ decrease of accruals	1.272,390.27	(195,650.84)
+/-	Other non-cash effective expenses/income	0.00	0.00
-/+	Increase/ decrease of inventories, trade receivables as well as other assets which are not classified as investing or financing activities	(1,369,539.24)	(1,012,922.29)
+/-	Increase/decrease of trade payables as well as other liabilities which are not classified as investing or financing activities	2,418,008.43	256,955.68
-/+	Gain/loss from the disposal of non-current assets	40,246.28	0.00
+/-	Interest expense/interest income	648,809.29	502,615.62
+/-	Income tax expense/income tax income	(127,261.28)	(132,870.58)
-/+	Income tax payments	(5,609.20)	0.00
=	**Cash flow from operating activities**	**(598,220.35)**	**(1,744,662.50)**
-	Payments for investments in intangible assets	0.00	0.00
-	Payments for investments in property, plant and equipment	(41,895.13)	(13,028.68)
+	Proceeds from the disposal of non-current assets	0.00	0.00
+	Interest received	8,714.38	0.00
=	**Cash flow from investing activities**	**(33,180.75)**	**(13,028.68)**
+	Proceeds from loans taken on from the shareholders	0.00	350,000.00
-	Disbursements for the repayment of shareholder loans	(49,635.00)	0.00
+	Proceeds from taking on (financing) loans	1,587,319.30	3,180,099.50
-	Disbursements for the repayment of (financing) loans	(275,605.22)	(1,349,870.47)
-	Interest paid	(657,523.67)	(502,615.62)
=	**Cash flow from financing activities**	**604,555.41**	**1,677,613.41**
=	**Cash effective changes of cash and cash equivalents**	**(26,845.69)**	**(80,077.77)**
+	Cash and cash equivalents at the beginning of the period	(2,042,233.91)	(3,551,761.43)
=	**Cash and cash equivalents at the end of the period**	**(2,069,079.60)**	**(3,631,839.20)**

Statement of changes of non-current assets for the period from January 1, 2021 to June 30, 2021

in EUR	Acquisition and production costs				Accumulated amortization/ depreciation				Carrying values	
	Jan 1, 2021	Additions	Disposals	June 30, 2021	Jan 1, 2021	Amortisation/ depreciation in the financial year	Disposals	June 30, 2021	June 30, 2021	Dec 31, 2020
I. Intangible assets										
1. Software acquired for consideration	321,432.26	0.00	0.00	321,432.26	317,274.26	2,655.44	0.00	319,929.70	1,502.56	4,158.00
2. Brands	14,210,000.00	0.00	0.00	14,210,000.00	1,658,662.00	473,666.64	0.00	2,132,328.64	12,077,671.36	12,551,338.00
	14,531,432.26	**0.00**	**0.00**	**14,531,432.26**	**1,975,936.26**	**476,322.08**	**0.00**	**2,452,258.34**	**12,079,173.92**	**12,555,496.00**
II. Property, plant and equipment										
1. Technical equipment and machinery	259,755.87	28,099.78	0.00	287,855.65	3,358.87	12,987.66	0.00	16,346.53	271,509.12	256,397.00
2. Other equipment, operating and office equipment	660,067.07	13,795.35	0.00	673,862.42	545,758.74	21,574.85	0.00	567,333.59	106,528.83	114,308.33
3. Prepayments made and construction in progress	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	919,822.94	**41,895.13**	**0.00**	**961,718.07**	**549,117.61**	**34,562.51**	**0.00**	**583,680.12**	**378,037.95**	**370,705.33**
III, Long-term financial assets										
1. Holdings in affiliated companies	1,394,773.20	0.00	305,839.35	1,088,933.85	577,862.02	0.00	265,593.07	312,268.95	776,664.90	816,911.18
2. Long-term equity investments	25,000.00	0.00	0.00	25,000.00	25,000.00	0.00	0.00	25,000.00	0.00	0.00
	1,419,773.20	**0.00**	**305,839.35**	**1,113,933.85**	**602,862.02**	**0.00**	**265,593.07**	**337,268.95**	**776,664.90**	**816,911.18**
Total non-current assets	**16,871,028.40**	**41,895.13**	**305,839.35**	**16,607,084.18**	**3,127,915.89**	**510,884.59**	**265,593.07**	**3,373,207.41**	**13,233,876.77**	**13,743,112.51**

Notes

General information on the interim financial statements

Disclosures on the interim financial statements

The interim financial statements for the period January 1, 2021 to June 30, 2021 were prepared pursuant to the accounting principles as per the German Commercial Code (Sections 242 et. seqq. HGB) and the supplementary regulations for capital corporations (Sections 264 et. seqq. HGB). In addition to these regulations, the regulations of the German Stock Corporation Act were given consideration.

Disclosures which can electively be made on the balance sheet, the income statement or in the notes are all made in the notes.

The total cost method was selected for the income statement.

As per the size classifications in Section 267 HGB, the Company is classified as a medium-sized corporation.

In preparing the interim financial statements, use was, in part, made of the size related disclosure simplifications pursuant to Section 286 para. 4 and Section 288 HGB.

As of June 30, 2021, the Company is still in a crisis in terms of financial performance as well as financing. Nonetheless, valuation was based on the going concern principle. The management board already resolved upon and began to implement financing measures, which are to provide for the continuity of business operations in a sustainable manner. The steps to provide for the going concern were carried out just after the balance sheet date on July 2, 2021 (refer to events of particular significance subsequent to the reporting period).

Identifying Company information as per the registry court

Company name as per registry court:	Veganz Group AG
Legal seat as per registry court:	Berlin
Business address as per registry court:	Warschauer Straße 32, 10243 Berlin
Register entry:	Commercial Register
Register court:	Local court Charlottenburg
Register number	HRB 219813 B

Disclosures with respect to accounting policies and valuation principles

Accounting policies and valuation principles

Acquired intangible assets were recorded at acquisition costs and are, to the extent that they have finite useful lives, reduced by scheduled amortization.

Subsequent to the merger of the Company with Veganz GmbH in 2019, own brands which are to be capitalized were recorded at their fair values and were subject to scheduled amortization. Property, plant and equipment was recorded at acquisition or production costs and, to the extent that they have finite useful lives, reduced by scheduled depreciation.

The scheduled amortization and depreciation was determined based on the expected useful lives of the assets and recorded on the straight-line basis.

Long-term financial assets were recognized and valued as follows:

- Holdings in affiliated companies at acquisition costs
- Long-term equity investments at acquisition costs

To the extent required as a result of a permanent impairment, the lower value as of the balance sheet date was recorded.

Inventories were recorded at acquisition or production costs. To the extent that the current values as of the balance sheet date were lower, these were recorded.

Receivables and other assets were valued considering all identifiable risks.

Cash and cash equivalents are valued at their nominal amounts. There were no debit balances in foreign currencies as of the balance sheet date.

Prepaid expenses give consideration to all disbursements prior to the balance sheet date for expenses for periods subsequent to the balance sheet date.

The other accrued expenses were recorded for all other uncertain liabilities at their settlement amounts. All identifiable risks were given consideration.

Accrued expenses with a remaining term of more than one year are discounted using an average market interest rate of the previous seven financial years appropriate for their remaining terms.

Liabilities were recorded at their settlement amounts.

Deferred taxes are recorded for temporary differences between balance sheet line items as per the commercial accounts and the tax accounts. The deferred tax liabilities to be recorded result from the capitalization of own brands and amount to EUR 3,388,199.81 as of June 30, 2021. The valuation of the deferred tax liabilities was determined using a tax rate of 30.175% (15.825% - corporate income taxes including solidarity surcharge and 14.350% - municipal trade tax).

Items in a foreign currency are valued using the exchange rate in effect on the date of the transaction and are translated into EUR. Furthermore, assets and liabilities in a foreign currency are translated using the mean average exchange rate as of the balance sheet date. To the extent that the remaining term is one year or less, the realization principle and the acquisition cost principle are not applied pursuant to Section 256a HGB.

Balance sheet disclosures

Disclosures with respect to intangible assets

Brands were recorded for the first time subsequent to the merger of Veganz GmbH, Berlin, into the Company in the year 2019. They are amortized over a period of 15 years.

Disclosures with respect to property, plant and equipment

The breakdown and development of non-current assets is presented in the statement of changes of non-current assets.

Disclosures with respect to holdings of at least 20 percent in other companies

Company name/legal seat	Holding	Equity EUR	Annual results EUR	
Veganz Retail Berlin GmbH & Co.KG, Berlin	100.0%	726,644.90	(296,161.70)	*
Veganz Retail GmbH i.I., Berlin...	100.0%	(3,548,610.59)	(700,207.10)	**
Veganz Verwaltungs GmbH, Berlin...	100.0%	16,544.98	(1,208.67)	***
Veganz Food Trailer UG, Berlin	100.0%	(622,612.83)	(48,445.98)	****

* Preliminary annual financial statements as of December 31, 2020 (as per June 30, 21)
** The company is currently in insolvency proceedings under own management, figures presented here are preliminary figures as of December 31, 2017
*** Annual financial statements as of December 31, 2020
**** Annual financial statements as of December 31, 2019

Disclosures with respect to receivables and other assets

The receivables and other assets have a remaining term of less than one year.

The other assets of EUR 1,926,068.04 include receivables from shareholders totaling EUR 172,050.07 (PY: EUR 171,808.87), which have the nature of a loan.

Disclosures with respect to the classes of shares

The Company's subscribed capital of EUR 667,733.00 is broken down into 667,733 registered shares with a nominal value of EUR 1.00 each.

On the basis of a resolution of the annual general meeting of the shareholders on June 16, 2020, the management board was authorized to increase the subscribed capital by EUR 166,933.00 and thereby up to EUR 834,666.00 (Authorized capital 2020/I).

Disclosures with respect to capital reserves

The amounts recorded within the capital reserves include amounts resulting from the merger of Veganz GmbH into Veganz Group AG and thereby comprise additional capital contributions to equity by shareholders pursuant to Section 272 para. 2 no. 4 HGB.

Disclosures with respect to other accrued expenses

The other accrued expenses primarily comprise accruals for outstanding invoices in the amount of EUR 2,135,716.07, personnel related accruals of EUR 388,006.76, accruals for the annual financial statement preparation and audit fees of EUR 60,000.00 as well as other items totaling EUR 20,575.00.

Disclosures with respect to remaining term

The liabilities with a remaining term of up to one-year amount to EUR 15,560,450.70.

The liabilities with a remaining term of between one- and five-years total EUR 8,173,545.78.

Disclosures with respect to other liabilities

The other liabilities include tax liabilities amounting to EUR 137,441.89 (PY: EUR 137,970.84) and liabilities for social security in the amount of EUR 2,466.65 (PY: EUR 10,554.20).

Furthermore, subordinated loans totaling EUR 3,821,045.78 are included in other liabilities.

The liabilities to shareholders included within other liabilities total EUR 2,608,587.83 (PY: EUR 2,658,223.00) and are attributable to loans.

Disclosures with respect to deferred tax liabilities

Deferred tax liabilities result from the capitalization of brands due to the differences between the amounts recorded in the commercial accounts and those in the tax accounts. The release is recorded in a manner corresponding with the term of the brands capitalized over the remaining useful life of 13 years.

Other financial obligations not recorded

In addition to the liabilities presented on the balance sheet, there are other financial obligations totaling EUR 682 thousand, of which EUR 529 thousand comprise rental obligations with an average remaining term of 4 years and EUR 153 thousand for leasing transactions with an average remaining term of 3 years.

In addition, there are obligations to holders of profit participation rights to replenish the profit participation capital from future profits totaling EUR 500 thousand.

The other financial obligations attributable to factoring total EUR 693 thousand and result from the financing provided in advance by the factor for the trade receivables

Disclosures on the income statement

Disclosures with respect to other operating income

The other operating income includes income attributable to other periods of EUR 121,440.60 as well as income from foreign currency translation of EUR 158.11.

Disclosures with respect to other operating expenses

The other operating expenses include expenses attributable to other periods of EUR 4,722.82 and expenses from foreign currency translation of EUR 95.65.

Disclosures with respect to interest and similar expenses

The interest and similar expenses include expenses for subordinated loans and other loans totaling EUR 657,523.67.

Disclosures with respect to taxes on income

The taxes on income includes releases of deferred tax liabilities of EUR 155,015.56.

Other disclosures

Average number of employees

The average number of employees in the Company as of June 30, 2021 was 68, of which 46.57 are female and 21.43 are male.

Management board

	Current profession
Jan Bredack, Schwielowsee	CEO
Anja Brachmüller, Berlin	COO
Mario Knape, Berlin	CFO (recalled with effect from September 30, 2021)
Alexandra Vázquez Bea, Hanover	CFO (from July 1, 2021)

Moritz Möller, Berlin	CMO (from July 1,2021)

The Company exercised the allowed alternative treatment pursuant to Section 286 para. 4 HGB and omitted disclosure of total remuneration pursuant to Section 285 no. 9a HGB.

Supervisory board

	Position	Current profession
Roland Sieker, Berlin	Chairperson	Consultant
Dr. Manon Sarah Littek, Berlin	Vice Chairperson (until June 24, 2021)	Consultant
Ronny Gottschlich, Halle/Saale	(from August 20, 2020)	Consultant
Dr. Jens Pippig, Munich	(from June 19, 2020)	Consultant
Janina Mütze, Berlin	(from June 24. 2021)	CEO
Michael Durach, Unterhaching	(from June 24, 2021)	CEO

Compensation for the supervisory board for the period January 1, 2021 through June 30, 2021 amounted to EUR 42,500.00.

Subordinated loan and subordination agreement

To avert respectively avoid the consequences of insolvency, various lenders and borrowers (Veganz Group AG) committed to subordinate their claims to all receivables from Veganz Group AG associated with these loan contracts to all current and future claims of other creditors. Possible repayment and recourse claims as well as future other receivables resulting from other legal cause can only be satisfied using future retained earnings excluding those with subordinated recourse claims, a liquidation surplus or other free assets of Veganz Group AG, not required to maintain equity. Independent of the forgoing provisions, the legal effect of the subordination agreements automatically ends at the end of the respective loan agreements. The amounts and terms of the various subordinated loans with subordination agreements are presented below:

in EUR	
until 2021	1,812,950.00
until 2023	1,990,007.96
until 2025	18,087.82
Total	**3,821,045.78**

Advances and loans granted to management board

No advances were paid to members of the management board during the reporting period.

Development of advances

in EUR	
Balance as of January 1, 2020	18,584.23
Repayments during the reporting period	(18,584.23)
Balance as of June 30, 2021	**0.00**

Chattel mortgages/liens

The liabilities to banks were secured by the following instruments:

Commerzbank AG provided a guarantee for the overdraft facility provided by Deutsche Bank AG. The maximum amount of use is EUR 2,000,000.00 and, beginning on February 1, 2020, bears interest at a rate of 8.0% per year, so long as the guarantee document has not been returned.

On September 1, 2020, the Company concluded a EUR 2 million loan agreement with a shareholder. The loan bears interest at a rate of 6% p.a. and has a term of 6 months. The bridging loan was made available to the Company for a short-term until such time as additional equity is obtained. The brand "Veganz" serves as security for the lender. As of the time of reporting, the repayment date had passed. As such, the Company is in on-going negotiations with respect to the complete repayment upon successful completion of the financing round.

Events of particular significance subsequent to the reporting period

On July 2, 2021 Veganz Group AG secured a total of EUR 11.27 million of new equity from well-known investors. The equity was secured in three tranches in exchange for cash. In the first tranche various investors subscribed to a total of 88,890 shares, a total of 67,350 shares were subscribed to in the second tranche, in tranche 3 a total of 10,693 were subscribed to. The increase of the authorized capital 2020/I was thereby utilized in its entirety. As per register entry subsequent to the third tranche, the subscribed capital amounts to EUR 834,666.00 and is broken down into the same number of bearer shares. The Company's major shareholders are Bredack Vermögensverwaltungsgesellschaft mbH with direct and indirect shareholdings of 26.3%, Veganz Beteiligungs-KG with 14.98%, Paladin Asset Management with 12.49%, Vegan Angels GmbH with 11.12%, Develey Holding GmbH with 8.10%, Katjesgreenfood GmbH with 7.77% (structure subsequent to subscription of the third tranche).

The new shares were issued with profit participation rights from January 1, 2021. Subscription rights of the shareholders are precluded. Justification for the exclusion of subscription rights is provided by the need for the Company's strong growth due to the market situation. Furthermore, the Company is to be prepared for a possible listing. The measures required for this purpose lead to a need for additional equity, which cannot be secured from the exiting group of shareholders.

As a result of the inflow of new equity totaling EUR 11.27 million, the Company's equity situation changed. Had the new equity already been contributed as of June 30, 2021, the following pro forma equity situation would have existed as of June 30, 2021:

In EUR thousand	Actual As of June 30, 2021	Equity increase	Pro-Forma As of June 30, 2021
Subscribed capital	667.7	166.9	834.6
Capital reserves	3,767.7	11,101.0	14,868.7
Accumulated deficit	(13,167.8)	0.0	(13,167.8)
Deficit not covered by equity	8,732.4	(8,732.4)	0.0
Equity	**0.0**	**2,535.5**	**2,535.5**

There were no further events subsequent to the reporting period which have a significant effect on the Company's assets, liabilities, financial position and financial performance.

Berlin, August 23, 2021

Jan Bredack   Anja Brachmüller   Alexandra Vázquez Bea

Moritz Möller   Mario Knape

STATEMENT OF CHANGES IN EQUITY
OF THE COMPANY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021
(PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OF THE HGB)

in EUR	Subscribed capital	Capital reserve	Loss carry forward	Net loss for the year	Total
December 31, 2019..........................	**667,733.00**	**3,767,715.34**	**0.00**	**(4,242,167.61)**	**193,280.73**
Other changes	0.00	0.00	(4,242,167.61)	4,242,167.61	0.00
Net loss of the year	0.00	0.00	0.00	(4,939,496.70)	(4,939,496.70)
December 31, 2020..........................	**667,733.00**	**3,767,715.34**	**(4,242,167.61)**	**(4,939,496.70)**	**(4,746,215.97)**
Other changes	0.00	0.00	(4,939,496.70)	4,939,496.70	0.00
Net loss of the year	0.00	0.00	0.00	(3,986,149.49)	(3,986,149.49)
June 30, 2021..................................	**667,733.00**	**3,767,715.34**	**(9,181,664.31)**	**(3,986,149.49)**	**(8,732,365.46)**

Independent auditor's report

We have audited the statement of changes in equity for the interim financial period from January 1, 2021 to June 30, 2021 derived by the company from the interim financial statements for the financial period from January 1, 2021 to June 30, 2021 as well as the underlying bookkeeping system.

The statement of changes in equity supplement the interim financial statements of Veganz Group AG, Berlin, for the financial period from January 1, 2021 to June 30, 2021 that have been prepared in accordance with the requirements of German commercial law applicable to business corporations.

The preparation of the statement of changes in equity for the financial period from January 1, 2021 to June 30, 2021 in accordance with the requirements of German commercial law applicable to business corporations is the responsibility of the company's management.

Our responsibility is to express an opinion, based on our audit, as to whether the statement of changes in equity for the financial period from January 1, 2021 to June 30, 2021 has been properly derived from the interim financial statements for financial period from January 1, 2021 to June 30, 2021 as well as the underlying bookkeeping system in accordance with the requirements of German commercial law applicable to business corporations. The subject matter of this engagement does neither include the audit of the underlying interim financial statements nor the underlying bookkeeping system.

We have planned and performed our audit in accordance with the IDW Auditing Practice Statement: Audit of Additional Elements of Financial Statements (IDW AuPS 9.960.2) in such a way that material errors in the derivation of the statement of changes in equity from the interim financial statements as well as the underlying bookkeeping system are detected with reasonable assurance.

In our opinion, based on the findings of our audit, the statement of changes in equity for the financial period from January 1, 2021 to June 30, 2021 has been properly derived from the interim financial statements for the financial period from January 1, 2021 to June 30, 2021 as well as the underlying bookkeeping system in accordance with the requirements of German commercial law applicable to business corporations.

Berlin, August 23, 2021

ECOVIS Audit AG
Wirtschaftsprüfungsgesellschaft

Dipl.-Fin.wirt Andreas Frericks
Wirtschaftsprüfer
(German Public Auditor)

Dipl.-Kfm. Ralph Riese
Wirtschaftsprüfer
(German Public Auditor)

AUDITED UNCONSOLIDATED FINANCIAL STATEMENTS
OF THE COMPANY
AS OF AND FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2020
(PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OF THE HGB)

Balance sheet as of December 31, 2020

	in EUR	Dec 31, 2020	Dec 31, 2019
A.	**Non-current assets**		
I.	**Intangible assets**		
	1. Software acquired for consideration	4,158.00	61,346.98
	2. Brands	12,551,338.00	13,499,145.00
		12,555,496.00	**13,560,491.98**
II.	**Tangible fixed assets**		
	1. Technical equipment and machinery	256,397.00	0.00
	2. Other equipment, operating and office equipment	114,308.33	142,257.33
	3. Prepayments made and construction in progress	0.00	0.00
		370,705.33	**142,257.33**
III.	**Long-term financial assets**		
	1. Holdings in affiliated companies	816,911.18	816,911.18
	2. Long-term equity investments	0.00	0.00
		816,911.18	**816,911.18**
		13,743,112.51	**14,519,660.49**
B.	**Current assets**		
I.	**Inventories**		
	1. Raw materials, consumables and supplies	42,973.55	0.00
	2. Finished goods and merchandise	1,913,869.55	1,874,716.42
	3. Prepayments	144,483.56	8,404.20
		2,101,326.66	**1,883,120.62**
II.	**Receivables and other assets**		
	1. Trade receivables	2,072,596.98	2,527,112.30
	2. Receivables from affiliated companies	1,061,583.24	784,850.22
	3. Receivables from companies in which a long-term equity investment is held	14,819.09	0.00
	4. Other assets	879,720.17	783,175.12
		4,028,719.48	**4,095,137.64**
III.	**Cash-in-hand, bank balances**	**100,412.94**	**159,240.40**
		6,230,459.08	**6,137,498.66**
C.	**Prepaid expenses**	**187,099.26**	**148,452.34**
D.	**Deficit not covered by equity**	**4,746,215.97**	**0.00**
		24,906,886.82	**20,805,611.49**

in EUR	Dec 31, 2020	Dec 31, 2019
A. Equity		
I. Subscribed capital	**667,733.00**	**667,733.00**
II. Capital reserves	**3,767,715.34**	**3,767,715.34**
III. Accumulated deficit	**(9,181,664.31)**	**(4,242,167.61)**
IV. Deficit not covered by equity	**4,746,215.97**	**0.00**
	0.00	**193,280.73**
B. Accruals		
1. Other accrued expenses	1,331,907.56	1,463,185.53
	1,331,907.56	**1,463,185.53**
C. Liabilities		
1. Bonds	3,360,000.00	0.00
2. Liabilities to banks	2,142,646.85	3,711,001.83
3. Trade payables	6,658,258.32	5,836,778.95
4. Liabilities from the acceptance of bills of exchange and the issuance of promissory notes	0.00	5.441.99
5. Liabilities to affiliated companies	135,135.28	80,135.28
6. Liabilities to companies in which a long-term equity investment is held	11,401.79	0.00
7. Other liabilities	7,746,466.73	5,728,975.77
	20,053,908.97	**15,362,333.82**
D. Deferred tax liabilities	**3,521,070.29**	**3,786,811.41**
	24,906,886.82	**20,805,611.49**

Income statement for the period from January 1, 2020 to December 31, 2020

in EUR	Jan 1 – Dec 31, 2020	Apr 1 to Dec 31, 2019
1. Sales	26,765,258.04	18,926,108.27
2. Other operating income	474,163.06	109,488.40
3. Cost of materials		
a) Cost of raw materials, consumables and supplies and of purchased merchandise	18,775,058.59	13,183,697.04
4. Personnel expenses		
a) Wages and salaries	2,432,006.10	1,658,436.30
b) Social security and retirement costs	492,251.56	367,278.56
of which in respect of pensions EUR 5,602.86 (previous year: EUR 4,129.22)		
	2,924,257.66	2,025,714.86
5. Amortization and depreciation of intangible assets and depreciation of property, plant and equipment	1,041,805.82	885,604.65
6. Other operating expenses	8,772,906.52	6,864,994.32
7. Other interest and similar income	8,365.16	233.00
8. Interest and similar expenses	870,907.24	442,477.84
9. Taxes on income	(198,637.87)	(125,539.43)
10. Results after taxes	**(4,938,511.70)**	**(4,241,119.61)**
11. Other taxes	985.00	1,048.00
12. Net loss for the financial year	**(4,939,496.70)**	**(4,242,167.61)**
13. Loss carried forward from the prior year	(4,242,167.61)	0.00
14. Accumulated deficit	**(9,181,664.31)**	**(4,242,167.61)**

Statement of cash flows for the period from January 1, 2020 to December 31, 2020

	in EUR	Dec 31, 2020	Dec 31, 2019
Net loss for the year		**(4,939,496.70)**	**(4,242,167.61)**
+	Amortization and depreciation of non-current assets	1,057,877.80	885,604.65
+/-	Increase/ decrease of accrued expenses	(131,277.97)	401,343.06
+/-	Other non-cash effective expenses/income	602.82	(1,686.78)
-/+	Increase/ decrease of inventories, trade receivables as well as other assets which are not classified as investing or financing activities	(191,037.62)	(802,295.24)
+/-	Increase/decrease of trade payables as well as other liabilities which are not classified as investing or financing activities	621,264.42	1,664,863.57
-/+	Gain/loss from the disposal of non-current assets	0.00	(258.46)
+/-	Interest expense/interest income	862,542.09	25,477.00
+/-	Income tax expense/income tax income	(198,637.87)	(125,539.43)
-/+	Income tax payments	(67,103.25)	0.00
=	**Cash flow from operating activities**	**(2,985,266.28)**	**(2,194,659.24)**
-	Payments for investments in intangible assets	0.00	(92,114.75)
-	Payments for investments in property, plant and equipment	(281,329.82)	(30,465.78)
+	Proceeds from the disposal of non-current assets	0.00	90,385.21
+	Interest received	8,365.16	0.00
=	**Cash flow from investing activities**	**(272,964.66)**	**(32,195.32)**
+	Proceeds from loans taken on from the shareholders	2,330,000.00	740,000.00
-	Disbursements for the repayment of shareholder loans	(150,000.00)	(350,000.00)
+	Proceeds from taking on (financing) loans	3,583,115.71	2,305,457.96
-	Disbursements for the repayment of (financing) loans	(124,450.00)	(586,910.79)
-	Interest paid	(870,907.25)	(17,167.00)
=	**Cash flow from financing activities**	**4,767,758.46**	**2,091,380.17**
=	**Cash effective changes of cash and cash equivalents**	**1,509,527.52**	**(135,474.39)**
+	Cash and cash equivalents at the beginning of the period	(3,551,761.43)	(3,416,287.04)
=	**Cash and cash equivalents at the end of the period**	**(2,042,233.91)**	**(3,551,761.43)**

Statement of changes of non-current assets for the period from January 1, 2020 to December 31, 2020

in EUR	Acquisition and production costs					Accumulated amortization/ depreciation				Carrying values	
	Jan 1, 2020	Additions	Reclassifications	Disposals	Dec 31, 2020	Jan 1, 2020	Amortisation/ depreciation in the financial year	Disposals	Dec 31, 2020	Dec 31, 2020	Dec 31, 2019
I. Intangible assets											
1. Software acquired for consideration	337,504.24	0.00	0.00	16,071.98	321,432.26	276,157.26	41,117.00	0.00	317,274.26	4,158.00	61,346.98
2. Brands	14,210,000.00	0.00	0.00	0.00	14,210,000.00	710,855.00	947,807.00	0.00	1,658,662.00	12,551,338.00	13,499,145.00
	14,547,504.24	**0.00**	**0.00**	**16,071.98**	**14,531,432.26**	**987,012.26**	**988,924.00**	**0.00**	**1,975,936.26**	**12,555,496.00**	**13,560,491.98**
II. Property, plant and equipment											
1. Technical equipment and machinery	0.00	130,753.09	129,002.78	0.00	259,755.87	0.00	3,358.87	0.00	3,358.87	256,397.00	0.00
2. Other equipment, operating and office equipment	638,493.12	21,573.95	0.00	0.00	660,067.07	496,235.79	49,522.95	0.00	545,758.74	114,308.33	142,257.33
3. Prepayments made and construction in progress	0.00	129,002.78	(129,002.78)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	638,493.12	**281,329.82**	**0.00**	**0.00**	**919,822.94**	**496,235.79**	**52,881.82**	**0.00**	**549,117.61**	**370,705.33**	**142,257.33**
III, Long-term financial assets											
1. Holdings in affiliated companies	1,394,773.20	0.00	0.00	0.00	1,394,773.20	577,862.02	0.00	0.00	577,862.02	816,911.18	816,911.18
2. Long-term equity investments	25,000.00	0.00	0.00	0.00	25,000.00	25,000.00	0.00	0.00	25,000.00	0.00	0.00
	1,419,773.20	**0.00**	**0.00**	**0.00**	**1,419,773.20**	**602,862.02**	**0.00**	**0.00**	**602,862.02**	**816,911.18**	**816,911.18**
Total non-current assets	**16,605,770.56**	**281,329.82**	**0.00**	**16,071.98**	**16,871,028.40**	**2,086,110.07**	**1,041,805.82**	**0.00**	**3,127,915.89**	**13,743,112.51**	**14,519,660.49**

Notes

General information on the annual financial statements

Disclosures on the annual financial statements

The annual financial statements for the financial year were prepared pursuant to the accounting principles as per the German Commercial Code (Sections 242 et. seqq. HGB) and the supplementary regulations for corporations (Sections 264 et. seqq. HGB). In addition to these regulations the stipulations of the German Stock Corporation Act were observed.

Disclosures which can electively be made on the balance sheet, the income statement or in the notes are all made in the notes.

The total cost method was selected for the income statement.

As per the size classifications in Section 267 HGB, the Company is classified as a medium-sized corporation.

Use was, in part, made of the size related disclosure simplifications pursuant to Section 286 para. 4 and Section 288 HGB.

The Company is in a crisis in terms of financial performance as well as financing. Nonetheless, valuation was based on the going concern principle. The management board already resolved upon and began to implement restructuring and financing measures, which are to provide for the continuity of business operations in a sustainable manner.

Identifying information with respect to the Company as per the registry court

Company name as per registry court:	Veganz Group AG
Legal seat as per registry court:	Berlin
Business address as per registry court:	Warschauer Straße 32, 10243 Berlin
Register entry:	Commercial Register
Register court:	Local court Charlottenburg
Register number:	HRB 219813 B

Disclosure and explanation of comparative figures and reclassifications

On the basis of a merger agreement dated September 25, 2019 in conjunction with the recording in the Commercial Register on November 25, 2019, Veganz Group AG, Düsseldorf, acquired the entirety of the assets of Veganz GmbH, Berlin, including all rights and obligations by dissolution without liquidation of Veganz GmbH, Berlin. The date of the merger was March 31, 2019. As such, Veganz Group AG is the successor of Veganz GmbH.

In 2020, to align internal and external reporting, the Company changed the classification of expenses totalling EUR 162,845.93 (previous year: EUR 15,679.26) arising as a result of the scrapping of material, expenses for empty packaging and expenses for shrinkage/ breakage/ failure to utilize prior to the best before date from the previous classification within cost of materials to the new classification as other operating expenses. Prior year amounts were, however, not adjusted.

Disclosures with respect to accounting policies and valuation principles

Accounting policies and valuation principles

Acquired intangible assets were recorded at acquisition costs and are, to the extent that they have finite useful lives, reduced by scheduled amortization.

As a result of the merger with Veganz GmbH in 2019, recognizable own brands were recorded at fair values and are reduced by scheduled amortization.

Property, plant and equipment was recorded at acquisition or production costs and, to the extent that they have finite useful lives, reduced by scheduled depreciation.

Scheduled depreciation was recorded on the straight-line basis based on the expected useful lives of the assets.

Long-term financial assets were recognized and valued as follows:

- Holdings in affiliated companies at acquisition costs
- Long-term equity investments at acquisition costs.

To the extent required as a result of a permanent impairment, the lower value as of the balance sheet date was recorded.

Inventories were recorded at acquisition or production costs. To the extent that the current values as of the balance sheet date were lower, these were recorded.

Receivables and other assets were valued considering all identifiable risks.

Cash and cash equivalents were recorded at their nominal values. There were no deposits in foreign currencies as of the balance sheet date.

Prepaid expenses give consideration to disbursements prior to the balance sheet date for expenses for periods subsequent to the balance sheet date.

The other accrued were recorded for all other uncertain liabilities at their settlement amounts. All identifiable risks were given consideration.

Accrued expenses with a remaining term of more than one year are discounted using an average market interest rate of the previous seven financial years appropriate for the remaining term.

Liabilities were recorded at their settlement amounts.

Deferred taxes are recorded for temporary differences between balance sheet line items as per the commercial accounts and the tax accounts. The deferred tax liabilities to be recorded result from the capitalization of own brands and amount to EUR 3,521,070.29 as of December 31, 2020. Deferred tax assets attributable to tax losses carried forward were not recorded as, based on the current projections, it is not considered probable that the losses will be off set within the next five years. The valuation of the deferred tax liabilities was determined using a tax rate of 30.175% (15.825% - corporate income taxes including solidarity surcharge and 14.350% - municipal trade tax).

Items in a foreign currency are valued using the exchange rate in effect on the date of the transaction and are translated into EUR. Furthermore, assets and liabilities in a foreign currency are translated using the mean average exchange rate as of the balance sheet date. To the extent that the remaining term is one year or less, the realization principle and the acquisition cost principle are not applied pursuant to Section 256a HGB.

Balance sheet disclosures

Disclosures regarding intangible assets

Brands were recorded for the first time subsequent to the merger of Veganz GmbH, Berlin, into the Company in the year 2019. They are amortized over a period of 15 years.

Disclosures with respect to property, plant and equipment

The breakdown and development of property, plant and equipment is presented in the statement of changes of non-current assets.

Disclosures with respect to holdings in other companies of at least 20%

Company name/legal seat	Holding	Equity EUR	Annual results EUR
Veganz Retail Berlin GmbH & Co.KG, Berlin	100.0%	726,644.90	(304,818.58) *
Veganz Retail GmbH i.I., Berlin..	100.0%	(3,548,610.59)	(700,207.10) **
Veganz Verwaltungs GmbH, Berlin..	100.0%	16,544.98	(1,208.67) ***
Veganz Food Trailer UG, Berlin	100.0%	(622,612.83)	(48,445.98) ****
The Bowl GmbH, Berlin	45.0%	25,000.00	75,692.48 *****

* Preliminary annual financial statements as of December 31, 2020

** The company is currently in insolvency proceedings under own management, figures presented here are preliminary figures as of 12/31/2017

*** Annual financial statements as of December 31, 2020

**** Annual financial statements as of December 31, 2019

***** Annual financial statements as of December 31, 2016, equity presented comprises the subscribed capital, company shares were already sold subject to a condition subsequent as per a sales contract dated October 19, 2018; the sales contract was completely satisfied as of May 25, 2021

Disclosures with respect to receivables and other assets

The receivables and other assets have a remaining term of less than one year.

The other assets of EUR 879,720.17 include receivables from shareholders totalling EUR 171,808.87 (previous year: EUR 168,584.23), which have the nature of a loan.

Disclosures with respect to the classes of shares

The Company's subscribed capital of EUR 667,733.00 is broken down into 667,733 registered shares with a nominal value of EUR 1.00 each.

On the basis of a resolution of the annual general meeting of the shareholders on 16 June 2020, the management board was authorized to increase the subscribed capital by EUR 166,933.00 and thereby up to EUR 834,666.00 (Authorized capital 2020/I).

Disclosures with respect to capital reserves

The amounts recorded within the capital reserves include amounts resulting from the merger of Veganz GmbH into Veganz Group AG and thereby comprise additional capital contributions to equity by shareholders pursuant to Section 272 para. 2 no. 4 HGB.

Disclosures with respect to other accrued expenses

The other accruals primarily comprise accrued expenses for outstanding invoices in the amount of EUR 904,665.61, accruals for the annual financial statement preparation and audit fees of EUR 58,500.00, personnel related accruals of EUR 348,166.95 as well as other items totalling EUR 20,575.00.

Disclosures with respect to remaining term

The amount of the liabilities and their remaining term is presented below:

Liabilities in EUR	Up to 1 year	2 to 5 years	Total
Bonds	0.00	3,360,000.00	3,360,000.00
Prior year	*0.00*	*0.00*	*0.00*
To banks	2,142,646.85	0.00	2,142,646.85
Prior year	*3,711,001.83*	*0.00*	*3,711,001.83*
Trade payables	6,658,258.32	0.00	6,658,258.32
Prior year	*5,836,778.95*	*0.00*	*5,836,778.95*
From the acceptance of bills of exchange	0.00	0.00	0.00
Prior year	*5,441.99*	*0.00*	*5,441.99*
To affiliated companies	135,135.28	0.00	135,135.28
Prior year	*80,135.28*	*0.00*	*80,135.28*
To companies in which an equity investment is held	11,401.79	0.00	11,401.79
Prior year	*0.00*	*0.00*	*0.00*
Other	3,813,767.29	3,931,545.78	7,745,313.07
Prior year	*1,762,320.17*	*3,966,655.60*	*5,728,975.77*
Total	12,761,209.53	7,291,545.78	20,052,755.31
Prior year	*11,395,678.22*	*3,966,655.60*	*15,362,333.82*

Disclosures on other liabilities

The other liabilities include tax liabilities amounting to EUR 137,970.84 (previous year: EUR 105,473.57) and liabilities for social security in the amount of EUR 10,554.20 (previous year: EUR 0.00).

Furthermore, subordinated loans totalling EUR 3,821,545.78 are included in other liabilities.

The liabilities to shareholders included within other liabilities total EUR 2,658,223.00 (previous year: EUR 459,635.00) and are attributable to loans.

Disclosures with respect to deferred tax liabilities

Deferred tax liabilities result from the capitalization of brands in the prior financial year due to the differences between the amounts recorded in the commercial accounts and those in the tax accounts. The release is recorded in a manner corresponding with the term of the brands capitalized and the remaining useful life of 13 years.

Other financial obligations not recorded

In addition to the liabilities presented on the balance sheet, there are other financial obligations totalling EUR 654 thousand, of which EUR 612 thousand comprise rental obligations with an average remaining term of 4 years and EUR 42 thousand for leasing transactions with an average remaining term of 2.2 years.

In addition, there are obligations to holders of profit participation rights to replenish the profit participation capital from future profits totalling EUR 500 thousand.

The other financial obligations attributable to factoring total EUR 242 thousand and result from the financing provided in advance by the factor for the trade receivables.

Disclosures on the income statement

Disclosures with respect to other operating income

The other operating income includes income attributable to other periods of EUR 147,832.82 as well as income from foreign currency translation of EUR 298.63.

Disclosures with respect to other operating expenses

The other operating expenses includes expenses attributable to other periods of EUR 267,778.58 and expenses from foreign currency translation of EUR 1,844.58.

Disclosures with respect to interest and similar expenses

The interest and similar expenses include expenses for subordinated loans and other loans totalling EUR 469,263.59.

Disclosures with respect to taxes on income

The taxes on income includes releases of deferred tax liabilities of EUR 265,741.12.

Other disclosures

Average number of employees

The average number of employees in the Company as of December 31, 2020 was 59.75, of which 38.25 are female and 21.5 are male.

Management board

	Current profession
Jan Bredack, Schwielowsee	CEO
Anja Brachmüller, Berlin	COO
Mario Knape, Berlin	CFO

The Company exercised the allowed alternative treatment pursuant to Section 286 para. 4 HGB and omitted disclosure of total remuneration pursuant to Section 285 no. 9a HGB.

Supervisory board

	Position	Current profession
Roland Sieker, Berlin	Chairperson	Consultant
Dr. Manon Sarah Littek, Berlin	Vice Chairperson (until June 24, 2021) /	Consultant
Dr. Martin Jager, Enkenbach	(until May 31, 2020)	Consultant
Stefan Blaschak, Herten	(until May 31, 2020)	Kaufmann [degreed businessman]
Ronny Gottschlich, Halle/Saale	(until May 31, 2020, again from August 20, 2020)	Consultant
Dr. Jens Pippig, Munich	(from June 19, 2020)	Consultant

Compensation for the supervisory board for the period January 1, 2020 through December 31, 2020 amounted to EUR 46,500.00.

Subordinated loan and subordination agreement

To avert respectively avoid insolvency, various lenders and borrowers (Veganz Group AG) committed to subordinate their claims to all receivables from Veganz Group AG associated with these loan contracts to all current and future claims of other creditors. Possible repayment and recourse claims as well as future other receivables resulting from other legal cause can only be satisfied using future retained earnings excluding those with subordinated recourse claims, a liquidation surplus or other free assets of Veganz Group AG, not required to maintain equity. Independent of the forgoing provisions, the legal effect of the subordination agreement automatically ends at the end of the respective loan agreements. The amounts and terms of the various subordinated loans are presented below:

in EUR	
until 2021	1,812,950.00
until 2023	1,990,007.96
until 2025	18,587.82
Total	**3,821,545.78**

Advances and loans granted to management board

In the reporting period the following advances were granted to members of the management board.

Development of advances

in EUR	
Balance as of January 1, 2020	18,584.23
Newly issued in reporting period	0.00
Balance as of December 31, 2020	**18,584.23**

Chattel mortgages/liens

The liabilities to banks were secured by the following instruments:

The overdraft facility provided by Deutsche Kontor Privatbank AG (Deutsche Handelsbank) was repaid in its entirety during the financial year. As such, the associated assignment of goods for a specified portion of inventories as well as the global assignment of all trade receivables totalling EUR 1,500,000.00 lapsed.

Commerzbank AG provided a guarantee for the overdraft facility provided by Deutsche Bank AG. The maximum amount of use is EUR 2,000,000.00 and, beginning on February 1, 2020, bears interest at a rate of 8.0% per year, so long as the guarantee document has not been returned.

On September 1, 2020, the Company concluded a EUR 2 million loan agreement with a shareholder. The loan bears interest at a rate of 6% p.a. and has a term of six months. The bridging loan was made available to the Company for a short-term until such time as additional equity is obtained. The brand "Veganz" serves as security for the lender. As of the time of reporting, the repayment date had passed. The Company is in on-going negotiations with respect to an extension or a conversion of the loan into equity.

Significant contracts/transactions not included on the balance sheet

A new shareholder was taken on in the course of the merger of Veganz Procurement GmbH into Veganz GmbH. On the basis of an agreement dated October 6, 2017, Veganz GmbH reached an agreement with a former shareholder of Veganz Procurement GmbH whereby, in case of the intended divestiture of the shareholder Sonnenhut's share in Veganz GmbH, an amount of EUR 2.0 million is to be paid to Veganz GmbH. Should the sales price exceed the specified minimum price, the former shareholder has committed to pay 50% of the excess to the Company. It was simultaneously agreed that Veganz GmbH would pay the former shareholder the amount by which the sales price of the shareholding of the shareholder Sonnenhut falls below the minimum threshold of EUR 5.7 million. As a result of the merger of Veganz GmbH into Veganz Group AG, Veganz Group AG, as the legal successor, assumes these obligations. The Company considers the probability of this obligation being to be incurred low.

Events of particular significance subsequent to the balance sheet date

The Company is in ongoing negotiations with various potential new shareholders so as to sustainably strengthen its equity base utilizing the Authorized capital 2020/I. Overall this is to result in an addition of EUR 11.25 million. There are already firm commitments for new equity totalling EUR 6.5 million. In addition, loans respectively existing liabilities of EUR 3.75 million are to be converted, of which EUR 2.5 million comprise shareholder loans. The remaining amount of approx. EUR 1.0 million to fully utilize the Authorized capital is currently still being finally negotiated by the Company. The management board expects the negotiations to be successfully concluded by June 30, 2021.

There were no further events subsequent to the balance sheet date which have a significant effect on the Company’s assets, liabilities, financial position and financial performance.

Berlin, June 2, 2021

Jan Bredack Anja Brachmüller Mario Knape

Independent auditorˈs report

To Veganz Group AG, Berlin

Audit opinions

We have audited the annual financial statements of Veganz Group AG, Berlin, which comprise the balance sheet as of December 31, 2020, and the income statement for the financial year from January 1, 2020 to December 31, 2020, and notes to the financial statements, including the recognition and measurement policies presented therein as well as the cash flow statement for the financial year from January 1, 2020 to December 31, 2020. In addition, we have audited the management report of Veganz Group AG, Berlin for the financial year from January 1, 2020 to December 31, 2020.

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

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to corporations and give a true and fair view of the assets, liabilities and financial position of the Company as of December 31, 2020 and of its financial performance for the financial year from January 1, 2020 to December 31, 2020, in accordance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of the Companyˈs position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to Section 322 para. 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 annual financial statements and of the management report.

Basis for the Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Section 317 HGB and the 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 "Auditorˈs Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditorˈs report. We are independent of the Company 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the management report.

Emphasis of Matter – Company financing

We refer to the Companyˈs explanations in the management report in Section 2.3 Business development and 4.2 Risk report. It is explained there that the Company’s ability to continue as a going concern is dependent on the financial support of the existing shareholders as well as potential new shareholders. Our audit opinions with respect to this matter are not modified.

Responsibilities of Management and the Supervisory Board for the Annual Financial Statements and the Management Report

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

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

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

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

Auditorˈs Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the

Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the management report.

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

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

Berlin, June 2, 2021

ECOVIS Audit AG
Wirtschaftsprüfungsgesellschaft

Dipl.-Fin.wirt Andreas Frericks	Dipl.-Kfm. Ralph Riese
Wirtschaftsprüfer	*Wirtschaftsprüfer*
[German Public Auditor]	[German Public Auditor]

STATEMENT OF CHANGES IN EQUITY
OF THE COMPANY
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2020
(PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OF THE HGB)

in EUR	Subscribed capital	Capital reserve	Loss carry forward	Net loss for the year	Total
April 1, 2019	**667,733.00**	**3,767,715.34**	**0.00**	**0.00**	**4,435,448.34**
Other changes	0.00	0.00	0.00	0.00	0.00
Net loss of the year	0.00	0.00	0.00	(4,242,167.61)	(4,242,167.61)
December 31, 2019.........................	**667,733.00**	**3,767,715.34**	**0.00**	**(4,242,167.61)**	**193,280.73**
Other changes	0.00	0.00	(4,242,167.61)	4,242,167.61	0.00
Net loss of the year	0.00	0.00	0.00	(4,939,496.70)	(4,939,496.70)
December 31, 2020.........................	**667,733.00**	**3,767,715.34**	**(4,242,167.61)**	**(4,939,496.70)**	**(4,746,215.97)**

Independent auditor's report

To Veganz Group AG, Berlin

We have audited the statement of changes in equity for the financial year from January 1, 2020 to December 31, 2020 derived by the company from the annual financial statements for the financial year from January 1, 2020 to December 31, 2020 as well as the underlying bookkeeping system.

The statement of changes in equity supplement the annual financial statements of Veganz Group AG, Berlin, for the financial year from January 1, 2020 to December 31, 2020 that have been prepared in accordance with the requirements of German commercial law applicable to business corporations.

The preparation of the statement of changes in equity for the financial year from January 1, 2020 to December 31, 2020 in accordance with the requirements of German commercial law applicable to business corporations is the responsibility of the company's management.

Our responsibility is to express an opinion, based on our audit, as to whether the statement of changes in equity for the financial year from January 1, 2020 to December 31, 2020 has been properly derived from the annual financial statements for financial year from January 1, 2020 to December 31, 2020 as well as the underlying bookkeeping system in accordance with the requirements of German commercial law applicable to business corporations. The subject matter of this engagement does neither include the audit of the underlying annual financial statements nor the underlying bookkeeping system.

We have planned and performed our audit in accordance with the IDW Auditing Practice Statement: Audit of Additional Elements of Financial Statements (IDW AuPS 9.960.2) in such a way that material errors in the derivation of the statement of changes in equity from the annual financial statements as well as the underlying bookkeeping system are detected with reasonable assurance.

In our opinion, based on the findings of our audit, the statement of changes in equity for the financial year from January 1, 2020 to December 31, 2020 has been properly derived from the annual financial statements for the financial year from January 1, 2020 to December 31, 2020 as well as the underlying bookkeeping system in accordance with the requirements of German commercial law applicable to business corporations.

Berlin, August 17, 2021

ECOVIS Audit AG
Wirtschaftsprüfungsgesellschaft

Dipl.-Fin.wirt Andreas Frericks	Dipl.-Kfm. Ralph Riese
Wirtschaftsprüfer	*Wirtschaftsprüfer*
(German Public Auditor)	(German Public Auditor)

AUDITED UNCONSOLIDATED FINANCIAL STATEMENTS
OF THE COMPANY
AS OF AND FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2019
(PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OF THE HGB)

Balance sheet as of December 31, 2019

in EUR		Dec 31, 2019	Apr 1, 2019
A.	**Non-current assets**		
I.	**Intangible assets**		
	1. Software acquired for consideration	61,346.98	104,143.30
	2. Brands	13,499,145.00	14,210,000.00
		13,560,491.98	**14,314,143.30**
II.	**Property, plant and equipment**		
	1. Other equipment, operating and office equipment	142,257.33	159,479.63
	2. Construction in progress	0.00	82,277.25
		142,257.33	**241,756.88**
III.	**Long-term financial assets**		
	1. Holdings in affiliated companies	816,911.18	816,911.18
	2. Long-term equity investments	0.00	0.00
		816,911.18	**816,911.18**
		14,519,660.49	**15,372,811.36**
B.	**Current assets**		
I.	**Inventories**		
	1. Finished goods and merchandise	1,874,716.42	1,396,489.94
	2. Prepayments	8,404.20	131,942.82
		1,883,120.62	**1,528,432.76**
II.	**Receivables and other assets**		
	1. Trade receivables	2,527,112.30	1,577,035.24
	2. Receivables from affiliated companies	784,850.22	1,277,372.43
	3. Receivables from companies in which a long-term equity investment is held	0.00	6,909.21
	4. Other assets	783,175.12	771,914.14
		4,095,137.64	**3,633,231.02**
III.	**Cash-in-hand, bank balances**	**159,240.40**	**196,434.00**
		6,137,498.66	**5,358,097.78**
C.	**Prepaid expenses**	**148,452.34**	**161,064.80**
		20,805,611.49	**20,891,973.94**

in EUR	Dec 31, 2019	Apr 1, 2019
A. Equity		
I. Subscribed capital	**667,733.00**	**667,733.00**
II. Capital reserves	**3,767,715.34**	**3,767,715.34**
III. Retained earnings	**0.00**	**0.00**
III. Net loss for the year	**(4,242,167.61)**	**0.00**
	193.280,73	**4,435,448,34**
B. Accruals		
1. Tax accruals	0.00	32,862,34
2. Other accrued expenses	1,463,185,53	1,028,980,13
	1,463,185.53	**1,061,842.47**
C. Liabilities		
1. Bonds	0.00	100,000.00
2. Balances due to banks	3,711,001.83	3,612,721.04
3. Trade payables	5,836,778.95	4,174,514.32
4. Liabilities from the acceptance of bills of exchange and the issuance of promissory notes	5,441.99	5,441.99
5. Liabilities to affiliated companies	80,135.28	6,038.60
6. Liabilities to related parties	0.00	74,096.68
7. Other liabilities	5,728,975.77	3,435,753.00
	15,362,333.82	**11,408,565.63**
Deferred tax liabilities	**3,786,811.41**	**3,986,117.50**
	20,805,611.49	**20,891,973.94**

Income statement for the period from April 1, 2019 to December 31, 2019

in EUR	Apr 1 – Dec 31, 2019
1. Sales	18,926,108.27
2. Other operating income	109,488.40
3. Cost of materials	
a) Cost of raw materials, consumables and supplies and of purchased merchandise	13,183,697.04
4. Personnel expenses	
a) Wages and salaries	1,658,436.30
b) Social security and retirement costs	367,278.56
of which in respect of pensions EUR 4,129.22	
	2,025,714.86
5. Amortization and depreciation	
a) on intangible assets and property, plant and equipment	885,604.65
6. Other operating expenses	6,864,994.32
7. Other interest and similar income	233.00
of which to affiliated companies EUR 0.00	
8. Interest and similar expenses	442,477.84
9. Taxes on income	(125,539.43)
10. After-tax results	**(4,241,119.61)**
11. Other taxes	1,048.00
12. Net loss for the year	**(4,242,167.61)**

Statement of cash flows for the period from April 1, 2019 to December 31, 2019

	in EUR	
	Net loss for the year	**(4,242,167.61)**
+	Amortization and depreciation of non-current assets	885,604.65
+/-	Increase/ decrease of accrued expenses	401,343.06
+/-	Other non-cash effective expenses/income	(1,686.78)
-/+	Increase/ decrease of inventories, trade receivables as well as other assets which are not classified as investing or financing activities	(802,295.24)
+/-	Increase/decrease of trade payables as well as other liabilities which are not classified as investing or financing activities	1,664,863.57
-/+	Gain/loss from the disposal of non-current assets	(258.46)
+/-	Interest expense/interest income	25,477.00
+/-	Income tax expense/income tax income	(125,539.43)
-/+	Income tax payments	0.00
=	**Cash flow from operating activities**	**(2,194,659.24)**
-	Payments for investments in intangible assets	(92,114.75)
-	Payments for investments in property, plant and equipment	(30,465.78)
-	Payments for additions to long-term financial assets	0.00
+	Proceeds from the disposal of	90,385.21
+	Interest received	0.00
=	**Cash flow from investing activities**	**(32,195.32)**
+	Proceeds from loans taken on from the shareholders	740,000.00
-	Disbursements for the repayment of shareholder loans	(350,000.00)
+	Proceeds from taking on (financing) loans	2,525,892.05
-	Disbursements for the repayment of (financing) loans	(709,064.09)
-	Interest paid	(17,167.00)
=	**Cash flow from financing activities**	**2,189,660.96**
=	**Cash effective changes of cash and cash equivalents**	**(37,193.60)**
+	**Cash and cash equivalents at the beginning of the period**	**196,434.00**
=	**Cash and cash equivalents at the end of the period**	**159,240.40**

Statement of changes of non-current assets for the period from April 1, 2019 to December 31, 2019

in EUR	Acquisition and production costs					Accumulated amortisation and depreciation				Carrying values	
	Apr 1, 2019	Additions	Reclassifications	Disposals	Dec 31, 2019	Apr 1, 2019	Amortisation/ depreciation in the financial year	Disposals	Dec 31, 2019	Dec 31, 2019	Apr 1, 2019
I. Intangible assets											
1. Software acquired for consideration	335,514.24	1,990.00	90,124.75	90,124.75	337,504.24	231,370.94	134,911.07	90,124.75	276,157.26	61,346.98	104,143.30
2. Brands	0.00	14,210,000.00	0.00	0.00	14,210,000.00	0.00	710,855.00	0.00	710,855.00	13,499,145.00	0.00
	335,514.24	**14,211,990.00**	**90,124.75**	**90,124.75**	**14,547,504.24**	**231,370.94**	**845,766.07**	**90,124.75**	**987,012.26**	**13,560,491.98**	**104,143.30**
II. Property, plant and equipment											
1. Other equipment, operating and office equipment	617,985.56	22,618.28	0.00	2,110.72	638,493.12	458,505.93	39,838.58	2,108.72	496,235.79	142,257.33	159,479.63
2. Prepayments and construction in progress	82,277.27	7,847.48	(90,124.75)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	82,277.27
	700,262.83	**30,465.76**	**(90,124.75)**	**2,110.72**	**638,493.12**	**458,505.93**	**39,838.58**	**2,108.72**	**496,235.79**	**142,257.33**	**241,756.90**
III. Long-term financial assets											
1. Holdings in affiliated companies	1,394,773.20	0.00	0.00	0.00	1,394,773.20	577,862.02	0.00	0.00	577,862.02	816,911.18	816,911.18
2. Long-term equity investments	25,000.00	0.00	0.00	0.00	25,000.00	25,000.00	0.00	0.00	25,000.00	0.00	0.00
	1,419,773.20	**0.00**	**0.00**	**0.00**	**1,419,773.20**	**602,862.02**	**0.00**	**0.00**	**602,862.02**	**816,911.18**	**816,911.18**
Total non-current assets	**2,455,550.27**	**14,242,455.76**	**0.00**	**92,235.47**	**16,605,770.56**	**1,292,738.89**	**885,604.65**	**92,233.47**	**2,086,110.07**	**14,519,660.49**	**1,162,811.38**

Notes

General information on the annual financial statements

Disclosures on the annual financial statements

The annual financial statements for the financial year were prepared pursuant to the accounting principles as per the (German) Commercial Code for businesspeople (Sections 242 et. seqq. HGB) and the supplementary regulations for corporations (Sections 264 et. seqq. HGB). In addition to these regulations, the stipulations of the (German) Stock Corporation Act were observed.

Disclosures which can electively be made on the balance sheet, the income statement or in the notes are all made in the notes.

The total cost method was selected for the income statement.

As per the size classifications in Section 267 HGB, the Company is classified as a medium-sized corporation.

Use was, in part, made of the size related disclosure simplifications pursuant to Section 286 para. 4 and Section 288 HGB.

The Company is in a crisis in terms of financial performance as well as financing. Nonetheless, valuation was based on the going concern principle. The management board already resolved upon and began to implement restructuring and financing measures, which are to provide for the continuity of business operations in a sustainable manner.

Identifying Company information as per the Commercial Register

Company name as per Commercial Register:	Veganz Group AG
Legal seat as per registry court:	Dusseldorf
Business address as per registry court:	Warschauer Straße 32, 10243 Berlin
Register entry:	Commercial register
Register court:	Local court Dusseldorf
Register number:	HRB 86512

At the annual general shareholders' meeting on June 16, 2020 it was resolved that the legal seat be moved from Dusseldorf to Berlin. The entry with the local court in Berlin Charlottenburg is currently still outstanding.

Disclosure and explanation of comparative figures

On the basis of a merger agreement dated September 25, 2019 in conjunction with the recording in the commercial register on November 25, 2019, Veganz Group AG, Dusseldorf, acquired the entirety of the assets of Veganz GmbH, Berlin, including all rights and obligations by dissolution without liquidation of Veganz GmbH, Berlin. The date of the merger is March 31, 2019. As such, Veganz Group AG is the legal successor of Veganz GmbH.

To improve comparability, the balance sheet amounts taken over from Veganz GmbH as of March 31, 2019 are presented in the table below.

in EUR thousand	
Non-current assets	1,163
Current assets	5,358
Prepaid expenses	161
Deficit not covered by equity	5,788
Total assets	**12,470**
Equity	0
Accrued expenses	1,062
Liabilities	11,408
Total equity and liabilities	**12,470**

Disclosures with respect to accounting policies and valuation principles

Accounting policies and valuation principles

Acquired intangible assets were recorded at acquisition costs and are, to the extent that they have finite useful lives, reduced by scheduled amortization.

As a result of the merger, recognizable own brands were recorded at fair values and are reduced by scheduled amortization.

Property, plant and equipment was recorded at acquisition or production costs and, to the extent that it has a finite useful life, reduced by scheduled depreciation.

The expected useful life is determined based on the expected useful lives of the assets on the straight-line basis.

Long-term financial assets were recognized and valued as follows:

- Holdings in affiliated companies at acquisition costs
- Long-term equity investments at acquisition costs

To the extent required as a result of a permanent impairment, the lower value as of the balance sheet date was recorded.

Inventories were recorded at acquisition or production costs. To the extent that the current values as of the balance sheet date were lower, these were recorded.

Receivables and other assets were valued considering all identifiable risks.

Cash and cash equivalents were recorded at their nominal values. There were no deposits in foreign currencies as of the balance sheet date.

Prepaid expenses give consideration to disbursements prior to the balance sheet date for expenses for periods subsequent to the balance sheet date.

The other accrued expenses for all other uncertain liabilities were recorded at their settlement amounts. All identifiable risks were given consideration.

Accrued expenses with a remaining term of more than one year are discounted using an average market interest rate of the previous seven financial years appropriate for the remaining term.

Liabilities were recorded at their settlement amounts.

Deferred taxes are recorded for temporary differences between balance sheet line items as per the commercial accounts and the tax accounts. The deferred tax liabilities to be recorded result from the initial capitalization of own brands and amount to EUR 3,768,811.41 as of December 31, 2019. The valuation of the deferred tax liabilities was determined using a tax rate of 30.175% (15.825% - corporate income taxes including solidarity surcharge and 14.350% - municipal trade tax).

Items in a foreign currency are valued using the exchange rate in effect on the date of the transaction and are translated into EUR. Furthermore, assets and liabilities in a foreign currency are translated using the mean average exchange rate as of the balance sheet date. To the extent that the remaining term is one year or less, the realization principle and the acquisition cost principle are not applied pursuant to Section 256a HGB.

Balance sheet disclosures

Disclosures with respect to intangible assets

Brands were recorded for the first time subsequent to the merger of Veganz GmbH, Berlin, into the Company and are amortized over a period of 15 years.

Disclosures with respect to property, plant and equipment

The breakdown and development of non-current assets is presented in the statement of changes of non-current assets.

Disclosures with respect to holdings in other companies of at least 20%

Company name/legal seat	Holding	Equity EUR	Annual results EUR
Veganz Retail Berlin GmbH & Co.KG, Berlin	100.0%	50,000.00	(350,812.57) *****
Veganz Retail GmbH i.I., Berlin	100.0%	25,000.00	(1,681,630.03) *
Veganz Verwaltungs GmbH, Berlin	100.0%	25,000.00	(782.08) ***
Veganz Food Trailer UG, Berlin	100.0%	25,000.00	(700.65) ****
The Bowl GmbH, Berlin	45.0%	25,000.00	75,692.48 **

* Annual financial statements as of December 31, 2015
** Annual financial statements as of December 31, 2016
*** Annual financial statements as of December 31, 2017
**** Annual financial statements as of December 31, 2018
***** preliminary financial statements as of December 31, 2019

Inclusion under other headings

Individual items can be included within more than one balance sheet item within the existing classification scheme. To improve clarity and transparency, the following explanations are provided:

Inclusion within more than one item relate to the following line items and subject matters:

Assets:

Receivables from affiliated companies presented on the balance sheet totalling EUR 784,846.22. This includes trade receivables EUR 243,717.16

Other assets presented on the balance sheet totalling EUR 783,175.12. This includes receivables from owners of EUR 168,584.23.

Other liabilities presented on the balance sheet totalling EUR 5,728,975.77. This includes liabilities to owners of EUR 459,635.00.

Disclosures with respect to receivables from owners

The receivables from owners amount to EUR 168,584.23.

Disclosures with respect to capital reserves

The amounts recorded within the capital reserves include amounts resulting from the merger of Veganz GmbH into Veganz Group AG and thereby comprise additional capital contributions to equity by shareholders pursuant to Section 272 para. 2 no. 4 HGB.

Disclosures with respect to remaining terms

The liabilities with a remaining term of up to one-year amount to EUR 11,395,678.22.

The liabilities with a remaining term of between one and five years amount to EUR 3,966,655.60.

Disclosures with respect to liabilities to shareholders

The liabilities to shareholders amount to EUR 459,635.00.

Disclosures with respect to other accrued expenses

The other accrued expenses primarily comprise accruals for outstanding invoices totalling EUR 967,691.13, accruals for annual financial statement preparation and audit fees of EUR 51,400.00, accruals for onerous contracts of EUR 167,109.40, personnel related accruals of EUR 254,470.00 as well as other items of EUR 22,515.00.

Disclosures with respect to other liabilities

The other liabilities include tax liabilities of EUR 105,473.57 as well as liabilities for social security of EUR 0.00.

Furthermore, there are subordinated loans totalling EUR 3,925,037.82 in the other liabilities.

Disclosures with respect to deferred tax liabilities

Deferred tax liabilities result from the initial capitalization of brands due to the differences between the amounts recorded in the commercial accounts and those in the tax accounts. The release is recorded in a manner corresponding with the term of the brand rights capitalized and the remaining useful life of 14 years.

Other financial obligations not recorded

In addition to the liabilities presented on the balance sheet, there are other financial obligations totalling EUR 707 thousand for rental obligations with an average remaining term of 5.42 years and EUR 63 thousand for leasing obligations with an average remaining term of 1.70 years.

Disclosures on the income statement

Disclosures with respect to other operating income

The other operating income includes income attributable to other periods of EUR 2,545.23 as well as income from foreign currency translation of EUR 36.63.

Disclosures with respect to other operating expenses

The other operating expenses includes expenses attributable to other periods of EUR 148,753.64 and expenses from foreign currency translation of EUR 5.68.

Disclosures with respect to interest and similar obligations

The interest and similar obligations include expenses for subordinated loans and other loans totalling EUR 442,477.84.

Disclosures with respect to taxes on income

The taxes on income include adjustments as a result of tax expenses of prior years totalling EUR 73,766.66 as well as income from the release of deferred tax liabilities of EUR 199,306.09.

Other disclosures

Average number of employees

The average number of employees in the Company as of December 31, 2019 was 65.5.

Management Board

	Current profession
Steffi Brettschneider, Bonn	CEO (until August 27, 2019)
Jan Bredack, Schwielowsee	CEO (from August 27, 2019)
Anja Brachmüller, Berlin...	COO (from August 27, 2019
Mario Knape, Berlin..	CFO (from October 2, 2019)

The Company exercised the allowed alternative treatment pursuant to Section 286 para. 4 HGB and omitted disclosure of total remuneration pursuant to Section 285 no. 9a HGB.

Supervisory board

Angelika Hundt, Cologne..	Chairperson (until August 27, 2019)
Simon Fritzsche, Cologne	Vice Chairperson (until August 27, 2019)
Kai Anschütz, Cologne	(until August 27, 2019)
Roland Sieker, Berlin	Chairperson (from August 27, 2019)
Dr. Manon Sarah Littek, Berlin	Vice Chairperson (from August 27, 2019)
Dr. Martin Jager, Enkenbach	(from August 27, 2019 until May 31, 2020)
Stefan Blaschak, Herten	(from September 19, 2019 until May 31, 2020)
Ronny Gottschlich, Halle/Saale	(from September 19, 2019 until May 31, 2020)
Dr. Jens Pippig, Munich	(from June 19, 2020)

Compensation for the supervisory board for the period April 1, 2019 through December 31, 2019 amounted to EUR 28,125.00.

Advances and loans granted to the management board

In the reporting period, the following advances were granted to members of the management board.

Development of advances	Amount EUR
Balance as of April 1, 2019	11,065.00
Newly issued in the reporting period	7,519.23
Balance as of December 31, 2019	**18,584.23**

Disclosures with respect to the classes of the shares

The Company's subscribed capital of EUR 667,733.00 is broken down into 667,733 registered shares with a nominal value of EUR 1.00 each.

On the basis of a resolution of the annual general meeting of the shareholders on June 16, 2020, the management board was authorized to increase the subscribed capital by EUR 166,933.00 and thereby up to EUR 834,666.00 (Authorized capital).

Subordinated loan and subordination agreement

To avert respectively avoid insolvency, various lenders and borrowers (Veganz Group AG) committed to subordinate their claims to all receivables from Veganz Group AG associated with these loan contracts to all current and future receivables of other creditors. Possible repayment and recourse claims as well as future other receivables resulting from other legal cause can only be satisfied using future retained earnings excluding those with subordinated recourse claims, a liquidation surplus or other free assets of Veganz Group AG, not required to maintain equity. Independent of the forgoing provisions, the legal effect of the subordination agreement automatically ends at the end of the respective loan agreements. The amounts and terms of the various subordinated loans are presented below:

in EUR	
until 2020	345,250.00
until 2021	1,467,700.00
until 2023	1,990,007.96
until 2025	18,587.82
Total	**3,821,545.78**

Chattel mortgage

The liabilities to banks were secured by the following instruments:

The assignment of goods for a specified portion of inventories as well as the global assignment of all trade receivables was agreed for the granting of an overdraft facility by Deutsche Kontor Privatbank AG (Deutsche Handelsbank). In total EUR 1,500,000.00 was provided as security.

Commerzbank AG provided a guarantee for the overdraft facility provided by Deutsche Bank AG. The maximum amount of use is EUR 2,000,000.00 and, beginning on February 1, 2020, bears interest at a rate of 8.0% per year, so long as the guarantee document has not been returned.

Significant contracts

A new owner was taken on in the course of the merger of Veganz Procurement GmbH into Veganz GmbH. On the basis of an agreement dated October 6, 2017, Veganz GmbH reached an agreement with a former owner of Veganz Procurement GmbH whereby, in case of the intended divestiture of the owner Sonnenhut's holding in Veganz GmbH, an amount of EUR 2.0 million is to be paid to Veganz GmbH. Should the sales price exceed the specified minimum price, the former owner has committed to pay 50% of the excess to the Company. It was simultaneously agreed that Veganz GmbH would pay the former owner the amount by which the sales price of the holding of the owner Sonnenhut falls below the minimum threshold of EUR 5.7 million. As a result of the merger of Veganz GmbH into Veganz Group AG, Veganz Group AG, as the legal successor, assumes these obligations.

Events of particular significance subsequent to the balance sheet date

On October 19, 2018, Veganz GmbH concluded a purchase and transfer agreement with respect to the holding in The Bowl GmbH with full payment of the purchase price as condition precedent. The final purchase price payment to satisfy the condition precedent was not yet made as of December 31, 2019, as a cost offset with matters from 2017 is taking place with the new owner. This is expected to be concluded by June 30, 2020.

Subsequent to the owners already making funding available in the form of short-term loans in financial year 2019, the shareholders granted further loans of EUR 200 thousand in May 2020.

In February 2020 the Company successfully placed a bond of EUR 2.85 million which bears interest at the annual rate of 7.5% at "DirectPlace" of the Deutsche Börse AG as well as digitally via the partner Seedmatch.

The existing loan agreement with Deutsche Kontor Privatbank AG (Deutsche Handelsbank) was terminated by Deutsche Handelsbank with effect from January 31, 2020. Corresponding contractual negotiations for the postponement of the repayment were successfully concluded with the complete repayment to be made by September 2020.

The consequences of the progressing expansion of the corona virus since the beginning of 2020 and the subsequent lockdown of the economy cannot yet be assessed. They may, however, have a noteworthy effect on the assets, liabilities, financial position and financial performance.

There were no further events subsequent to the balance sheet date which have a significant effect on the Company's assets, liabilities, financial position and financial performance.

Dusseldorf, June 26, 2020

Jan Bredack Anja Brachmüller Mario Knape

Independent auditor's report

To Veganz Group AG, Dusseldorf:

Audit opinions

We have audited the annual financial statements of Veganz Group AG, Dusseldorf, which comprise the balance sheet as of December 31, 2019, and the income statement for the financial year from April 1, 2019 to December 31, 2019, and notes to the financial statements, including the recognition and measurement policies presented therein as well as the cash flow statement for the financial year from April 1, 2019 to December 31, 2019. In addition, we have audited the management report of Veganz Group AG, Dusseldorf for the financial year from April 1, 2019 to December 31, 2019.

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

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to corporations and give a true and fair view of the assets, liabilities and financial position of the Company as of December 31, 2019 and of its financial performance for the financial year from April 1, 2019 to December 31, 2019, in accordance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to Section 322 para. 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 annual financial statements and of the management report.

Basis for the Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Section 317 HGB and the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the management report.

Emphasis of Matter – Company financing

We refer to the Company's explanations in the management report in Section 4.2 Risk report. It is explained there that the Company's ability to continue as a going concern is dependent on the continued financial support of the existing shareholders as well as potential new shareholders. Since the establishment of the Company, the owners have however, at all times, provided sufficient equity. Corresponding mitigating measures have already been introduced. In order to sustainably provide for the Company's financial and liquidity position, further crowdfunding financing of EUR 2 million (subordinated loan) was carried out at seedmatch. Furthermore, the transformation of terms of third-party borrowings was further advanced by virtue of the emission of the bond (WKN A254NF) as of February 25, 2020. Simultaneously, to strengthen equity, discussions were held with the existing owners/shareholders as well as with potential new investors so as to sustainably eliminate this situation. As such, in the year 2019 (2020) the owners/ shareholders provided Veganz with further loans of EUR 490 (200) thousand. A comprehensive process for the raising of additional equity was started in May of the current year 2020 and is to be accompanied by short-term external interim financing of EUR 2 million during the middle of 2020 to provide liquidity to secure the planned sales growth. The management board thereby currently considers the Company's liquidity position to be provided for. Our audit opinions with respect to this matter are not modified.

Responsibilities of Management and the Supervisory Board for the Annual Financial Statements and the Management Report

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

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

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

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

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

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

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

We exercise professional judgement and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.

- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.

- Conclude on the appropriateness of 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.

- Evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.

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

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

Berlin, June 26, 2020

ECOVIS Audit AG
Wirtschaftsprüfungsgesellschaft

Dipl.-Fin.wirt Andreas Frericks
Wirtschaftsprüfer
[German Public Auditor]

Dipl.-Kfm. Ralph Riese
Wirtschaftsprüfer
[German Public Auditor]

STATEMENT OF CHANGES IN EQUITY
OF THE COMPANY
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2019
(PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OF THE HGB)

in EUR	Subscribed capital	Capital reserve	Loss carry forward	Net loss for the year	Total
April 1, 2019	**667,733.00**	**3,767,715.34**	**0.00**	**0.00**	**4,435,448.34**
Other changes	0.00	0.00	0.00	0.00	0.00
Net loss of the year	0.00	0.00	0.00	(4,242,167.61)	(4,242,167.61)
December 31, 2019.........................	**667,733.00**	**3,767,715.34**	**0.00**	**(4,242,167.61)**	**193,280.73**

Independent auditor's report

To Veganz Group AG, Berlin

We have audited the statement of changes in equity for the financial year from April 1, 2019 to December 31, 2019 derived by the company from the annual financial statements for the financial year from April 1, 2019 to December 31, 2019 as well as the underlying bookkeeping system.

The statement of changes in equity supplement the annual financial statements of Veganz Group AG, Berlin, for the financial year from April 1, 2019 to December 31, 2019 that have been prepared in accordance with the requirements of German commercial law applicable to business corporations.

The preparation of the statement of changes in equity for the financial year from April 1, 2019 to December 31, 2019 in accordance with the requirements of German commercial law applicable to business corporations is the responsibility of the company's management.

Our responsibility is to express an opinion, based on our audit, as to whether the statement of changes in equity for the financial year from April 1, 2019 to December 31, 2019 has been properly derived from the annual financial statements for financial year from April 1, 2019 to December 31, 2019 as well as the underlying bookkeeping system in accordance with the requirements of German commercial law applicable to business corporations. The subject matter of this engagement does neither include the audit of the underlying annual financial statements nor the underlying bookkeeping system.

We have planned and performed our audit in accordance with the IDW Auditing Practice Statement: Audit of Additional Elements of Financial Statements (IDW AuPS 9.960.2) in such a way that material errors in the derivation of the statement of changes in equity from the annual financial statements as well as the underlying bookkeeping system are detected with reasonable assurance.

In our opinion, based on the findings of our audit, the statement of changes in equity for the financial year from April 1, 2019 to December 31, 2019 has been properly derived from the annual financial statements for the financial year from April 1, 2019 to December 31, 2019 as well as the underlying bookkeeping system in accordance with the requirements of German commercial law applicable to business corporations.

Berlin, August 17, 2021

ECOVIS Audit AG
Wirtschaftsprüfungsgesellschaft

Dipl.-Fin.wirt Andreas Frericks
Wirtschaftsprüfer
(German Public Auditor)

Dipl.-Kfm. Ralph Riese
Wirtschaftsprüfer
(German Public Auditor)

AUDITED UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS
OF VEGANZ GMBH
AS OF AND FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019
(PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OF THE HGB)

Balance sheet as of March 31, 2019

in EUR	Mar 31, 2019	Dec 31, 2018
ASSETS		
A. Non-current assets		
I. Intangible assets		
Software acquired for consideration	104,143.30	125,013.03
II. Property, plant and equipment		
1. Other equipment, operating and office equipment	159,479.63	141,262.37
2. Construction in progress	82,277.25	58,391.00
	241,756.88	**199,653.37**
III. Long-term financial assets		
1. Holdings in affiliated companies	816,911.18	816,911.18
2. Long-term equity investments	0.00	0.00
	816,911.18	**816,911.18**
	1,162,811.36	**1,141,577.58**
B. Current assets		
I. Inventories		
1. Finished goods and merchandise	1,396,489.94	1,655,620.79
2. Prepayments	131,942.82	203,615.33
	1,528,432.76	**1,859,236.12**
II. Receivables and other assets		
1. Trade receivables	1,577,035.24	929,566.12
2. Receivables from affiliated companies	1,277,372.43	1,202,730.89
3. Receivables from companies in which an equity investment is held	6,909.21	4,098.21
4. Other assets	771,914.14	535,379.75
	3,633,231.02	**2,671,774.97**
III. Cash in hand, bank balances	**229,233.70**	**476,792.68**
	5,390,897.48	**5,007,803.77**
C. Prepaid expenses	**161,064.80**	**86,685.28**
D. Deficit not covered by equity	**5,788,434.16**	**5,439,030.74**
	12,503,207.80	**11,675,097.37**

in EUR	Mar 31, 2019	Dec 31, 2018
EQUITY AND LIABILITIES		
A. Equity		
I. Subscribed capital	**667,733.00**	**667,733.00**
II. Capital reserves	**9,686,189.38**	**9,686,189.38**
III. Loss carried forward	**(15,792,953.12)**	**(12,009,586.94)**
IV. Net loss for the year	**(349,403.42)**	**(3,783,366.18)**
V. Deficit not covered by equity	**5,788,434.16**	**5,439,030.74**
	0.00	**0.00**
B. Accrued expenses		
1. Tax accruals	32,862.34	60,121.56
2. Other accrued expenses	1,028,980.13	1,041,452.96
	1,061,842.47	**1,101,574.52**
C. Liabilities		
1. Bonds	100,000.00	100,000.00
2. Balances due to banks	3,645,520.74	3,534,401.82
3. Trade payables	4,174,514.32	3,515,080.90
4. Liabilities from the acceptance of bills of exchange and the issuance of promissory notes	5,441.99	5,441.99
5. Liabilities to affiliated companies	6,038.60	6,038.60
6. Liabilities to related companies	74,096.68	74,096.68
7. Other liabilities	3,435,753.00	3,338,462.86
	11,441,365.33	**10,573,522.85**
	12,503,207.80	**11,675,097.37**

Income statement for the period from January 1, 2019 to March 31, 2019

in EUR	Jan 1 – Mar 31, 2019	Jan 1 – Mar 31, 2018
1. Sales	4,946,197.00	3,628,535.10
2. Other operating income	36,703.34	459,040.17
3. Cost of materials		
a) Cost of raw materials, consumables and supplies and of purchased merchandise	3,251,290.04	3,058,316.15
4. Personnel expenses		
a) Wages and salaries	624,690.38	544,272.84
b) Social security and retirement costs	115,117.56	110,401.97
of which in respect of pensions EUR 1,848.61 (previous year: EUR 1,916.59)		
	739,807.94	**654,674.81**
5. Amortization and depreciation		
a) on intangible assets and property, plant and equipment	33,233.78	38,862.63
6. Other operating expenses	1,180,963.69	892,426.21
7. Other interest and similar income	0.00	1,226.82
of which to affiliated companies EUR 0.00 (previous year: EUR 0.00)		
8. Interest and similar expenses	126,821.31	36,101.57
9. Taxes on income	0.00	3,173.44
10. After tax results	**(349,216.42)**	**(594,752.72)**
11. Other taxes	187.00	(140.00)
12. Net loss for the year	**(349,403.42)**	**(594,612.72)**

Statement of cash flows for the period from January 1, 2019 to March 31, 2019

in EUR	Jan 1 – Mar 31, 2019	Jan 1 – Mar 31, 2018
Net loss for the year	(349,403.42)	(594,612.72)
+ Amortization and depreciation of non-current assets	33,233.78	38,862.63
+/- Increase/ decrease of accrued expenses	(39,732.05)	171,906.57
-/+ Increase/ decrease of inventories, trade receivables as well as other assets which are not classified as investing or financing activities	(705,032.21)	(2,335,123.45)
+/- Increase/decrease of trade payables as well as other liabilities which are not classified as investing or financing activities	782,628.16	1,969,586.96
-/+ Gain/loss from the disposal of non-current assets	(41.02)	0.00
+/- Interest expense/interest income	126,821.31	34,874.75
+/- Income tax expense/income tax income	0.00	3,173.44
-/+ Income tax payments	0.00	(3,173.44)
= Cash flow from operating activities	**(151,525.45)**	**(714,505.26)**
- Payments for investments in intangible assets	0.00	(2,347.55)
- Payments for investments in property, plant and equipment	(54,468.56)	0.00
- Payments for additions to long-term financial assets	0.00	(10,593.24)
+ Proceeds from the disposal of non-current assets	42.02	0.00
+ Interest received	0.00	1,226.82
= Cash flow from investing activities	**(54,426.54)**	**(11,713.97)**
+ Proceeds from taking on (financing) loans	217,214.31	1,906,543.12
- Disbursements for the repayment of (financing) loans	(131,999.99)	(233,783.17)
- Interest paid	(126,821.31)	(36,101.57)
= Cash flow from financing activities	**(41,606.99)**	**1,636,658.38**
Cash effective changes of cash and cash equivalents	(247,558.98)	910,439.15
+ Cash and cash equivalents at the beginning of the period	476,792.68	273,328.57
= Cash and cash equivalents at the end of the period	**229,233.70**	**1,183,767.72**

Statement of changes of non-current assets for the period from January 1, 2019 to March 31, 2019

in EUR	Acquisition and production costs				Accumulated amortization and depreciation				Carrying values	
	Jan 1, 2019	Additions	Disposals	Mar 31, 2019	Jan 1, 2019	Amortisation/ depreciation in the quarter	Disposals	Mar 31, 2019	Mar 31, 2019	Dec 31, 2018
I. Intangible assets										
Software acquired for consideration	335,514.24	0.00	0.00	335,514.24	210,501.21	20,869.73	0.00	231,370.94	104,143.30	125,013.03
II. Property, plant and equipment										
1. Other equipment, operating and office equipment	589,437.97	30,583.31	2,035.72	617,985.56	448,175.60	12,364.05	2,033.72	458,505.93	159,479.63	141,262.37
2. Prepayments and construction in progress	58,391.00	23,886.25	0.00	82,277.25	0.00	0.00	0.00	0.00	82,277.25	58,391.00
	647,828.97	**54,469.56**	**2,035.72**	**700,262.81**	**448,175.60**	**12,364.05**	**2,033.72**	**458,505.93**	**241,756.88**	**199,653.37**
III. Long-term financial assets										
1. Holdings in affiliated companies	1,394,773.20	0.00	0.00	1,394,773.20	577,862.02	0.00	0.00	577,862.02	816,911.18	816,911.18
2. Long-term equity investments	25,000.00	0.00	0.00	25,000.00	25,000.00	0.00	0.00	25,000.00	0.00	0.00
	1,419,773.20	**0.00**	**0.00**	**1,419,773.20**	**602,862.02**	**0.00**	**0.00**	**602,862.02**	**816,911.18**	**816,911.18**
Total non-current assets	**2,403,116.41**	**54,469.56**	**2,035.72**	**2,455,550.25**	**1,261,538.83**	**33,233.78**	**2,033.72**	**1,292,738.89**	**1,162,811.36**	**1,141,577.58**

Notes

General information on the interim financial statements

The interim financial statements for the period January 1, 2019 to March 31, 2019 were prepared pursuant in analogue application to the accounting principles as per German commercial regulations for consolidated interim financial statements (German Accounting Standard Nr. 16 Interim Financial Reporting (GAS 16)).

Disclosures which can electively be made on the balance sheet, the income statement or in the notes are all made in the notes.

The total cost method was selected for the income statement.

As per the size classifications in Section 267 HGB, the Company is classified as a medium-sized corporation.

Use was, in part, made of the size related disclosure simplifications pursuant to Section 286 para. 4 and Section 288 HGB.

The Company is in a crisis in terms of financial performance as well as financing. Nonetheless, valuation was based on the going concern principle. Management already resolved upon and began to implement restructuring and financing measures, which are to provide for the continuity of business operations in a sustainable manner. At the same time, discussions were initiated with the existing shareholders and potential new investors in order to strengthen the company's equity base and eliminate this situation.

Identifying Company information as per the registry court

Company name as per registry court:	Veganz GmbH
Legal seat as per registry court:	Warschauer Straße 32, 10243 Berlin
Register entry:	Commercial register
Register court:	Local court Charlottenburg
Register number:	HRB145633B

At the shareholders' meeting of Veganz GmbH, Berlin, on September 25, 2019, it was resolved to merge Veganz GmbH, Berlin, with Veganz Group AG (until October 8, 2019: Youco D19-H-39 Vorrats AG), Düsseldorf, (absorbing company) with retroactive effect from April 1, 2019.

Disclosure and explanation of prior year figures which are not comparable

The interim financial statements as of March 31, 2019, include certain line items for which the prior year amounts shown as of December 31, 2018, (balance sheet) or as of March 31, 2019, (income statement) are not comparable.

The following explanations are provided:

Veganz GmbH was the only limited partner with holdings in Veganz Wholesale GmbH & Co. KG. On the basis of a withdrawal and absorption agreement, the afore mentioned company withdrew as general partner from Veganz Verwaltungs GmbH and Veganz Wholesale GmbH & Co. KG. Veganz Wholesale GmbH & Co. KG was thereby dissolved and the assets of Veganz Wholesale GmbH & Co. KG were transferred to the Company pursuant to absorption as per Section 728 BGB [(German) Civil Code] as of August 31, 2018. As such, the prior year figures are not comparable.

Disclosures with respect to accounting policies and valuation principles

Accounting policies and valuation principles

Acquired intangible assets were recorded at acquisition costs and are, to the extent that they have finite useful lives, reduced by scheduled amortization.

Property, plant and equipment was recorded at acquisition or production costs and, to the extent that they have finite useful lives, reduced by scheduled depreciation

The scheduled depreciation is determined based on the expected useful lives of the assets on the straight-line basis.

Long-term financial assets were recognized and valued as follows:

- Holdings in affiliated companies at acquisition costs
- Long-term equity investments at acquisition costs

To the extent required as a result of a permanent impairment, the lower value as of the balance sheet date was recorded.

Inventories were recorded at acquisition or production costs. To the extent that the current values as of the balance sheet date were lower, these were recorded.

Receivables and other assets were valued considering all identifiable risks.

Cash and cash equivalents were recorded at their nominal values. There were no deposits in foreign currencies as of the balance sheet date.

The other accrued expenses for all other uncertain liabilities were recorded at their settlement amounts. All identifiable risks were given consideration.

Accrued expenses with a remaining term of more than one year are discounted using an average market interest rate of the previous seven financial years appropriate for the remaining term.

Liabilities were recorded at their settlement amounts.

Items in a foreign currency are valued using the exchange rate in effect on the date of the transaction and are translated into EUR. Furthermore, assets and liabilities in a foreign currency are translated using the mean average exchange rate as of the balance sheet date. To the extent that the remaining term is one year or less, the realization principle and the acquisition cost principle are not applied pursuant to Section 256a HGB.

Accounting policy and valuation principle changes in comparison with the prior year

There was no fundamental change in the accounting policies and valuation principles applied in comparison with the financial statements 2018.

Balance sheet disclosures

Disclosures with respect to property, plant and equipment

The breakdown and development of non-current assets in the first quarter of 2019 is presented in the statement of changes of non-current assets (Appendix to the notes).

Disclosures with respect to holdings in other companies of at least 20 percent

Company name/legal seat	Holding	Equity EUR	Annual results EUR	
Veganz Retail GmbH & Co.KG, Berlin	100.0%	50,000.00	(668,127.27)	****
Veganz Retail GmbH, Berlin	100.0%	25,000.00	(700,207.10)	*
Veganz Verwaltungs GmbH, Berlin	100.0%	25,000.00	(782.08)	***
Veganz Food Trailer UG, Berlin	100.0%	25,000.00	(700.65)	****
Veganz Austria GmbH, Vienna/Austria	100.0%	25,000.00	(631,420.24)	***
The Bowl GmbH, Berlin	45.0%	25,000.00	75,692.48	**

* The company is currently in insolvency proceedings under own management, figures presented here are preliminary figures as of 12/31/2017

** Annual financial statements as of December 31, 2016, equity presented comprises the subscribed capital, company shares were already sold subject to a condition subsequent as per a sales contract dated October 19, 2018;

*** Annual financial statements as of December 31, 2017

**** Annual financial statements as of December 31, 2018

Inclusion under other headings

Individual items can be included within more than one balance sheet item within the existing classification scheme. The following explanations are provided to improve clarity and transparency:

Inclusion within more than one item relate to the following line items and subject matters:

Assets:

Receivables from affiliated companies presented on the balance sheet totalling EUR 1,277,372.43. Included herein are trade receivables EUR 797,024.14.

Other assets presented on the balance sheet totalling EUR 771,914.14. Included herein are receivables from the owners EUR 110,144.06.

Liabilities:

Trade payables presented on the balance sheet totalling EUR 4,174,514.32. Included herein: liabilities to affiliated companies EUR 515,582.30.

Other liabilities presented on the balance sheet totalling EUR 3,435,753.00. Included herein: liabilities to the owners EUR 18,587.83.

Disclosures with respect to receivables from owners

The receivables from owners amount to EUR 110,144.06 (previous year: EUR 6,427.57).

Disclosures with respect to remaining terms

The liabilities with a remaining term of up to one year amount to EUR 9,344,717.69 (previous year: EUR 10,316,351.51).

The liabilities with a remaining term of between one and five years amount to EUR 2,096,647.64 (previous year: EUR 2,039,837.82).

The total recorded liabilities with a remaining term in excess of five years amounts to EUR 0.00 (previous year: EUR 0.00).

Disclosures with respect to liabilities to owners

The liabilities due to the owners total EUR 18,587.83 (previous year: EUR 18,587.83).

Disclosures with respect to other accrued expenses

The other accrued expenses primarily comprise accruals for outstanding invoices totalling EUR 779,912.90 (previous year: EUR 325,111.06), accruals for annual financial statement preparation and audit fees of EUR 39,000.00 (previous year: EUR 10,250.00), accruals for onerous contracts of EUR 63,178.74 (previous year: EUR 0.00) as well as personnel related accruals of EUR 124,373.49 (previous year: EUR 21,500.00).

Disclosures with respect to other liabilities

The other liabilities include tax liabilities of EUR 61,942.44 (previous year: EUR 33,711.66) as well as liabilities for social security of EUR 339.16 (previous year: EUR 781.10).

Furthermore, there are subordinated loans totalling EUR 365,250.00 (previous year: EUR 365,250.00) in the other liabilities.

Other financial obligations not recorded as well as off-balance sheet transactions

In addition to the liabilities presented on the balance sheet, there are other financial obligations.

Specifically, these other obligations consist of the following:

Expiring rental obligations with an average remaining term of three years result in annual obligations of EUR 481 thousand. Leasing obligations lead to annual obligations of EUR 33 thousand with an average remaining term of 2.75 years.

In addition, there are obligations to holders of profit participation rights to replenish the profit participation capital from future profits totalling EUR 500 thousand.

The other financial obligations attributable to factoring total EUR 781 thousand and result from the financing provided in advance by the factor for the trade receivables.

Disclosures on the income statement

Disclosures with respect to other operating income

The other operating income includes income attributable to other periods of EUR 626.43 (previous year: EUR 2,865.49) as well as income from foreign currency translation of EUR 0.00 (previous year: EUR 16.31).

Disclosures with respect to other operating expenses

The other operating expenses include expenses attributable to other periods of EUR 16,062.16 (previous year: EUR 53,577.75) and expenses from foreign currency translation of EUR 1.13 (previous year: EUR 130.68).

Disclosures with respect to interest and similar expenses

The interest and similar expenses include expenses for subordinated loans and other loans totalling EUR 62,829.41 (previous year: EUR 16,428.18).

Disclosures with respect to income and expenses of exceptional magnitude or exceptional significance

None.

Other disclosures

Average number of employees

The number of employees in the Company as of March 31, 2019 was 61 of which 43 are female and 18 are male.

Managing Directors

In 2019 the Company's business activities were managed by:

	Current profession
Jan Bredack, Schwielowsee	CEO
Anja Brachmüller, Berlin	COO
Mario Knape, Berlin	CFO (recalled with effect from September 30, 2021)
Alexandra Vázquez Bea, Hanover	CFO (from July 1, 2021)
Moritz Möller, Berlin	CMO (from July 1,2021)

The Company exercised the allowed alternative treatment pursuant to Section 286 para. 4 HGB and omitted disclosure of total remuneration pursuant to Section 285 no. 9a HGB.

Advances and loans granted to Managing Directors

Loans granted for the benefit of individual managing directors are reported on: These comprise non-interest-bearing, short-term receivables from advances.

Development of loans

in EUR	
Previous balance of loans	6,046.00
Repayments in the reporting period	0.00
Newly issued in the reporting period	0.00
= New loan balance	**6,046.00**

Deficit not covered by equity

The financial statements as of March 31, 2019 present a "Deficit not covered by equity" of EUR 5,788,434.16. Please also refer to the section "General information on the interim financial statements" for further information on the situation of the Company and management's assessment.

Subordinated loan and subordination agreement

To avert respectively avoid insolvency, various lenders and borrowers (Veganz GmbH) committed to subordinate their claims to all receivables from Veganz GmbH associated with these loan contracts to all current and future receivables of other creditors. Possible repayment and recourse claims as well as future other receivables resulting from other legal cause can only be satisfied using future retained earnings excluding those with subordinated recourse claims, a liquidation surplus or other free assets of Veganz GmbH, not required to maintain subscribed capital. Independent of the forgoing provisions, the legal effect of the subordination agreement automatically ends at the end of the respective loan agreements. The amounts and terms of the various subordinated loans are presented below

in EUR	
until 2020	365,250.00
Total	**365,250.00**

Chattel mortgage

The liabilities to banks were secured by the following instruments:

The assignment of goods for a specified portion of inventories as well as the global assignment of all trade receivables was agreed for the granting of an overdraft facility by Deutsche Kontor Privatbank AG (Deutsche Handelsbank). In total EUR 1,500,000.00 was provided as security.

Commerzbank AG provided a guarantee for the overdraft facility provided by Deutsche Bank AG. The maximum amount of use is EUR 2,000,000.00.

EUR 300,000.00 of Veganz GmbH's liabilities were secured by a directly enforceable guarantee of one of the owners.

Significant contracts

A new shareholder was taken on in the course of the merger of Veganz Procurement GmbH into Veganz GmbH. On the basis of an agreement dated October 6, 2017, Veganz GmbH reached an agreement with a former shareholder of Veganz Procurement GmbH whereby, in case of the intended divestiture of the shareholder Sonnenhut's share in Veganz GmbH, an amount of EUR 2.0 million is to be paid to Veganz GmbH. Should the sales price exceed the specified minimum price, the former shareholder has committed to pay 50% of the excess to the Company. It was simultaneously agreed that Veganz GmbH would pay the former shareholder the amount by which the sales price of the shareholding of the shareholder Sonnenhut falls below the minimum threshold of EUR 5.7 million.

Significant events after the balance sheet date

On October 19, 2018, Veganz GmbH concluded a purchase and transfer agreement with respect to the holding in The Bowl GmbH with full payment of the purchase price as condition precedent. The final purchase price payment to satisfy the condition precedent was finally carried out as of May 25,2021.

At the beginning of June 2019, the owners made additional funding available in the form of short-term loans of EUR 490 thousand.

There were no further events subsequent to the balance sheet date which have a significant effect on the Companyˈs assets, liabilities, financial position and financial performance.

Berlin, September 10, 2021

Jan Bredack	Anja Brachmüller	Alexandra Vázquez Bea
Moritz Möller	Mario Knape	

Independent auditorˈs report

To Veganz GmbH (since April 1, 2019: Veganz Group AG), Berlin:

Audit opinions

We have audited the interim financial statements of Veganz GmbH (since April 1, 2019: Veganz Group AG), Berlin, which comprise the balance sheet as of March 31, 2019, and the income statement for the financial year from January 1, 2019 to March 31, 2019, and notes to the financial statements, including the recognition and measurement policies presented therein as well as the cash flow statement for the financial year from January 1, 2019 to March 31, 2019.

In our opinion, on the basis of the knowledge obtained in the audit the accompanying interim financial statements comply, in all material respects, with the requirements of German commercial law applicable to corporations and give a true and fair view of the assets, liabilities and financial position of the Company as of March 31, 2019 and of its financial performance for the period from January 1, 2019 to March 31, 2019, in accordance with German Legally Required Accounting Principles.

Pursuant to Section 322 para. 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 interim financial statements.

Basis for the Opinions

We conducted our audit of the interim financial statements in accordance with Section 317 HGB and the 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 "Auditorˈs Responsibilities for the Audit of the Interim Financial Statements" section of our auditorˈs report. We are independent of the Company 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the interim financial statements.

Emphasis of Matter – Company financing

We refer to the Companyˈs explanations in the notes. It is explained there that the Companyˈs ability to continue as a going concern is dependent on the financial support of the existing shareholders as well as potential new shareholders. Our audit opinions with respect to this matter are not modified.

Responsibilities of Management for the Interim Financial Statements

Management is responsible for the preparation of interim financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the interim financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, management is responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditorˈs Responsibilities for the Audit of the Interim Financial Statements

Our objectives are to obtain reasonable assurance about whether the interim financial statements as a whole are free from material misstatement, whether due to fraud or error, as well as to issue an auditorˈs report that includes our opinions on the interim financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and in compliance with the 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 interim financial statements.

We exercise professional judgement and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the interim 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 opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the interim 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 these systems.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the interim financial statements or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the interim financial statements, including the disclosures, and whether the interim financial statements present the underlying transactions and events in a manner that the interim financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.

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.

Berlin, September 10, 2021

ECOVIS Audit AG
Wirtschaftsprüfungsgesellschaft

Dipl.-Fin.wirt Andreas Frericks
Wirtschaftsprüfer
[German Public Auditor]

Dipl.-Kfm. Ralph Riese
Wirtschaftsprüfer
[German Public Auditor]

STATEMENT OF CHANGES IN EQUITY
OF VEGANZ GMBH
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019
(PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OF THE HGB)

in EUR	Subscribed capital	Capital reserve	Loss carry forward	Net loss for the year	Total
December 31, 2017....................	**667,733.00**	**9,686,189.38**	**(7,114,164.34)**	**(4,895,422.60)**	**(1,655,664.56)**
Other changes	0.00	0.00	(4,895,422.60)	4,895,422.60	0.00
Net loss of the year	0.00	0.00	0.00	(3,783,366.18)	(3,783,366.18)
December 31, 2018....................	**667,733.00**	**9,686,189.38**	**(12,009,586.94)**	**(3,783,366.18)**	**(5,439,030.74)**
Other changes	0.00	0.00	(3,783,366.18)	3,783,366.18	0.00
Net loss of the year	0.00	0.00	0.00	(349,403.42)	(349,403.42)
March 31, 2019..........................	**667,733.00**	**9,686,189.38**	**(15,792,953.12)**	**(349,403.42)**	**(5,788,434.16)**

Independent auditor's report

To Veganz Group AG, Berlin

We have audited the statement of changes in equity for the interim financial period from January 1, 2019 to March 31, 2019 derived by the company from the interim financial statements for the financial period from January 1, 2019 to March 31, 2019 as well as the underlying bookkeeping system.

The statement of changes in equity supplement the interim financial statements of Veganz GmbH (since April 1, 2019 Veganz Group AG), Berlin, for the financial period from January 1, 2019 to March 31, 2019 that have been prepared in accordance with the requirements of German commercial law applicable to business corporations.

The preparation of the statement of changes in equity for the financial period from January 1, 2019 to March 31, 2019 in accordance with the requirements of German commercial law applicable to business corporations is the responsibility of the company's management.

Our responsibility is to express an opinion, based on our audit, as to whether the statement of changes in equity for the financial period from January 1, 2019 to March 31, 2019 has been properly derived from the interim financial statements for financial period from January 1, 2019 to March 31, 2019 as well as the underlying bookkeeping system in accordance with the requirements of German commercial law applicable to business corporations. The subject matter of this engagement does neither include the audit of the underlying interim financial statements nor the underlying bookkeeping system.

We have planned and performed our audit in accordance with the IDW Auditing Practice Statement: Audit of Additional Elements of Financial Statements (IDW AuPS 9.960.2) in such a way that material errors in the derivation of the statement of changes in equity from the interim financial statements as well as the underlying bookkeeping system are detected with reasonable assurance.

In our opinion, based on the findings of our audit, the statement of changes in equity for the financial period from January 1, 2019 to March 31, 2019 has been properly derived from the interim financial statements for the financial period from January 1, 2019 to March 31, 2019 as well as the underlying bookkeeping system in accordance with the requirements of German commercial law applicable to business corporations.

Berlin, August 17, 2021

ECOVIS Audit AG
Wirtschaftsprüfungsgesellschaft

Dipl.-Fin.wirt Andreas Frericks	Dipl.-Kfm. Ralph Riese
Wirtschaftsprüfer	*Wirtschaftsprüfer*
(German Public Auditor)	(German Public Auditor)

AUDITED UNCONSOLIDATED FINANCIAL STATEMENTS
OF VEGANZ GMBH
AS OF AND FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2018
(PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OF THE HGB)

Balance sheet as of December 31, 2018

in EUR	Dec 31, 2018	Dec 31, 2017
ASSETS		
A. Non-current assets		
I. Intangible assets		
1. Software acquired for consideration	125,013.03	212,692.14
II. Property, plant and equipment		
1. Other equipment, operating and office equipment	141,262.37	246,158.92
2. Construction in progress	58,391.00	11,570.00
	199,653.37	**257,728.92**
III. Long-term financial assets		
1. Holdings in affiliated companies	816,911.18	1,164,924.88
2. Long-term equity investments	0.00	0.00
	816,911.18	**1,164,924.88**
	1,141,577.58	**1,635,345.94**
B. Current assets		
I. Inventories		
1. Finished goods and merchandise	1,655,620.79	1,379,798.18
2. Prepayments	203,615.33	136,221.84
	1,859,236.12	**1,516,020.02**
II. Receivables and other assets		
1. Trade receivables	929,566.12	223,316.50
2. Receivables from affiliated companies	1,202,730.89	2,939,581.64
3. Receivables from companies in which a long-term equity investment is held	4,098.21	2,676.97
4. Other assets	535,379.75	439,310.52
	2,671,774.97	**3,604,885.63**
III. Cash-in-hand, bank balances	**476,792.68**	**273,328.57**
	5,007,803.77	**5,394,234.22**
C. Prepaid expenses	**86,685.28**	**62,054.72**
D. Deficit not covered by equity	**5,439,030.74**	**1,655,664.56**
	11,675,097.37	**8,747,299.44**

in EUR	Dec 31, 2018	Dec 31, 2017
EQUITY AND LIABILITIES		
A. Equity		
I. Subscribed capital	**667,733.00**	**667,733.00**
II. Capital reserves	**9,686,189.38**	**9,686,189.38**
III. Accumulated deficit	**(12,009,586.94)**	**(7,114,164.34)**
IV. Net loss for the year	**(3,783,366.18)**	**(4,895,422.60)**
V. Deficit not covered by equity	**5,439,030.74**	**1,655,664.56**
	0.00	**0.00**
B. Accrued expenses		
1. Tax accruals	60,121.56	80,963.00
2. Other accrued expenses	1,041,452.96	187,454.49
	1,101,574.52	**268,417.49**
C. Liabilities		
1. Bonds	100,000.00	150,000.00
2. Balances due to banks	3,534,401.82	2,409,037.46
3. Trade payables	3,515,080.90	2,684,716.22
4. Liabilities from the acceptance of bills of exchange and the issuance of promissory notes	5,441.99	4,251.43
5. Liabilities to affiliated companies	6,038.60	1,616,040.60
6. Liabilities to related parties	74,096.68	23,834.63
7. Other liabilities	3,338,462.86	1,591,001.61
	10,573,522.85	**8,478,881.95**
	11,675,097.37	**8,747,299.44**

Income statement for the period from January 1, 2018 to December 31, 2018

in EUR	Jan 1 to Dec 31, 2018	Jan 1 to Dec 31, 2017
1. Sales	17,411,766.80	816,723.70
2. Other operating income	975,140.69	1,547,172.83
3. Cost of materials		
a) Cost of raw materials, consumables and supplies and of purchased merchandise	13,060,036.88	111,590.21
4. Personnel expenses		
a) Wages and salaries	2,507,053.54	928,838.79
b) Social security and retirement costs	527,385.92	174,958.99
of which in respect of pensions EUR 7,749.69 (previous year: EUR 83.33)		
	3,034,439.46	**1,103,797.78**
5. Amortization, depreciation and write-downs		
a) on intangible assets and property, plant and equipment	182,237.18	79,628.03
b) on current assets to the extent that these exceed those normal in a corporation	162,273.52	540,952.57
	344,510.70	**620,580.60**
6. Other operating expenses	5,148,522.90	6,431,660.92
7. Income from long-term equity investments	0.00	1,099,001.59
of which from affiliated companies EUR 0.00 (previous year: EUR 1,099,001.59)		
8. Other interest and similar income	17,535.26	76,046.51
of which from affiliated companies EUR 0.00 (previous year: EUR 76,127.86)		
9. Write-downs of long-term financial assets and securities held in current assets	265,593.07	0.00
10. Interest and similar expenses	425,335.53	151,157.37
11. Taxes on income	(93,656.76)	12,693.76
12. After-tax results	**(3,780,339.03)**	**(4,892,536.01)**
13. Other taxes	3,027.15	2,886.59
14. Net loss for the year	**(3,783,366.18)**	**(4,895,422.60)**

Statement of changes of non-current assets for the period from January 1, 2018 to December 31, 2018

EUR	Acquisition and production costs					Accumulated amortisation and depreciation					Carrying values	
	Jan 1, 2018	Additions	Addition from absorption	Disposals	Dec 31, 2018	Jan 1, 2018	Amortisation/ depreciation in financial year	Addition from absorption	Disposals	Dec 31, 2018	Dec 31, 2018	Dec 31, 2017
I. Intangible assets												
Software acquired for consideration	257,155.31	17,269.00	112,855.10	51,765.17	335,514.24	44,463.17	109,641.95	66,749.10	10,353.01	210,501.21	125,013.03	212,692.14
II. Property, plant and equipment												
1. Other equipment, operating and office equipment	658,988.64	22,435.53	31,600.35	123,586.55	589,437.97	412,829.72	72,595.23	17,947.55	55,196.90	448,175.60	141,262.37	246,158.92
2. Prepayments made and construction in progress	11,570.00	58,391.00	0.00	11,570.00	58,391.00	0.00	0.00	0.00	0.00	0.00	58,391.00	11,570.00
	670,558.64	**80,826.53**	**31,600.35**	**135,156.55**	**647,828.97**	**412,829.72**	**72,595.23**	**17,947.55**	**55,196.90**	**448,175.60**	**199,653.37**	**257,728.92**
III. Long-term financial assets												
1. Holdings in affiliated companies	1,477,193.83	10,593.24	0.00	93,013.87	1,394,773.20	312,268.95	265,593.07	0.00	0.00	577,862.02	816,911.18	1,164,924.88
2. Long-term equity investments	25,000.00	0.00	0.00	0.00	25,000.00	25,000.00	0.00	0.00	0.00	25,000.00	0.00	0.00
	1,502,193.83	**10,593.24**	**0.00**	**93,013.87**	**1,419,773.20**	**337,268.95**	**265,593.07**	**0.00**	**0.00**	**602,862.02**	**816,911.18**	**1,164,924.88**
Total non-current assets...	**2,429,907.78**	**108,688.77**	**144,455.45**	**279,935.59**	**2,403,116.41**	**794,561.84**	**447,830.25**	**84,696.65**	**65,549.91**	**1,261,538.83**	**1,141,577.58**	**1,635,345.94**

Notes

General information on the annual financial statements

Disclosures on the annual financial statements

The annual financial statements for the financial year were prepared pursuant to the accounting principles as per the (German) Commercial Code for businesspeople (Sections 242 et. seqq. HGB) and the supplementary regulations for corporations (Sections 264 et. seqq. HGB). In addition to these regulations, the stipulations of the (German) Stock Corporation Act were observed.

Disclosures which can electively be made on the balance sheet, the income statement or in the notes are all made in the notes.

The total cost method was selected for the income statement.

As per the size classifications in Section 267 HGB, the Company is classified as a medium-sized corporation due to the merger of Veganz Procurement GmbH into Veganz GmbH in 2017.

Use was, in part, made of the size related disclosure simplifications pursuant to Section 286 para. 4 and Section 288 HGB.

The Company is in a crisis in terms of financial performance as well as financing. Nonetheless, valuation was based on the going concern principle. Management already resolved upon and began to implement restructuring and financing measures, which are to provide for the continuity of business operations in a sustainable manner.

Identifying information with respect to the Company as per the Commercial Register

Company name as per registry court:	Veganz GmbH
Legal seat as per registry court:	Warschauer Straße 32, 10243 Berlin
Register entry as per registry court:	Commercial register
Register court:	Local court Charlottenburg
Register number:	HRB145633B

Disclosure and explanation of non-comparable prior year figures

The annual financial statements include individual items, the values of which are not comparable with those of the prior year.

The following explanations are provided:

Veganz GmbH was the only limited partner with a holding in Veganz Wholesale GmbH & Co. KG. On the basis of a withdrawal and absorption agreement with respect to the afore mentioned company the general partner, Veganz Verwaltungs GmbH, withdrew from Veganz Wholesale GmbH & Co. KG.

Veganz Wholesale GmbH & Co. KG was thereby dissolved and the assets of Veganz Wholesale GmbH & Co. KG were transferred to the Company pursuant to absorption as per Section 728 BGB [(German) Civil Code] as of August 31, 2018. As such, the prior year figures are not comparable.

To improve comparability, the balance sheet amounts of Veganz Wholesale GmbH & Co. KG as of August 31, 2018 are presented in tabular form.

Amounts in EUR thousand	
Veganz Wholesale GmbH & Co. KG	
Non-current assets	60
Current assets	5,388
Prepaid expenses	1
Total assets	**5,449**
Equity	50
Accrued expenses	267
Liabilities	5,132
Total equity and liabilities	**5,449**

Disclosures with respect to accounting policies and valuation principles

Accounting policies and valuation principles

Acquired intangible assets were recorded at acquisition costs and are, to the extent that they have finite useful lives, reduced by scheduled amortization.

Property, plant and equipment were recorded at acquisition or production costs and, to the extent that they have finite useful lives, reduced by scheduled depreciation.

The scheduled depreciation was recorded based on the expected useful life of the assets on a straight-line basis.

Long-term financial assets were recognized and valued as follows:

- Long-term equity investments at acquisition costs
- Holdings in affiliated companies at acquisition costs

To the extent required as a result of a permanent impairment, the lower value as of the balance sheet date was recorded.

Inventories were recorded at acquisition or production costs. To the extent that the current values as of the balance sheet date were lower, these were recorded.

Receivables and other assets were valued considering all identifiable risks.

The other accrued expenses were recorded for all other uncertain liabilities at their settlement amounts. All identifiable risks were given consideration.

Accrued expenses with a remaining term of more than one year are discounted using an average market interest rate of the previous seven financial years appropriate for the remaining term.

Liabilities were recorded at their settlement amounts.

Items in a foreign currency are valued using the exchange rate in effect on the date of the transaction and are translated into Euro. Furthermore, assets and liabilities in a foreign currency are translated using the mean average exchange rate as of the balance sheet date. To the extent that the remaining term is one year or less, the realization principle and the acquisition cost principle are not applied pursuant to Section 256a HGB.

Changes in accounting policies and valuation methods in comparison with the prior year

There was no fundamental change with respect to accounting policies or valuation methods in comparison with the prior year.

Balance sheet disclosures

Disclosures with respect to property, plant and equipment

The breakdown and development of non-current assets in financial year 2018 is presented in the statement of changes of non-current assets (appendix to the notes).

Disclosures with respect to holdings in other companies of at least 20%

Company name/legal seat	Holding	Equity EUR	Annual results EUR	
Veganz Retail GmbH & Co.KG, Berlin	100.0%	50,000.00	(285,222.42)	***
Veganz Retail GmbH, Berlin	100.0%	25,000.00	(1,681,630.03)	*
Veganz Verwaltungs GmbH, Berlin...	100.0%	25,000.00	(782.08)	***
Veganz Food Trailer UG, Berlin	100.0%	25,000.00	(53,576.05)	***
Veganz Austria GmbH, Vienna/Austria...	100.0%	25,000.00	(631,420.24)	***
The Bowl GmbH, Berlin	45.0%	25,000.00	75,692.48	**

* Annual financial statements as of December 31, 2015
** Annual financial statements as of December 31, 2016
*** Annual financial statements as of December 31, 2017

An unscheduled write-down of EUR 265,593.07 was recorded for the holding in The Bowl GmbH, Berlin, due to a permanent impairment in value. The remaining holdings in affiliated companies were recorded at acquisition costs.

Inclusion under other headings

Individual items can be included within more than one balance sheet item within the existing classification scheme. To improve clarity and transparency, the following explanations are provided:

Inclusion within more than one item relate to the following line items and subject matters:

Assets:

Receivables from affiliated companies on the balance sheet at EUR 1,202,730.89. This item includes trade receivables of EUR 611,703.13.

Other assets on the balance sheet at EUR 565,829.07. This item includes receivables from the owners of EUR 7,468.85.

Liabilities:

Trade payables on the balance sheet at EUR 3,515,080.90. Includes: liabilities to affiliated companies of EUR 495,701.75.

Other liabilities on the balance sheet at EUR 3,338,462.86. This includes liabilities to owners of EUR 18,587.83.

Disclosures with respect to receivables from the shareholder

The amount of the receivables from shareholders totals EUR 7,468.85 (previous year: EUR 6,289.05).

Disclosures with respect to remaining terms

The liabilities with a remaining term of up to one-year total EUR 8,476,875.21 (previous year: EUR 7,816,426.88).

The liabilities with a remaining term of between one- and five-years amount to EUR 2,096,647.64 (previous year: EUR 552,455.07).

The total recorded liabilities with a remaining term in excess of five years is EUR 0.00 (previous year: EUR 110,000.00).

Disclosures with respect to liabilities to owners

The liabilities to owners total EUR 18,587.83 (previous year: EUR 38,587.83).

Disclosures with respect to other accrued expenses

The other accrued expenses primarily consist of outstanding invoices of EUR 498,995.78 (previous year: EUR 115,634.49), annual financial statement and audit fees of EUR 57,780.00 (previous year: EUR 25,000.00), onerous contracts EUR 282,725.88 (previous year: EUR 0.00) as well as accruals for personnel costs of EUR 90,546.55 (previous year: EUR 21,500.00).

Disclosures with respect to other liabilities

The other liabilities include tax liabilities of EUR 57,044.06 (previous year: EUR 35,599.01) and liabilities for social security of EUR 1,894.84 (previous year: EUR 2,465.36).

In addition, subordinated loans of EUR 365,250.00 (previous year: EUR 391,250.00) are included in the other liabilities.

Other financial liabilities not recorded on the balance sheet

In addition to the liabilities recorded on the balance sheet, there are other financial obligations:

These obligations specifically include the following:

As a result of rental obligations with an average remaining term of three years there are annual payment obligations of EUR 481 thousand. Leasing relationships lead to annual payment obligations of EUR 33 thousand with an average remaining term of 2.75 years.

Disclosures on the income statement

Disclosures with respect to other operating income

The other operating income includes income attributable to other periods totalling EUR 114,400.13 (previous year: EUR 185,086.67) as well as income from foreign currency translation of EUR 376.58 (previous year: EUR 12.64).

Disclosures with respect to other operating expenses

The other operating expenses include expenses attributable to other periods of EUR 515,325.09 (previous year: EUR 73,269.27) as well as expenses from foreign currency translation of EUR 931.70 (previous year: EUR 4.99).

Disclosures with respect to interest and similar expenses

The interest and similar expenses includes expenses for the discounting of long-term accruals totalling EUR 1,055.00 (previous year: EUR 0.00).

Disclosures with respect to income and expenses of exceptional magnitude or exceptional significance

The income and expenses of exceptional magnitude or exceptional significance include the following specific items in terms of amounts and type:

Veganz GmbH was the only limited partner with a holding in Veganz Wholesale GmbH & Co. KG. On the basis of a withdrawal and absorption agreement with respect to the afore mentioned company the general partner, Veganz Verwaltungs GmbH, withdrew from Veganz Wholesale GmbH & Co. KG. Veganz Wholesale GmbH & Co. KG was thereby dissolved and the assets of Veganz Wholesale GmbH & Co. KG were transferred to the Company by way of absorption pursuant to Section 728 BGB [(German) Civil Code] with effect from 31 August 2018. The absorption led to other operating income of EUR 660,309.30.

Other disclosures

Average number of employees during the financial year

The average number of employees in the Company during the financial year was 67.5.

Auditor fees

The auditor appointed for the 2018 annual financial statements was ECOVIS Audit AG Wirtschaftsprüfungsgesellschaft. The audit fees calculated for 2018 totalled EUR 15 thousand.

Management

In 2018 the Company's management consisted of:

	Current profession
Jan Bredack, Schwielowsee	Kaufmann [degreed businessman]

The Company exercised the allowed alternative treatment pursuant to Section 286 para. 4 HGB and omitted disclosure of total remuneration pursuant to Section 285 no. 9a HGB.

Advances and loans granted to managing directors

Loans granted for the benefit of individual managing directors are reported on: These are non-interest-bearing short-term receivables from advances.

Development of loans

in EUR	
Balance of loans to date	308.09
Repayments in the reporting period	67,000.00
Newly granted in the reporting period...	74,160.76
= new loan balance..	**7,468.85**

Deficit not covered by equity

The annual financial statements as of December 31, 2018 present a "Deficit not covered by equity" of EUR 5,439,030.74.

Subordinated loan and subordination agreement

To avert respectively avoid the consequences of insolvency, various lenders and borrowers (Veganz GmbH) committed to subordinate their claims to all receivables from Veganz GmbH associated with these loan contracts to all current and future claims of other creditors. Possible repayment and recourse claims as well as future other receivables resulting from other legal cause can only be satisfied using future retained earnings excluding those with subordinated recourse claims, a liquidation surplus or other free assets of Veganz GmbH, not required to maintain subscribed capital. Independent of the forgoing provisions, the legal effect of the subordination agreement automatically ends at the end of the respective loan agreements. The amounts and terms of the various subordinated loans are presented below

in EUR	
until 2019	180,250.00
until 2020	185,000.00
Total	**365,250.00**

Chattel mortgage

The liabilities to banks were secured by the following instruments:

The assignment of goods for a specified portion of inventories as well as the global assignment of all trade receivables was agreed for the granting of an overdraft facility by Deutsche Kontor Privatbank AG (Deutsche Handelsbank). In total EUR 1,500,000.00 was provided as security.

Commerzbank AG provided a guarantee for the overdraft facility provided by Deutsche Bank AG. The maximum amount of use is EUR 2,000,000.00.

Veganz GmbHˈs liabilities of EUR 300,000.00 were secured by a personal guarantee of an owner.

Significant contracts

A new owner was taken on in the course of the merger of Veganz Procurement GmbH into the Company. On the basis of an agreement dated October 6, 2017, the Company reached an agreement with a former owner of Veganz Procurement GmbH whereby, in case of the intended divestiture of the owner Sonnenhut's holding in Veganz GmbH, an amount of EUR 2.0 million is to be paid to Veganz GmbH. Should the sales price exceed the specified minimum price, the former owner has committed the excess to the Company. It was simultaneously agreed that Veganz GmbH would pay the former owner the amount by which the sales price of the holding of the owner Sonnenhut falls below the minimum threshold of EUR 5.7 million.

Significant events after the balance sheet date

On October 19, 2018, Veganz GmbH concluded a purchase and transfer agreement for a holding in The Bowl GmbH with a condition precedent that the full purchase price is paid. The last purchase price payment to satisfy the condition precedent is to be made by December 31, 2019.

At the beginning of June 2019, the owners made additional funding available in the form of a short-term loan of EUR 390 thousand.

There were no further events subsequent to the balance sheet date which have a significant effect on the Companyˈs assets, liabilities, financial position and financial performance.

Berlin, June 13, 2019

Jan Bredack, Managing Director

Independent auditorˈs report

To Veganz GmbH, Berlin

Audit opinions

We have audited the annual financial statements of Veganz GmbH, which comprise the balance sheet as of December 31, 2018, and the income statement for the financial year from January 1, 2018 to December 31, 2018, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of Veganz GmbH for the financial year from January 1, 2018 to December 31, 2018.

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

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to corporations and give a true and fair view of the assets, liabilities and financial position of the Company as of January 1, 2018 and of its financial performance for the financial year from January 1, 2018 to December 31, 2018, in accordance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of the Companyˈs position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to Section 322 para. 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 annual financial statements and of the management report.

Basis for the Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Section 317 HGB and the 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 "Auditorˈs Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditorˈs report. We are independent of the Company 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the management report.

Emphasis of Matter – Company financing

We refer to the Companyˈs explanations in the management report in Section 4.2 Risk report. It is explained there that the Companyˈs ability to continue as a going concern is dependent on the continued financial support of the existing owners as well as potential new owners. Since the establishment of the Company, the owners have however, at all times, provided sufficient equity. At the beginning of June 2019, the owners made additional funds available to finance the Company. Management thereby currently considers the Companyˈs liquidity position to be provided for. Appropriate mitigating measures have already been implemented. Our audit opinions with respect to this matter are not modified.

Responsibilities of Management for the Annual Financial Statements and the Management Report

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

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

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

Auditorˈs Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

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

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

We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.

- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.

- Conclude on the appropriateness of managementˈs 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 Companyˈs ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditorˈs report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditorˈs report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.

- Evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law, and the view of the Companyˈs position it provides.

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

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

Berlin, June 13, 2019

ECOVIS Audit AG
Wirtschaftsprüfungsgesellschaft

Dipl.-Fin.wirt Andreas Frericks	Dipl.-Kfm. Ralph Riese
Wirtschaftsprüfer	*Wirtschaftsprüfer*
[German Public Auditor]	[German Public Auditor]

STATEMENT OF CHANGES IN EQUITY
OF VEGANZ GMBH
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2018
(PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OF THE HGB)

in EUR	Subscribed capital	Capital reserve	Profit/loss carry forward	Net loss for the year	Total
December 31, 2016..................	**589,579.00**	**7,588,837.99**	**381,309.06**	**(7,495,473.40)**	**1,064,252.65**
Other changes	78,154.00	2,097,351.39	(7,495,473.40)	7,495,473.40	2,175,505.39
Net loss of the year	0.00	0.00	0.00	(4,895,422.60)	(4,895,422.60)
December 31, 2017..................	**667,733.00**	**9,686,189.38**	**(7,114,164.34)**	**(4,895,422.60)**	**(1,655,664.56)**
Other changes	0.00	0.00	(4,895,422.60)	4,895,422.60	0.00
Net loss of the year	0.00	0.00	0.00	(3,783,366.18)	(3,783,366.18)
December 31, 2018..................	**667,733.00**	**9,686,189.38**	**(12,009,586.9)4**	**(3,783,366.18)**	**(5,439,030.74)**

Independent auditor's report

To Veganz Group AG, Berlin

We have audited the statement of changes in equity for the financial year from January 1, 2018 to December 31, 2018 derived by the company from the annual financial statements for the financial year from January 1, 2018 to December 31, 2018 as well as the underlying bookkeeping system.

The statement of changes in equity supplement the annual financial statements of Veganz GmbH (since 1 April 2019 Veganz Group AG), Berlin, for the financial year from January 1, 2018 to December 31, 2018 that have been prepared in accordance with the requirements of German commercial law applicable to business corporations.

The preparation of the statement of changes in equity for the financial year from January 1, 2018 to December 31, 2018 in accordance with the requirements of German commercial law applicable to business corporations is the responsibility of the company's management.

Our responsibility is to express an opinion, based on our audit, as to whether the statement of changes in equity for the financial year from January 1, 2018 to December 31, 2018 has been properly derived from the annual financial statements for financial year from January 1, 2018 to December 31, 2018 as well as the underlying bookkeeping system in accordance with the requirements of German commercial law applicable to business corporations. The subject matter of this engagement does neither include the audit of the underlying annual financial statements nor the underlying bookkeeping system.

We have planned and performed our audit in accordance with the IDW Auditing Practice Statement: Audit of Additional Elements of Financial Statements (IDW AuPS 9.960.2) in such a way that material errors in the derivation of the statement of changes in equity from the annual financial statements as well as the underlying bookkeeping system are detected with reasonable assurance.

In our opinion, based on the findings of our audit, the statement of changes in equity for the financial year from January 1, 2018 to December 31, 2018 has been properly derived from the annual financial statements for the financial year from January 1, 2018 to December 31, 2018 as well as the underlying bookkeeping system in accordance with the requirements of German commercial law applicable to business corporations.

Berlin, August 17, 2021

ECOVIS Audit AG

Dipl.-Fin.wirt Andreas Frericks	Dipl.-Kfm. Ralph Riese
Wirtschaftsprüfer	*Wirtschaftsprüfer*
(German Public Auditor)	(German Public Auditor)

STATEMENT OF CASHFLOWS
OF VEGANZ GMBH
FOR THE PERIOD FROM JANUARY 1, 2018 TO DECEMBER 31, 2018
(PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OF THE HGB)

	in EUR	**2018**	**2017**
	Net loss for the year	(3,783,366.18)	(4,895,422.60)
+	Amortization and depreciation of non-current assets	447,830.25	85,690.04
+/-	Increase/ decrease of accruals	566,249.49	(458,378.37)
+/-	Other non-cash effective expenses/income	(597,164.86)	3,733,844.63
-/+	Increase/ decrease of inventories, trade receivables as well as other assets which are not classified as investing or financing activities	2,555,856.97	2,001,727.00
+/-	Increase/decrease of trade payables as well as other liabilities which are not classified as investing or financing activities	(1,226,888.86)	(3,751,531.76)
-/+	Gain/loss from the disposal of non-current assets	36,425.61	(284.05)
+/-	Interest expense/interest income	407,800.27	75,110.86
+/-	Income tax expense/income tax income	(93,656.76)	12,693.76
-/+	Income tax payments	30,512.32	(19,294.11)
=	**Cash flow from operating activities**	**(1,656,401.75)**	**(3,215,844.60)**
-	Payments for investments in intangible assets	(17,269.00)	(17,631.94)
-	Payments for investments in property, plant and equipment	(80,826.53)	(59,445.17)
-	Payments for additions to long-term financial assets	(10,593.24)	(190,026.93)
+	Proceeds from the disposal of non-current assets	153,385.94	19,757.30
+	Interest received	17,535.26	76,046.51
=	**Cash flow from investing activities**	**62,232.43**	**(171,300.23)**
+	Proceeds from contributions to equity	0.00	2,175,505.39
+	Proceeds from taking on (financing) loans	3,101,725.05	347,300.42
-	Disbursements for the repayment of (financing) loans	(878,756.09)	(1,299,583.64)
-	Interest paid	(425,335.53)	(151,157.37)
=	**Cash flow from financing activities**	**1,797,633.43**	**1,072,064.80**
	Cash effective changes of cash and cash equivalents	203,464.11	(2,315,080.03)
+	Cash and cash equivalents at the beginning of the period	273,328.57	2,588,408.60
=	**Cash and cash equivalents at the end of the period**	**476,792.68**	**273,328.57**

Independent auditor's report

To Veganz GmbH, Berlin

We have audited the attached statements of cash flows of Veganz GmbH for the period from January 1, 2018 to December 31, 2018 as well as for the period from January 1, 2017 to December 31, 2017 including the accompanying disclosures.

Responsibilities of management

Veganz GmbH's management is responsible for the preparation of the statements of cash flows including the accompanying disclosures. This responsibility comprises that the cash flow statements are prepared pursuant to the requirements of German commercial law applicable to business corporations in compliance with German Legally Required Accounting Principles and that the statements of cash flows provide an appropriate overall view of the Company's financial position. Management is also responsible for such internal control as they have determined necessary to enable the preparation of statements of cash flows including the accompanying disclosures, that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to issue an opinion on these statements of cash flows including the accompanying disclosures on the basis of our audit. We conducted our audit in accordance with the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Pursuant hereto we must adhere to the requirements of professional law and must design and perform the audit to obtain sufficient evidence that the statements of cash flows including the accompanying disclosures are free from material misstatement.

An audit consists of the carrying out of audit procedures to obtain audit evidence for the amounts presented in the statements of cash flows including the accompanying disclosures. The determination of the audit procedures is based on the professional judgement of the German public auditor. This includes an assessment of the risk of material misstatement, whether due to fraud or error, in the statements of cash flows including the accompanying disclosures. In assessing these risks, the German public auditor considers the internal control system relevant to the audit of the preparation of statements of cash flows including the accompanying disclosures, which provide an appropriate overall view of the financial position. The objective is to design and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control systems. An audit also includes an assessment of the accounting policies used, the reasonableness of the estimates made by management in the financial reporting as well as an assessment of the overall presentation of the statements of cash flows including the related disclosures.

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

Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the statements of cash flows for the period from January 1, 2018 to December 31, 2018 as well as for the period from January 1, 2017 to December 31, 2017 including the accompanying disclosures comply, in all material respects, with the requirements of German commercial law applicable to corporations and appropriately present the Company's financial position for the period from January 1, 2018 to December 31, 2018 as well as for the period from January 1, 2017 to December 31, 2017.

Concluding Remarks

The terms governing this engagement for Veganz GmbH are set out in the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] dated January 1, 2017 (Appendix 2). By taking note of and using the information as contained in this report each recipient confirms to have taken note of the terms and conditions stipulated therein (including the liability limitations specified in item No. 9 included General Engagement Terms) and acknowledges their validity in relation to us.

Berlin, June 21, 2019

ECOVIS Audit AG
Wirtschaftsprüfungsgesellschaft

Dipl.-Fin.wirt Andreas Frericks	Dipl.-Kfm. Ralph Riese
Wirtschaftsprüfer	*Wirtschaftsprüfer*
(German Public Auditor)	(German Public Auditor)

22. GLOSSARY

AktG	German Stock Corporation Act (*Aktiengesetz*).
Alternative Performance Measures	Financial information presented that is not prepared in accordance with generally accepted accounting principles of the HGB, or any other internationally accepted accounting principles, including EBITDA and EBITDA margin, adjusted EBITDA and adjusted EBITDA margin as well as gross profit and gross profit margin.
Articles of Association	Articles of association (*Satzung*) of the Company.
B2B	Business-to-business.
BaFin	Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*).
Bakerman	Bakerman GmbH & Co. KG, Düppelstraße 17, 48599 Gronau, Germany.
Basic Dividend	The paid-in profit participation rights which are serviced annually in the amount of 7.5% of the respective profit participation right amount.
Bonds	Convertible bonds and/or warrant bonds, profit participation rights and/or income bonds (or any combination of these instruments).
CAGR	Compound annual growth rate.
Capital Increases	The capital increases of the Company registered with the Commercial Register on September 22, 2021 and September 30, 2021.
CET	Central European Time.
Clearstream	Clearstream Banking Aktiengesellschaft, Mergenthalerallee 61, 65760 Eschborn, Germany.
Code	The German Corporate Governance Code, as amended on December 16, 2019.
Coface	Coface Finanz GmbH, Isaac-Fulda-Allee 1, 55124 Mainz, Germany.
Commercial Register	The commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Charlottenburg, Germany.
Company	Veganz Group AG, a German stock corporation (*Aktiengesellschaft* or *AG*) having its registered seat in Berlin, Germany, registered with the Commercial Register under the registration number HRB 219813, with business address at Warschauer Straße 32, 10243 Berlin, Germany, and LEI 391200WJ0J8QYRQNC671 (telephone: +49 (0)30 2936378 0; website: www.veganz.de).
Consumer Rights Directive	Directive 2011/83/EU of the European Parliament and of the Council of October 25, 2011 on consumer rights.
Cooperation Agreement	The sponsorship and cooperation agreement entered into between the Company and RB Leipzig on August 12, 2021.
COVID-19	Pandemic triggered Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2).
COVID-19 Act	German Act on Reducing the Effects of the COVID-19 Pandemic in Civil, Insolvency and Criminal Procedure Law (*Gesetz zur Abmilderung der Folgen der COVID-19-Pandemie im Zivil-, Insolvenz- und Strafverfahrensrecht*).
DACH Region	The Federal Republic of Germany (*Bundesrepublik Deutschland*), Republic of Austria (*Republik Österreich*) and Swiss Confederation (*Schweizer Eidgenossenschaft*).
DB Facility Agreement	A revolving credit facility agreement dated October 6/8, 2015 and entered into by the Company and Deutsche Bank AG Filiale Deutschlandgeschäft.
DBAG	Deutsche Börse Aktiengesellschaft, Frankfurt am Main, Germany.
DBAG General Terms and Conditions	General Terms and Conditions of DBAG for the Regulated Unofficial Market on Frankfurter Wertpapierbörse" (*Allgemeine Geschäftsbedingungen der Deutsche Börse AG für den Freiverkehr an der Frankfurter Wertpapierbörse*).
DENIC	DENIC eG, Kaiserstraße 75 – 77, 60329 Frankfurt am Main, Germany.

Designated Sponsor	M.M.Warburg.
DirectPlace©	The special subscription functionality (*Zeichnungsfunktionalität*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*).
ECJ	European Court of Justice.
ECOVIS	ECOVIS Audit AG Wirtschaftsprüfungsgesellschaft, Berlin, Germany.
EEA	European Economic Area.
EU	European Union.
EU Trademark Regulation	Regulation (EU) 2017/1001 of the European Parliament and of the Council of June 14, 2017 on the EU trade mark.
EUR or **Euro**	Legal currency of the Eurozone (including Germany) as (an accounting currency) from January 1, 1999 and (as a circulation currency) from January 1, 2002.
Eurostat	Statistical office of the European Union.
Existing Shareholders	The existing shareholders of the Company.
Existing Shares	834,666 existing ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) of the Company, each such share with a notional value of EUR 1.00 in the Company's share capital and with full dividend rights as of January 1, 2021.
Federal Data Protection Act	Federal Data Protection Act (*Bundesdatenschutzgesetz*) amended with effect from 25 May 2018.
Gazeley	Gazeley Berlin 6 S.à r.l.
GDP	Gross domestic product.
GDPR	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 (General Data Protection Regulation).
German GAAP	German generally accepted accounting principles of the HGB.
Germany	Federal Republic of Germany.
Greenshoe Option	The option to acquire up to 71,363 Existing Shares at the Offer Price, less agreed commissions, which the Lending Shareholders have granted the Sole Global Coordinator.
Guarantee Agreement	Guarantee Agreement entered into by the Company and the parties of the Shareholder Agreement on August 3, 2021.
HGB	German Commercial Code (*Handelsgesetzbuch*).
ICANN	Internet Corporation for Assigned Names and Numbers.
IDW	Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer*).
IFRS	International Financial Reporting Standards, as adopted by the European Union.
InsO	German Insolvency Code (*Insolvenzordnung*).
IPO	Public offering of the Offer Shares in Germany.
IPO Capital Increase	A capital increase against contributions in cash resolved by the Management Board on October 25, 2021, approved by the Supervisory Board on the same day, utilizing the Authorized Capital 2021/Ia as resolved by the Company's extraordinary shareholders' meeting (*außerordentliche Hauptversammlung*) on October 6, 2021.
ISIN	International Securities Identification Number.
Katjesgreenfood	Katjesgreenfood GmbH, a German limited liability company (*Gesellschaft mit beschränkter Haftung* or *GmbH*), having its registered seat in Dusseldorf, Germany, registered with the commercial register (Handelsregister) of the local court (Amtsgericht) of

	Dusseldorf, Germany, under the registration number HRB 92926, with business address at Kaistraße 16, 40221 Dusseldorf, Germany, LEI 529900VKPRYPWGYT0G73.
KWG	German Banking Act (*Kreditwesengesetz*).
LEI	Legal entity identifier.
Lending Shareholders	Katjesgreenfood and Vegan Angels.
License Agreement	The License Agreement entered into by the Company and Bakerman on March 25, 2021.
Listing	Inclusion of the Existing Shares and the up to 388,733 New Shares to trading on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) with simultaneous inclusion in the Basic Board of the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*)
M.M.Warburg	M.M.Warburg & CO (AG & Co.) Kommanditgesellschaft auf Aktien, a German partnership limited by shares (*Kommanditgesellschaft auf Aktien* or *KGaA*), having its registered seat in Hamburg, Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Hamburg, Germany, under the registration number HRB 84168, with business address at Ferdinandstraße 75, 20095 Hamburg, Germany, LEI MZI1VDH2BQLFZGLQDO60 (telephone: +49 (0) 40 3282 0; website: www.mmwarburg.de).
Magna Park Berlin	The commercial and logistics park Magna Park Berlin-Brandenburg.
Major Shareholders	Shareholders that together hold an interest in the Company's share capital and voting rights that would qualify as a notifiable interest within the meaning of Section 33 of the German Securities Trading Act.
Management Board	The management board (*Vorstand*) of the Company.
MAR	Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, as amended.
Media Agreement	Agreement entered into by the Company and a nationwide media group on April 12, 2019.
Merger	The merger of Veganz GmbH as transferring legal entity (*übertragender Rechtsträger*) with the Company as acquiring legal entity (*übernehmender Rechtsträger*) as registered with the commercial register on November 25, 2019.
MiFID II	Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014 on markets in financial instruments, as amended.
MiFID II Requirements	MiFID II, Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 of April 7, 2016 supplementing MiFID II and German implementing measures.
MMA	Madrid Agreement Concerning the International Registration of Marks of June 27, 1989, as last amended on September 28, 1979.
Nagel	Nagel SE & Co. KG, Hans-Böckler-Straße 31, 64521 Groß-Gerau, Germany.
New Shares	388,733 newly issued ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) from the IPO Capital Increase, each such share with a notional value of EUR 1.00 in the Company's share capital and with full dividend rights as of January 1, 2021.
Non-Financial KPIs	Key performance indicators not derived from its financial statements, but based on data from the Company's internal reporting systems.
Notes	The notes in bearer form, ranking pari passu among themselves issued by the Company and due February 24, 2025 (ISIN DE000A254NF5 / WKN A254NF)
Offer Period	Period during which investors may submit purchase orders for the Offer Shares.
Offer Price	Offer price at which Offer Shares are offered in the Offering.

Offer Shares	Together, the New Shares, the Sale Shares and the Over-Allotment Shares.
Offering	The offering consists of the Public Offering of the Offer Shares in Germany and private placements in certain jurisdictions outside Germany except for the United States of America, Canada, Japan and Australia.
Option Rights	Option rights for the acquisition of shares in the Company.
Order	Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended.
Order Book Manager	Baader Bank Aktiengesellschaft, Unterschleißheim, Germany.
Over-Allotment Shares	Up to 71,363 Existing Shares from the holdings of the Lending Shareholders.
Paying Agent	M.M.Warburg.
PMMA	Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks of June 27, 1989, as last amended on November 12, 2007.
POS	Points of sale where at least one of our purely plant-based products is sold to a consumer also including, for example, temporary individual promotional activities at discounters.
Post-IPO Equity	Per share figure through which the net book value of Veganz Group AG is expressed.
Price Range	The price range for the Offering within which purchase orders may be placed of EUR 85.00 to EUR 110.00 per Offer Share.
Private Placement	Private placements of the Offer Shares in certain jurisdictions outside Germany.
Product Liability Act	German Product Liability Act (*Produkthaftungsgesetz*).
Product Safety Directive	Directive 2001/95/EC of the European Parliament and of the Council of December 3, 2001 on general product safety.
Production Site I	The Company's production site for cheese alternatives in Berlin, Germany.
Production Site II	The Company's planned production site at Werder (Havel), Germany, in the Federal State of Brandenburg, Germany, intended to produce purely plant-based fish (smoked salmon, shrimp, tuna) and textured protein used to make unrefrigerated meat substitutes as well as cheese alternatives.
Prospectus	This prospectus as approved by BaFin.
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, and repealing Directive 2003/71/EC, as amended.
Public Offering	The offering of up to 547,120 Offer Shares, i.e. ordinary bearer shares with no par value (*auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien)*) of the Company, each such Offer Share with a notional value of EUR 1.00 in the Company's share capital and with full dividend rights as of January 1, 202
Quirin Privatbank	Quirin Privatbank AG, a German stock corporation (*Aktiengesellschaft* or *AG*) having its registered seat in Berlin, Germany, registered with the Commercial Register under the registration number HRB 87859 B, with business address at Kurfürstendamm 119, 10711 Berlin, Germany, and LEI 5299004IU009FT2HTS78 (telephone: +49 (0) 030 89021 300; website: www.quirinprivatbank.de).
RBLZ Gaming	The FIFA eSports team from RB Leipzig.
Regulation S	Regulation S under the Securities Act.
Relevant Persons	Persons to which the Prospectus is only addressed and directed to in the United Kingdom.
Restricted Shareholders	The existing shareholders of the Company whose shareholdings in the Company exceed the minimum threshold of 2,000 Existing Shares.
Retailers	Food retail chains, discounters and drugstore chains.
Sale Shares	87,024 existing Shares from the holdings of the Selling Shareholders.

Securities Act	United States Securities Act of 1933, as amended.
Selling Shareholders	VBKG and Vegan Angels.
Share Settlement	Shares hold by the three option holders and created from a new conditional capital (*Bedingtes Kapital*).
Shareholders' Agreement	Agreement entered into by Jan Bredack and the Major Shareholders on August 3, 2021.
Shares	Together, the Existing Shares and the New Shares.
Short Selling Regulation	Regulation (EU) No. 236/2012 of the European Parliament and of the Council of March 14, 2012 on short selling and certain aspects of credit default swaps, as amended.
Sole Global Coordinator	M.M.Warburg.
Stabilization Manager	M.M.Warburg.
Stabilization Period	Timeframe in which stabilization measures may be taken.
Supervisory Board	The supervisory board (*Aufsichtsrat*) of the Company.
Supplementary Agreement	The supplementary agreement entered into by the Company and RB Leipzig on August 31, 2021.
Target Market Assessment	The distribution channels as permitted by MiFID II.
TFEU	Treaty on the Functioning of the EU, 2012/C 326/01.
Third Countries	Non-EU- or EEA-member states.
Trademark Act	German Trademark Act (*Markengesetz*).
Trademark Directive	Directive (EU) 2015/2436 of the European Parliament and of the Council of December 16, 2015 on the approximation of the laws of the member states relating to trademarks.
Trading Participant	Respective depositary bank were investors submit purchase orders.
UK	United Kingdom.
UmwG	German Transformation Act (*Umwandlungsgesetz*).
Underwriters	M.M.Warburg and Quirin Privatbank.
Underwriting Agreement	Underwriting agreement between the Company, the Underwriters, the Selling Shareholders and dated October 25, 2021.
United States	United States of America, its territories and possessions, any state of the United States of America, and the District of Columbia.
UWG	German Act against unfair Competition (*Gesetz gegen den unlauteren Wettbewerb*).
VAT	Value added tax.
VBKG	Veganz Beteiligungs-KG, a German limited partnership (*Kommanditgesellschaft* or *KG*), having its registered seat in Berlin, Germany, registered with the Commercial Register under the registration number HRA 49293, with business address at Warschauer Straße 32, 10243 Berlin, Germany, and LEI 52990043MCQ9M85TGV78.
Vegan Angels	Vegan Angels GmbH, a German limited liability company (*Gesellschaft mit beschränkter Haftung* or *GmbH*), having its registered seat in Berlin, Germany, registered with the Commercial Register under the registration number HRB 164203 B, with business address at Marienstraße 19/20, 10117 Berlin, Germany, and LEI 391200XQE0TA6RHP5J83.
VSOP	The virtual stock option program (*Virtuelles Beteiligungsprogramm*) of the Company.
WKN	German Securities Code (*Wertpapier-Kenn-Nummer*).
WpHG	German Securities Trading Act (*Wertpapierhandelsgesetz*).
WpÜG	German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*).

XETRA©	The exchange electronic trading system of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*).

23. RECENT DEVELOPMENTS AND TREND INFORMATION

23.1. Recent developments

23.1.1 Capital increases

On August 3, 2021, Brandenburg Kapital GmbH entered into the Shareholders' Agreement between the Major Shareholders (see "*14.2 Shareholders' agreement*") and, together with other investors, committed itself to provide investment funds to the Company in three financing rounds. In the course of these financing rounds, 166,933 Existing Shares were issued from the Company's authorized capital by way three increases of the Company's share capital under exclusion of the subscription rights at an issue price of EUR 67.50 per share and subscribed by new investors. Thus, the total issue amount for the Existing Shares accounted for EUR 11,267,977.50, of which EUR 166,933.00 related to the nominal share capital of the Company. An amount of EUR 11,101,044.50, on the other hand, was paid into the free reserve. The last of the three share capital increases was registered with the Commercial Register as of September 30, 2021.

23.1.2 Lease agreement regarding the Production Site II

On August 25, 2021, the Company leased a building and a site from Gazeley in Werder (Havel), Germany, in the Federal State of Brandenburg, Germany (see "*12.13.13 Real estate*"). The rented building is now to be developed into our Production Site II.

23.1.3 Placement of Notes

As of June 30, 2021, the Company had placed a volume of EUR 4,270.0 thousand of the Notes inter alia with institutional investors. At the date of the Prospectus, this volume has increased to EUR 7,265.2 thousand.

23.1.4 Repayment of loans

The Company restructured its debt and in particular repaid the following loans:

- the shareholder loan of Ralph Suikat (see "*18.1.2 Shareholder loans*"); and
- subordinated loan agreements in the total amount of EUR 1,651,163.00 (including outstanding interest) in connection with a crowd financing campaign conducted with kapilendo AG, Berlin, Germany, a financial investment company for crowd financing.

23.1.5 Planned repayment of the Silent Partnerships and Profit Participation Rights

Veganz GmbH, the legal predecessor of the Company, issued the Profit Participation Rights and entered into the Silent Partnerships (together "**Initial Financing Instruments**") as to finance the initial phase of its business activities. Through the Initial Financing Instruments, an amount of EUR 1,308.1 thousand was raised. In 2017, EUR 750.6 thousand of the originally raised amount of EUR 1,308.1 thousand was transferred to the capital reserve of Veganz GmbH, the legal predecessor of the Company. Therefore, the remaining sum of the Initial Financing Instruments amounted to EUR 557.5 thousand.

The contractual relationships with the creditors from the Initial Financing Instruments each provided for a loss participation of the creditors. Due to the losses incurred by Veganz GmbH and later the Company, the creditors' repayment claim would actually had amounted EUR 0.0 if the Initial Financing Instruments were to be cancelled.

As to avoid any contentious disputes with the creditors of the Initial Financing Instruments in the course of the transaction contemplated by this Prospectus, it was decided not to terminate the Initial Financing Instruments and repay the creditors the amount contractually owed, namely EUR 0.0. Rather, it was decided to conclude cancellation agreements with the creditors and repay them the respective nominal amount, both envisaged to be performed in the current financial year ending December 31, 2021.

The reason for this repayment of the Initial Financing Instruments is that they provide for a participation of the creditors in the future profits of the Company. Such participation would have come at the expense of the shareholders' dividend entitlement and would therefore severely impair the attractivity of the Offering. Thus, the creditors of the Initial Financing Instrument waived their future right to participate in the profits of the Company, but would as consideration receive a redemption in the amount of the nominal value. The termination of the Initial Financing Instruments in the afore described way had the advantage for the Company that the legal relationship with the creditors could be terminated immediately as no notice periods would have to be observed and that thereby the exclusive entitlement of the shareholders to the Company's dividends could be swiftly ensured.

The Initial Financing Instruments were originally reported in the Company's balance sheet as other liabilities. Since 2014, due to the loss sharing, the Initial Financing Instruments were treated as off-balance liabilities and were no longer recognized in the Company's balance sheet. With the repayment of the Initial Financing Instruments in the amount of EUR 557.5 thousand the following balance sheet items are addressed: The repayment will reduce the cash and cash equivalents position on the asset side of the balance sheet. Simultaneously, the interest expense in the income statement increases in the corresponding amount. Other balance sheet items are not altered. There is no impact on the EBITDA of the Company, although the negative after tax result will increase in the respective repayment amount.

Except as described above, there have been no significant changes to the Company's financial position or performance between June 30, 2021 and the date of the Prospectus.

23.2. Trend information

Food cultures are currently changing radically and are becoming more differentiated than ever before. Today, an increasing number of people are able to make their own decisions about what they eat and their food choices, freed from scarcity, tradition and social norms. Climatic, social, economic, technological and political factors are decisive for this. Environmental and climate protection, in particular, are increasingly coming to the fore. Especially younger generations are questioning the existing food system and are looking for climate-friendly solutions (*Company estimate regarding all information mentioned above*).

The worldwide increasing focus on climate and environmental protection resulted in positive tailwind effects during the last month for Veganz. Our declared vision is to motivate people around the world to try a plant-based diet and treat the environment responsible to create a sustainable future for all life on the planet. All of our products, starting from sourcing of producers and ingredients to clean recipes and sustainable packaging contribute to the issues of environmental and climate protection. With the Eaternity Score printed on all products, we give maximum transparency about our value chains and established a system to constantly work on the improvement of our products and value chain (*Company estimate*).

We expect that future growth will primarily result from and will be driven by the following trends:

- **Megatrend neo-ecology:** The food industry is foregoing a fundamental change. Not only since meat scandals, consumers from all over the world are questioning the existing food system. Purchasing decisions are defined by the aspects of sustainability. Therefore, environmental awareness and sustainability are becoming central economic factors. As a vegan multi-category supplier, we offer a diverse range of tasty, plant-based products and innovations, and are transparent in all of our actions and behave respectfully towards all living beings and nature (*Company estimate*).
- **Megatrend health:** Health has become a fundamental value for people in recent years and has become synonymous with a high quality of life, not only since the COVID-19 pandemic. Eating is no longer just taking in food. Eating habits are often inextricably linked with lifestyle, values, peer group and identity. The constantly growing number of flexitarians in particular shows, how strongly nutrition is interwoven with morals and values today. Plant-based alternatives are not only considered good for health, but also for the environment and the entire planet.

Driven by these factors, we target to continue our organic growth by:

- Increasing our consumer base and addressing a broader target group;
- Becoming the dominant player and category leader in Europe for plant-based cheese and fish alternatives;
- Expand the business and provide solutions for our "Food Service" sales channel;
- Geographic expansion in further European countries and strengthening existing partnerships with local retailers.

In the financial year ending December 31, 2021, we expect sales of the Company in the amount of around EUR 32,000.0 thousand. The sales of the "Stores" sales channel, generated by Veganz Retail GmbH & Co. KG, a wholly-owned subsidiary of the Company, which operates our Stores, are expected to amount to around EUR 3,000 thousand in the financial year ending December 31, 2021.

The financial and operating targets set out above are based on a number of assumptions which the Company believes are appropriate, but which may turn out to be incorrect or different than expected. These targets are forward-looking statements and Veganz ability to achieve them will depend on a number of factors, many of which are outside of its control, including significant business, economic and competitive uncertainties and contingencies and risks, including those described in section "*1 RISK FACTORS*". As a result, Veganz's actual results will potentially vary from the targets and those variations may be material. Except as specifically set out above, the Company has not defined these targets by reference to specific periods and the term "medium-term" and the financial targets are not intended to refer to any particular financial year; see section "*2.5 Forward-looking statements*".