468 SPAC I SE

Société européenne

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 29 MARCH 2021 (DATE OF REGISTRATION) TO 31 MARCH 2021

Registered office: 9, rue de Bitbourg
L - 1273 Luxemburg
R.C.S. Luxemburg: B252939

468 SPAC I SE

Interim consolidated financial statements for the period ended
31 March 2021

To the Shareholders of
468 SPAC I SE
R.C.S. Luxembourg B 252.939
9, rue de Bitbourg
L-1273 LUXEMBOURG

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the audit of the interim consolidated financial statements

Opinion

We have audited the interim consolidated financial statements of **468 SPAC I SE** and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 March 2021, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period from 29 March 2021 to 31 March 2021, and notes to the interim consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying interim consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2021, and of its consolidated financial performance and its consolidated cash flows for the period from 29 March 2021 to 31 March 2021 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "Réviseur d'Entreprises Agréé" for the Audit of the interim consolidated financial statements » section of our report. We are also independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the interim consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and Those Charged with Governance for the interim consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with IFRSs as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the interim consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Responsibilities of the "Réviseur d'Entreprises Agréé" for the Audit of the interim consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the interim consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "Réviseur d'Entreprises Agréé" that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these interim consolidated financial statements.

As part of an audit in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the interim consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "Réviseur d'Entreprises Agréé" to the related disclosures in the interim consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "Réviseur d'Entreprises Agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the interim consolidated financial statements, including the disclosures, and whether the interim consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the interim consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

Luxembourg, 22 April 2021

For MAZARS LUXEMBOURG, Cabinet de révision agréé
5, rue Guillaume J. Kroll
L-1882 LUXEMBOURG

Fabien Delante
Réviseur d'entreprises agréé

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Interim consolidated statement of comprehensive income for the period ended 31 March 2021

	Note	Period from 29 March to 31 March 2021 EUR
Revenue		-
Other operating expenses	6	(51,076)
Operating profit/(loss)		**(51,076)**
Finance income		-
Finance costs	9	(3)
Loss before income tax		**(51,079)**
Income tax	7	-
Profit/(loss) for the period		**(51,079)**
Other comprehensive income		**-**
Total comprehensive income/(loss) for the period, net of tax		**(51,079)**
Profit/(loss) for the period attributable to:		
Equity holders of the parent		(51,079)
Non-controlling interests		-
		(51,079)
Total comprehensive income/(loss) attributable to:		
Equity holders of the parent		(51,079)
Non-controlling interests		-
		(51,079)
Earnings/(loss) per share attributable to equity holders of the parent:	8	
Net earnings per share		(0.004)
Diluted earnings per share		(0.004)

The accompanying notes form an integral part of these interim consolidated financial statements.

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Interim consolidated statement of financial position as at 31 March 2021

	Note	31 March 2021 EUR
ASSETS		
Current assets		
Deferred costs	10	399,352
Cash and cash equivalents	11	145,500
		544,852
Total assets		**544,852**
EQUITY AND LIABILITIES		
Equity	12	
Share capital		120,000
Accumulated deficit		(51,079)
Total equity attributable to owners of the parent		68,921
Non-controlling interests		-
Total equity		**68,921**
Current liabilities		
Loan payable to related party	9	30,503
Trade and other payables	13	445,428
		475,931
Total liabilities		**475,931**
Total equity and liabilities		**544,852**

The accompanying notes form an integral part of these interim consolidated financial statements.

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Interim consolidated statement of changes in equity for the period ended 31 March 2021

	Share capital EUR	Accumulated deficit EUR	Total equity attributable to parent EUR	Non-controlling interest EUR	Total equity EUR
Issuance of incorporation capital	120,000	-	120,000	-	120,000
Profit/(loss) for the period	-	(51,079)	(51,079)	-	(51,079)
Balance, 31 March 2021	**120,000**	**(51,079)**	**68,921**	**-**	**68,921**

The accompanying notes form an integral part of these interim consolidated financial statements.

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Interim consolidated statement of cash flows for the period ended 31 March 2021

	Note	Period from 29 March to 31 March 2021 EUR
Cash flows from operating activities		
Loss before income tax		(51,079)
Adjustment non cash items:		
Interest expense	9	3
Transaction costs on acquisition of subsidiaries		5,000
Changes in working capital:		
Increase in deferred costs	10	(399,352)
Increase in trade and other payables	13	445,428
Net cash flows from operating activities		**-**
Cash flows from investing activities		
Net cash from acquisition of subsidiaries	5	25,500
Net cash flows from investing activities		**25,500**
Cash flows from financing activities		
Proceeds from issuance of shares	12	120,000
Net cash flows from financing activities		**120,000**
Net increase in cash and cash equivalents		145,500
Cash and cash equivalents, beginning		**-**
Cash and cash equivalents at end of period		**145,500**

The accompanying notes form an integral part of these interim consolidated financial statements.

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Notes to the interim consolidated financial statements for the period ended 31 March 2021

1. GENERAL INFORMATION

468 SPAC I SE (the “Company” or “Parent”) was incorporated on 18 March 2021 (date of incorporation as per the deed of incorporation agreed between shareholders in front of the notary) in Luxembourg as a European company (*Société Européenne* or “SE”) based on the laws of the Grand Duchy of Luxembourg (“Luxembourg”). The Company is registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés*, in abbreviated “RCS”) under the number B252939 since 29 March 2021.

The share capital of the Company on 18 March 2021 was set to EUR 120,000, represented by 12,000,000 class B shares without nominal value. The share capital has been fully paid up. On 15 April 2021, following the extraordinary general meeting of shareholder, the Company converted the 12,000,000 class B shares into 7,500,000 class B shares (Note 17).

The registered office of the Company is located at 9, rue de Bitbourg, L-1273 Luxembourg.

The Company is managed by its management board composed of Alexander Kudlich (CEO), Ludwig Ensthaler (CIO), Florian Leibert (CTO) and Daniel Bley (CAO) (the “Board of Directors” or “Management Board”).

The founder of the Company, 468 SPAC Sponsors GmbH & Co. KG, (the “Sponsor”), is an affiliate of Alexander Kudlich, Ludwig Ensthaler and Florian Leibert, the founders of the investment fund 468 Capital GmbH & Co. KG.

Unlike other forms of companies, a Société Européenne only exists from the date of publication of its statutes with the RCS. Accordingly, the interim consolidated financial statements of 468 SPAC I SE and its subsidiaries (collectively the “Group”) were prepared in accordance with IFRS standards as adopted by the European Union for the period from 29 March 2021 (date of registration of the Company with the RCS) to 31 March 2021 and were authorised for issue in accordance with a resolution of the Management Board on 22 April 2021. Any act performed and any transaction carried out by the Company between the date of incorporation and the date of registration is considered to emanate from the Company and is therefore included in the interim consolidated financial statements.

The Company has been established for the purpose of acquiring one operating business with principal business operations in a member state of the European Economic Area, the United Kingdom or Switzerland by way of a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transaction (the “Business Combination”). The Company will not conduct operations or generate operating revenue unless and until the Company consummates the Business Combination.

It is the intention of the Management Board that the Company will undergo an initial public offering (“IPO”) and be admitted to trading on the regulated market (*Regulierter Markt*) of the Frankfurt Stock Exchange, the main characteristics of which will be described in the prospectus to be approved by the Commission de Surveillance du Secteur Financier (the “CSSF”) in Luxembourg for the purpose of the listing of the shares and the warrants. The Company will also apply for introduction to trading of the Public Warrants on the open market (Freiverkehr) of the Frankfurt Stock Exchange.

The Company intends to seek a suitable target for the Business Combination in the technology sector or technology-related sectors. The Company will have 24 months from the date of the admission to trading to consummate a Business Combination, plus an additional three months if it signs a legally binding agreement with a target within those initial 24 months. Otherwise, the Company will be liquidated and distribute all of its assets to its shareholders.

Pursuant to Article 2 of the Articles of Association, the Company's corporate purpose is the creation, holding, development and realization of a portfolio, consisting of interests and rights of any kind and of any other form of investment in entities in Luxembourg and in foreign entities, whether such entities exist or are to be created, especially by way of subscription, acquisition by purchase, sale or exchange of securities or rights of any kind whatsoever, such as equity instruments, debt instruments, patents and licenses, as well as the administration and control of such portfolio.

The Company may further grant any form of security for the performance of any obligations of the Company or of any entity in which it holds a direct or indirect interest or right of any kind or in which the Company has invested in any other manner or which forms part of the same group of entities as the Company and lend funds or otherwise assist any entity in which it holds a direct or indirect interest or right of any kind or in which the Company has invested in any other manner or which forms part of the same group of companies as the Company.

The Company may borrow in any form and may issue any kind of notes, bonds and debentures and generally issue any debt, equity and/or hybrid securities in accordance with Luxembourg law.

The Company may carry out any commercial, industrial, financial, real estate or intellectual property activities which it may deem useful in accomplishment of these purposes.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation

The Company's financial year starts on 1 January and ends on 31 December of each year, with the exception of the first financial year which starts on 29 March 2021 (date of registration with the RCS) and ends on 31 December 2021.

The interim consolidated financial statements of the Group as at 31 March 2021 were prepared for the purpose of the planned IPO.

The interim consolidated financial statements have been prepared in accordance with accounting standard IAS 1 Presentation of Financial Statements and on a going concern basis.

The interim consolidated financial statements have been prepared in Euros (EUR) unless stated otherwise. They have been prepared in accordance with the International Financial Reporting Standards (IFRS) published by the IASB and adopted by the European Union as at 31 March 2021.

2.2. Basis of consolidation

The interim consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2021.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is the presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangements with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the interim consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3. Summary of significant accounting policies

International accounting standards include IFRS, IAS (International Accounting Standards) and their interpretations (Standing Interpretations Committee) and IFRICs (International Financial Reporting Interpretations Committee).

The repository adopted by the European Commission is available on the following internet site: http://ec.europa.eu/finance/accounting/ias/index_en.htm

a) New standards, amendments and interpretations that were issued but not yet applicable in as at 31 March 2021 and that are most relevant to the Group

Amendments to IAS 1 - not yet endorsed by the EU: Classification of Liabilities as Current or Non-current. In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively.

Reference to the Conceptual Framework – Amendments to IFRS 3 - not yet endorsed by the EU: In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.

The initial application of these standards, interpretations and amendments to existing standards is planned for the period of time from when its application becomes compulsory. Currently, the Management Board anticipates that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial information of the Group.

b) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

c) Foreign currencies

These interim consolidated financial statements are presented in EUR, which is the parent's and subsidiaries functional currency and presentation currency.

Transactions denominated in currencies other than the EUR are recorded at the exchange rate at the transaction date.

d) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date i.e. the date that the Group commits to purchase or sell the asset.

Financial assets: The Group classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss on the basis of both:

- The entity's business model for managing the financial assets; and
- The contractual cash flow characteristics of the financial asset.

The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit and loss, transaction costs.

Financial assets measured at amortised cost: This is the category most relevant to the Group. A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit and loss when the asset is derecognised, modified or impaired.

The Group includes in this category cash and cash equivalents.

Financial liabilities: The financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or financial liabilities at amortised cost.

The Group's financial liabilities include trade and other payables, interest-bearing loans and borrowings.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities measured at amortised cost: This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

The Group includes in this category interest-bearing loans and borrowings and trade and other payables.

Derecognition: A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of financial assets: The Group has chosen to apply an approach similar to the simplified approach for expected credit losses ("ECL") under IFRS 9 to its financial assets. Therefore the Group recognises a loss allowance based on lifetime ECLs at each reporting date. The Group's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

e) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. The carrying amounts of these approximate their fair value.

For the purpose of the interim consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

f) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the interim consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

g) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

h) Taxes

Income tax recognized in the statement of profit or loss and other comprehensive income includes current and deferred taxes.

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss and other comprehensive income.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the interim consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Deferred tax assets are tested for impairment on the basis of a tax planning derived from management business plans.

Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
- When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these interim consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Actual results and outcomes may differ from management’s estimates and assumptions due to risks and uncertainties, including uncertainty in the current economic environment due to the ongoing outbreak of a novel strain of the coronavirus (“COVID-19”).

In December 2019, a COVID-19 outbreak was reported in China, and, in March 2020, the World Health Organization declared it a pandemic. Since being initially reported in China, the coronavirus has spread to over 150 countries. Given the ongoing and dynamic nature of the COVID-19 crisis, it is difficult to predict the impact on the business of potential targets. The extent of such impact will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and actions taken to contain the coronavirus or its impact, among others. The ongoing COVID-19 pandemic, the increased market volatility and the potential unavailability of third-party financing caused by the COVID-19 pandemic as well as restrictions on travel and in-person meetings, which may hinder the due diligence process and negotiations, may also delay and/or adversely affect the Business Combination or make it more costly.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

As at 31 March 2021, the significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in these interim consolidated financial statements are:

- Going concern: Judgement on going concern consideration. The Management Board's underlying assumption to prepare the interim consolidated financial statements is based on the anticipated successful completion of the Private Placement and the Business Combination. As required by art. 480-2 of the Luxembourg law of 10 August 1915 (as amended) the Management Board of the Group plans to present a business continuity plan to the shareholders. Further, the shareholder has also granted an interest-bearing loan to the Company of up to EUR 1,100,000 to finance third party costs and other working capital requirements until its intended Private Placement and listing of its class A shares.
- Deferred costs: According to the Management Board's underlying assumption of a successful admission to the regulated market of the Frankfurt Stock Exchange, the related amounts incurred as transaction costs as of 31 March 2021 that qualify as incremental costs directly attributable to the IPO are deferred until the effects of the IPO is reflected in the accounts and reported as deferred costs in the interim consolidated financial statements as of that date. These deferred costs will be deducted from the proceeds of the IPO. If the listing is not completed, deferred costs will have to be recognised as an expense (Note 10).
- Deferred tax asset: A deferred tax asset in respect of the tax losses incurred has not been recognised as the Management Board estimates uncertainty in terms of future taxable profit against which the Group can utilise the benefits therefrom (Note 7).

4. GROUP INFORMATION

Subsidiaries

The Group has been newly established on 29 March 2021. The wholly-owned subsidiaries of the Group as at 31 March 2021 are Drachenfelssee 1173. V V GmbH which is to be renamed 468 SPAC I Advisors Verwaltungs-GmbH ("468 SPAC I GmbH") and Drachenfelssee 1173. Vermögensverwaltungs GmbH & Co. KG which has been renamed 468 SPAC I Advisors GmbH & Co. KG on 31 March 2021 ("468 SPAC I KG"). 468 SPAC I KG is a German limited partnership managed by 468 SPAC I GmbH as its general partner.

The interim consolidated financial statements of the Group include the Company, 468 SPAC I GmbH and 468 SPAC I KG.

The parent company

As at 31 March 2021, the immediate and ultimate parent company of the Company is 468 SPAC Sponsors GmbH & Co KG based in Germany with a shareholding of 100%, an affiliate of Alexander Kudlich, Ludwig Ensthaler and Florian Leibert. Please also refer to Note 17.

Segment information

The Group is currently organised as one reportable segment. The Group has been deemed to form one reportable segment as the Parent and its subsidiaries have been established together for the purpose of acquiring one operating business i.e. the Business Combination (Note 1).

5. ACQUISITION OF SUBSIDIARIES

The Company will conduct substantially all of its operations through its wholly owned and newly acquired subsidiary 468 SPAC I KG, a German limited partnership managed by the Company's wholly owned subsidiary, 468 SPAC I GmbH, which is the general partner of 468 SPAC I KG.

The acquired companies are companies with no business. Consequently, the acquisition has been accounted as acquisitions of assets that do not constitute a business combination.

The Company acquired both companies for an amount of EUR 30,500 which included cash balances of EUR 25,500 (thereof EUR 25,000 from 468 SPAC I GmbH and EUR 500 from 468 SPAC I KG) and acquisition related costs of EUR 5,000. The acquisition related costs have been recognized in the interim consolidated statement of comprehensive income.

The purchase price for the acquisition was paid on 30 March 2021 by the Sponsor on behalf of the Company as part of the draw down under the shareholder loan (Note 9).

6. OTHER EXPENSES

6.1. Other operating expenses

The other operating expenses of EUR 51,076 incurred mainly include EUR 46,076 of fees for tax, accounting and consulting services and EUR 5,000 costs linked to the acquisition of 468 SPAC I GmbH and 468 SPAC I KG.

The Company did not have any employees during the financial period ended 31 March 2021.

7. INCOME TAXES

The reconciliation between actual and theoretical tax expense is as follows:

	31 March 2021 EUR
Loss for the period before tax	(51,079)
Theoretical tax charges, applying the tax rate of 24.94%	12,739
Losses for which no deferred tax asset has been recognized	12,739
Income tax	**-**

The tax rate used in reconciliation above is the Luxembourgish tax rate (24.94%) as the Company is domiciled in Luxembourg. Deferred tax assets have not been recognised in respect of the loss incurred during the period ended 31 March 2021 because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom. Unused tax losses of the Company can be used within a period of 17 years as per Luxembourg tax law.

8. EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per share (“EPS”) is calculated by dividing the profit/(loss) for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the profit/(loss) attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

Currently, no other diluting instruments have been issued. Therefore, basic EPS equals diluted EPS as at 31 March 2021.

9. FINANCIAL ASSETS AND LIABILITIES

Financial liabilities: Interest-bearing loans and borrowings

The Company as the borrower concluded a loan agreement with its shareholder as the lender with effect on 30 March 2021 (“shareholder loan”). It was agreed for the loan to be utilized for the purpose of financing third party costs and other working capital requirements until the intended IPO. A loan amount of up to EUR 1,100,000 has been granted to the Company. The loan bears annual interest of 2% and will mature one year after the end of the earlier of (i) 30 months following the IPO or (ii) three months after completion of the Business Combination.

On 30 March 2021, an amount of EUR 30,500 of the loan has been drawn by the Company which was used for the acquisition of the subsidiaries. The undrawn loan facility as at 31 March 2021 amounts to EUR 1,069,500. An amount of EUR 3 has been accrued for unpaid interest for the drawn shareholder loan as at 31 March 2021. Please also refer to Note 17.

10. DEFERRED COSTS

Deferred costs of EUR 399,352 as at 31 March 2021 are composed mainly of legal costs incurred by the Company in relation to the public offering which will be offset against the corresponding equity increase after the completion of the IPO.

Other IPO related costs which have not been incurred amount EUR 6,062,649. These costs relate to the underwriter fees, legal fees for the underwriter and escrow, exchange and regulatory fees, audit and listing fees. These costs once incurred will be deducted from the proceeds of the IPO.

11. CASH AND CASH EQUIVALENTS

The amount of cash and cash equivalents was EUR 145,500 as at 31 March 2021.

12. ISSUED CAPITAL AND RESERVES

Share capital

As at 31 March 2021, the subscribed share capital amounts to EUR 120,000 consisting of 12,000,000 class B shares without nominal value. The Company may also issue class A shares. On 15 April 2021, following the extraordinary general meeting of shareholder, the Company converted the 12,000,000 class B shares into 7,500,000 class B shares (Note 17).

There are 12,000,000 shares outstanding as at 31 March 2021 which are currently held by the Sponsor (“Sponsor Shares”). It is planned that the Sponsor Shares shall convert into Public Shares on the trading day following the day of expiration of the Sponsor Lock-Up. The Sponsor and the Co-Sponsors have committed not to transfer, assign, pledge or sell any of the Sponsor Shares and Sponsor Warrants other than to Permitted Transferees until the first anniversary of the Business Combination or earlier if, at any time, the closing price of the Public Shares equals or exceeds EUR 12.00 for any 20 trading days within any 30-trading day period (the “Sponsor Lock-Up”).

Authorised capital

As at 31 March 2021, the authorized capital, excluding the issued share capital, of the Company is set at EUR 1,000,000 consisting of 100,000,000 shares without nominal value. On 15 April 2021, the authorized capital was increased up to EUR 11,943,456 consisting of 746,466,000 class A shares without nominal value (Note 17).

Legal reserves

The Company is required to allocate a minimum of 5% of its annual net profit to a legal reserve, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

13. TRADE AND OTHER PAYABLES

Trade and other payables amount to EUR 445,428 as at 31 March 2021.

Trade and other payables are related to legal and other services received by the Group. The carrying amounts of these approximate their fair value.

14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group consists of newly formed companies that have conducted no operations and currently generated no revenue. They do not have any foreign currency transactions. Hence currently the Group does not face foreign currency risks nor any interest rate risks as the financial instruments of the Group bear a fixed interest rate.

Liquidity risks

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. If the Private Placement contemplated by the Group is completed, 100% of the gross proceeds of this Private Placement will be deposited in a secured deposit account. The amount held in the secured deposit account will only be released in connection with the completion of the Business Combination or the Group's liquidation. Following the completion of the Private Placement, the Management Board believes that the funds available to the Group outside of the secured deposit account, together with the available shareholder loan will be sufficient to pay costs and expenses which are incurred by the Group prior to the completion of the Business Combination.

Capital management

The Management Board policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. In order to meet the capital management objective described above, the Group intends to raise funds through a private placement reserved to certain qualified investors inside and outside of Germany, and to have the market shares and market warrants to be issued in such private placement admitted to listing and trading on the regulated market segment of Frankfurt Stock Exchange in the near future. The above-mentioned financial instruments to be issued as part of this Private Placement will represent what the entity will manage as capital.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is currently exposed to credit risk from its financing activities, including deposits with banks and financial institutions. No specific counterparty risk is being assessed as cash and cash equivalents are mostly deposited with a BBB+ (Fitch) or A1 (Moody's) rated bank.

15. RELATED PARTIES DISCLOSURES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Direct parent company

The founder of the Company, 468 SPAC Sponsors GmbH & Co. KG, is an affiliate of Alexander Kudlich, Ludwig Ensthaler and Florian Leibert, the founders of the investment fund 468 Capital GmbH & Co. KG. As of 31 March 2021, the Sponsor holds 100% of the Company's share capital.

Terms and conditions of transactions with related parties

There have been no guarantees provided or received for any related party receivables or payables as at 31 March 2021.

Regarding the equity interest in the Company, please refer to the information provided above in "Direct parent company". Regarding the shareholder loan agreement please refer to Note 9.

Commitments with related parties

Regarding the shareholder loan please refer to Note 9.

Transactions with key management personnel

There are no advances or loans granted to members of the Management Board as at 31 March 2021.

16. COMMITMENTS AND CONTINGENCIES

In the context of the planned IPO, the Company entered into respective contracts with different providers, the total cost of which is estimated at EUR 6.7 million. This amount includes the EUR 3.8 million Listing Fee described in note 17.

Upon consummation of the Business Combination, the Company would be obliged to pay an additional 2.25% on the gross proceeds from the IPO on the completion of the Business Combination in the form of Deferred Listing Commission, as described in note 17.

The Group has no other commitments and contingencies as at 31 March 2021.

17. EVENTS AFTER THE REPORTING PERIOD

In the beginning of 2021, the COVID-19 pandemic continued to impact business operations worldwide. The COVID-19 pandemic may continue to impact the business operations and the intended IPO and Business Combination processes, and there is uncertainty in the nature and degree of its continued effects over time.

On 14 April 2021, the Company entered into an agreement with Joh. Berenberg, Gossler & Co. KG, operating as sole global coordinator and sole bookrunner in the context of the planned IPO, by virtue of which the Company will be obliged to pay Listing Fee of 1.5% on the gross proceeds from the IPO on the date of the completion of the IPO and a Deferred Listing Commission of 2.25% on the gross proceeds from the IPO on the completion of the Business Combination.

On 15 April 2021, following the extraordinary general meeting of shareholder, the Company resolved on the following: (i) amended its corporate purpose, (ii) created redeemable class A shares, (iii) converted the existing 12,000,000 class B shares into 7,500,000 class B shares, (iv) increased its authorized share capital to EUR 11,943,456 consisting of 746,466,000 class A shares without nominal value (v) authorized the Board of Directors to proceed with the acquisition of up to all of the Company's class B shares within a period of 5 years for a consideration not exceeding the subscription price per share (increased by any contribution to the equity of the Company without issuance of new shares), and (vi) decided to create a specific reserve in respect of the exercise of any class A warrants or class B warrants issued by the Company.

The Company, approved the issue of 5,500,000 class B warrants (for an aggregate amount of EUR 8,250,000) as part of the private placement of the class A shares and class A warrants issued by the Company and a further 900,000 class B warrants (for an aggregate amount of EUR 1,350,000) to be issued in the frame of the additional sponsor subscription. The issuance of B Warrants has been approved by the Management and Supervisory Boards as well as the Sponsor, respectively, on 14 and 15 April 2021.

On 15 April 2021, the Sponsor contributed an amount of EUR 1,080,000 to the equity of the Company without issuance of shares.

On 16 April 2021, the Sponsor sold a total of 1,013,000 class B shares to 5 purchasers. Purchasers 1 to 3 are affiliates of members of the supervisory board of the Company, Purchaser 4 is a member of the supervisory board of the Company and Purchaser 5 is an associated person of the members of the Management Board of the Company. The Purchaser 1 to 5 are collectively referred herein as the "New Shareholders".

On 16 April 2021, the Sponsor and the New Shareholders subscribed for class B warrants of the Company for an aggregate amount of EUR 8,250,000 (the "Sponsor Capital At-Risk"). The Sponsor Capital At-Risk will be used to finance the Company's working capital requirements (including due diligence costs in connection with the Business Combination) and Private Placement and Listing expenses, except for the deferred listing commission, that will be paid from the Escrow Account. Consequently, the shareholder loan was terminated and the outstanding loan principal was offset against the class B warrants subscription price payable by the Sponsor while the accrued interest was waived. The Sponsor and the New Shareholders also subscribed to an additional 900,000 class B warrants for an aggregate purchase price of EUR 1,350,000 (the "Additional Sponsor Subscription") to be issued as part of the private placement of the class A shares and class A warrants issued by the Company.