INFORMATION DOCUMENT

PYRUM INNOVATIONS AG

(A stock corporation (*Aktiengesellschaft*) incorporated under the laws of Germany)

ADMISSION TO TRADING OF SHARES ON EURONEXT GROWTH OSLO

This information document (the "**Information Document**") has been prepared by Pyrum Innovations AG (the "**Company**" or "**Pyrum**") solely for use in connection with the admission to trading (the "**Admission**") of all issued shares of the Company on Euronext Growth Oslo ("**Euronext Growth**").

As of the date of this Information Document, the Company's registered share capital is EUR 3,253,735 divided into 3,253,735 shares, each with a par value of EUR 1 (the "**Shares**").

The Shares have been approved for Admission to trading on the Euronext Growth and the Shares will start trading on 30 September 2021 in the form of VPS Shares (as defined below) under the ticker code "PYRUM". All of the issued Shares rank pari passu with one another and each Share carries one vote.

Euronext Growth is a market operated by Euronext. Companies on Euronext Growth, a multilateral trading facility (MTF), are not subject to the same rules as companies on a Regulated Market (a main market). Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a company on Euronext Growth may therefore be higher than investing in a company on a Regulated Market. Investors should take this into account when making investment decisions.

On Euronext Growth, the Shares will be traded in the form of VPS shares that represent the beneficial interests in the underlying Shares (the "**VPS Shares**"). The VPS Shares will be registered in the Norwegian Central Securities Depository (the "**VPS**") in book-entry form under the name of a "share" and will be tradable in Norwegian Kroner ("**NOK**") on Euronext Growth in the form of VPS shares as "shares in Pyrum Innovations AG". **Accordingly, all references to "Shares" in this Information Document shall in the context of the securities to be traded on Euronext Growth refer to the VPS Shares. Existing shareholders of the Company and new investors should note that not all Shares will be registered in the VPS in the form of VPS Shares and only Shares that have been registered in the VPS in the form of VPS Shares will be tradable on Euronext Growth. Please refer to Section 10.4 ("The VPS Shares") for further information.**

The present Information Document does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71.

The present Information Document has been drawn up under the responsibility of the Issuer. It has been reviewed by the Euronext Growth Advisors and has been subject to an appropriate review of its completeness, consistency and comprehensibility by Euronext.

THIS INFORMATION DOCUMENT SERVES AS AN INFORMATION DOCUMENT ONLY, AS REQUIRED BY THE EURONEXT GROWTH ADMISSION RULES. THIS INFORMATION DOCUMENT DOES NOT CONSTITUTE AN OFFER TO BUY, SUBSCRIBE OR SELL ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO SECURITIES ARE BEING OFFERED OR SOLD PURSUANT HERETO.

Investing in the Company involves a high degree of risk. Prospective investors should read the entire document and, in particular, Section 1 ("Risk Factors") and Section 3.3 ("Cautionary note regarding forward-looking statements") when considering an investment in the Company and its Shares.

Euronext Growth Advisor

Pareto Securities AS

The date of this Information Document is 30 September 2021

IMPORTANT INFORMATION

This Information Document has been prepared solely by the Company in connection with the Admission. The purpose of the Information Document is to provide information about the Company and its business. This Information Document has been prepared solely in the English language.

For definitions of terms used throughout this Information Document, please refer to Section 14 ("Definitions and glossary of terms").

The Company has engaged Pareto Securities AS as its advisor in connection with its Admission to Euronext Growth (the "**Euronext Growth Advisor**"). This Information Document has been prepared to comply with the Admission to Trading Rules for Euronext Growth (the "**Euronext Growth Admission Rules**") and the Content Requirements for Information Documents for Euronext Growth (the "**Euronext Growth Content Requirements**"). Oslo Børs ASA ("**Oslo Børs**") has not approved this Information Document or verified its content.

The Information Document does not constitute a prospectus under the Norwegian Securities Trading Act and related secondary legislation, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and has not been reviewed or approved by any governmental authority.

All inquiries relating to this Information Document should be directed to the Company or the Euronext Growth Advisor. No other person has been authorized to give any information, or make any representation, on behalf of the Company and/or the Euronext Growth Advisor in connection with the Admission, if given or made, such other information or representation must not be relied upon as having been authorized by the Company and/or the Euronext Growth Advisor.

The information contained herein is current as of the date hereof and subject to change, completion or amendment without notice. There may have been changes affecting the Company subsequent to the date of this Information Document. Any new material information and any material inaccuracy that might have an effect on the assessment of the Shares arising after the publication of this Information Document and before the Admission will be published and announced promptly in accordance with the Euronext Growth regulations. Neither the delivery of this Information Document nor the completion of the Admission at any time after the date hereof will, under any circumstances, create any implication that there has been no change in the Company's affairs since the date hereof or that the information set forth in this Information Document is correct as of any time since its date.

The contents of this Information Document shall not be construed as legal, business or tax advice. Each reader of this Information Document should consult with its own legal, business or tax advisor as to legal, business or tax advice. If you are in any doubt about the contents of this Information Document, you should consult with your stockbroker, bank manager, lawyer, accountant or other professional advisor.

The distribution of this Information Document may in certain jurisdictions be restricted by law. Persons in possession of this Information Document are required to inform themselves about, and to observe, any such restrictions. No action has been taken or will be taken in any jurisdiction by the Company that would permit the possession or distribution of this Information Document in any country or jurisdiction where specific action for that purpose is required.

The Shares may be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

This Information Document shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo District Court (Nw.: Oslo tingrett) as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Information Document.

Investing in the Company's Shares involves risks. All Sections of the Information Document should be read in context with the information included in Section 1 ("RISK FACTORS ") and Section 3 ("GENERAL INFORMATION").

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a stock corporation (*Aktiengesellschaft*) incorporated under the laws of Germany. As a result, the rights of holders of the Shares will be governed by German law and the Company's articles of association (the "**Articles of Association**"). The rights of shareholders under German law may differ from the rights of shareholders of companies incorporated in other jurisdictions.

The members of the Company's executive board (the "**Executive Board Members**" and the "**Executive Board**", respectively) and the members of the Company's supervisory board (the "**Supervisory Board Members**" and the "**Supervisory Board**", respectively) are not residents of the United States of America (the "**United States**"), and a substantial portion of the Company's assets are located outside the United States. As a result, it may be very difficult for investors in the United States to effect service of process on the Company, the Executive Board Members and the Supervisory Board Members in the United States or to enforce judgments obtained in U.S. courts against the Company or those persons, whether predicated upon civil liability provisions of federal securities laws or other laws of the United States (including any State or territory within the United States).

The United States and Norway or Germany do not currently have a treaty providing for reciprocal recognition and enforcement of judgments (other than arbitral awards) in civil and commercial matters. Uncertainty exists as to whether courts in Norway or Germany will enforce judgments obtained in other jurisdictions, including the United States, against the Company or its Executive Board Members or Supervisory Board Members under any applicable laws of those jurisdictions or entertain actions in Norway against the Company or its Executive Board Members or Supervisory Board Members under the securities laws of other jurisdictions. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway or Germany.

Similar restrictions may apply in other jurisdictions.

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1. RISK FACTORS

Investing in the Shares involves inherent risks. Before making an investment decision, investors should carefully consider the risk factors and all information contained in this Information Document, including the Financial Information (as defined below) and related notes. The risks and uncertainties described in this Section 1 ("Risk factors") are the principal known risks and uncertainties faced by the Company as of the date hereof that the Company believes are the material risks relevant to an investment in the Shares. An investment in the Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of all or part of their investment. The absence of a negative past experience associated with a given risk factor does not mean that the risks and uncertainties described herein should not be considered prior to making an investment decision.

If any of the risks were to materialize, individually or together with other circumstances, it could have a material and adverse effect on the Company and/or its business, financial condition, results of operations, cash flow and/or prospects, which may cause a decline in the value of the Shares that could result in a loss of all or part of any investment in the Shares. The risks and uncertainties described below are not the only risks the Company may face. Additional risks and uncertainties that the Company currently believes are immaterial, or that are currently not known to the Company, may also have a material adverse effect on the Company's business, financial condition, results of operations and cash flow.

The information herein is presented as of the date hereof and is subject to change, completion or amendment without notice

The risk factors described in this Section 1 ("Risk factors") are sorted into a limited number of categories, where the Company has sought to place each individual risk factor in the most appropriate category based on the nature of the risk it represents. The order in which the risks are presented below is not intended to provide an indication of the likelihood of their occurrence nor of their severity or significance. The risks mentioned herein could materialise individually or cumulatively.

1.1 Risk related to the business and industry in which the Company operates

1.1.1 *The Company operates in a competitive industry and may not be able to compete against its competitors*

The Company operates within renewables and the recycling market. The development of the recycling market is subject to continuous and dynamic legal and technological changes. The development of new technologies (technology competition) and the influence of new findings may also have a negative impact on existing and new products or services on which the Company's business success is based. The Company competes with future new entrants or entrants competing through new technology, and there can be no assurances that the Company will be able to maintain its competitive position or continue to meet changes in the competitive environment. With an increased focus on environmental issues the recent years and rapid development of new technology, the market has also experienced an increase in the number of players and the competition is more intense. Development of technology by other players may render the Company's technology obsolete or uncompetitive. If other technology enjoys greater policy support than the Company, and the industries, including the Company, is not able to achieve a reduction in production costs the Company could experience an adverse effect on its business and results of operations.

1.1.2 *Violations of and/or changes in laws and regulations could increase costs or change the way the Company does business*

The Company is subject to numerous regulations. If these regulations were violated by the Company's management or employees or by its customers, the Company could be subject to fines or penalties or suffer reputational harm, which could reduce demand for the Company's products and services and have a material adverse effect. Policies, procedures and systems to safeguard employee health, safety and security implemented by the Company may not be adequate or sufficiently implemented or adhered to. Any failure to comply with such policies procedures and systems may have a material adverse impact on its business, results of operations and financial condition.

Similarly, changes in laws could make operating the Company's business more expensive or require the Company to change the way in which it conducts its business. It may be difficult for the Company to foresee regulatory or legal changes impacting its business, and any actions required in order to respond to, or prepare for, such changes could be costly and/or may negatively impact the Company's operations, and could have a material adverse effect. Laws and regulations could hinder or delay the Company's operations, increase the Company's operating costs and reduce demand for its services and products.

1.1.3 *Dependency on the Executive Board and other key personnel*

The economic success of the Company depends to a large extent on the qualifications and commitment of the individual Executive Board Members and other executives, who have substantial experience in the industry in which the Company operates. The chief executive officer ("**CEO**") of the Company, Mr. Klein as well as fellow member of the Executive Board Mr. Kapf, were significantly involved in the development of the thermolysis process and have had a significant influence on the economic development of the Company. In particular the loss of Mr. Klein or of Mr. Kapf or other key persons who were involved in the development and research of the thermolysis process could have a material adverse effect on the growth as well as the maintenance of the management of the Company if it is not possible to attract new and appropriately qualified executives or suitable external service providers. The Company's ability to continue to identify and develop opportunities depends on the Executive Board Members' and other executives' knowledge of and expertise in the industry and on its external business relationships. There can be no assurance that any management team member and other personnel with special skills will remain with the Company. Furthermore, it cannot be ruled out that the Company could also lose its procurement network and personal contacts if it loses its current Executive Board Members or certain other executives. As a consequence, it could become more difficult for the Company to realize projects and to advance the research and development of its technology. Any loss of the services of members of the management team could have a material adverse effect on the Company's business, results of operations and financial condition.

In addition, it cannot be ruled out that the acting persons could make incorrect decisions due to insufficient knowledge of the facts or expertise, their own misjudgments or incorrect or inadequate advice, or for other reasons, and thereby cause additional costs, enter into avoidable risks or fail to take advantage of business opportunities that arise. If the risks described materialize individually or collectively, this could have a material adverse effect on the net assets, financial position and results of operations of the Company.

1.1.4 *Permits, licenses and regulatory risks*

The construction and operation of recycling plants requires various licenses and permits (e.g. building permits, environmental requirements, etc.), both in Germany and abroad, depending on the location. There is a risk that such permits cannot be obtained, or can only be obtained subject to unanticipated onerous ancillary conditions, have been ineffectively granted, are successfully contested, or are subsequently withdrawn or restricted for other reasons. In the case of transfers of permits, there is a risk that authorities or other third parties may not approve such transfers and that permits/licenses are or become ineffective as a result. Licenses to operate a recycling facility regularly include environmental requirements with the consequence of penalties or withdrawal of the license in the event of non-compliance. Any required transfer of a license or permit may be ineffective despite approval by the competent authority, or the approval may only relate to part of the transferred license or permit. If one or more of these risks occur, this may have a material adverse effect on the Company's net assets, financial position and results of operations.

The Company's business activities are dependent on the applicable legal framework for recycling and waste recovery. These include, in particular but not limited to, regulations of the Federal Immission Control Act ("BImSchG"), the Saarland Soil Protection Act and the Recycling and Waste Management Act. Future changes to the national or international laws, regulations and directives in force on the date of this document and their interpretation cannot be ruled out. Changes may affect market and competitive conditions and have a negative impact on the economic situation of the Company. In principle, it is possible that the Company will be forced to change, reduce or even discontinue individual business activities as a result of legislative or regulatory measures in Germany or abroad.

The recycling market in which the Company operates is also subject to recurring economic and political changes. Tighter environmental regulations could lead to increased expenses. In addition, changes in existing legal regulations and a deterioration in the general conditions for waste products could lead to a significant impairment of the Company's business activities.

Should the changes in the legal framework described occur individually or together, or should further changes in the legal framework occur that have a negative impact on the Company's business activities, this could have a material adverse effect on the Company's net assets, financial position and results of operations.

1.1.5 *The Company is dependent on the reputation of renewables and the recycling market*

The Company is dependent on the reputation of renewables and the recycling market in general. Widespread failures by competitors, violation of laws, bankruptcies or commitments of fraud may lead to a perception by the public that the technology is bad or not working, creates pollution etc. Such damage of the reputation of the market in which the Company operates may in turn lead to a damage of the Company's market reputation, reduce its market share and cause a decline of projects.

1.1.6 *Risks associated with plant, construction and production*

There are numerous risks associated with plant construction and maintenance, including risks of delay, risks of termination of construction or other contracts by third parties, the risk of need for variation orders and amendments resulting in additional need for capital and the risk of failure by key suppliers to deliver necessary equipment. Should any of these circumstances occur it may affect a project's financial performance or the loss of contracts and hence the Company's potential revenue.

The Company's operating activities consist primarily of the construction and operation of recycling plants and research into thermolysis technology. The Company constructs recycling plants either on behalf of third parties or on its own behalf and invests in project rights in order to sell the recycling plants on a turnkey basis. Subsequently, if agreed with the customers, the Company takes over the maintenance of the recycling plants, which is understood to mean the technical and commercial maintenance that the Company performs on behalf of third parties.

During the construction phase, construction-specific risks may arise. These construction risks may, for example, be due to errors in the planning phase, inadequate implementation, inadequate soil procurement or in an increase in the purchase prices of the construction materials required for the construction of the plants. As a result, it cannot be ruled out that delays may occur or that the Company may be liable to pay damages to its clients. The Company does not manufacture the components for constructing the plants itself. All components required for the construction of recycling facilities developed by the Company are produced and erected by third party manufacturers. The Company has only a limited scope of supervision and review in the production of these required materials. Therefore, it cannot be ruled out that components and materials will be produced incorrectly, defectively or in insufficient quality and that this will have a negative impact on the construction of recycling facilities, in particular on the schedule and functionality. It also cannot be ruled out that the Company will be liable for damages to its customers as a result. Such construction risks could thus significantly impair the Company's future economic development and thus have material adverse effects on the Company's net assets, financial position and results of operations.

The Company's activities entail general operational risks, which may, for example, result in higher costs than planned during the construction phase, or lower returns on disposal, or higher costs or lower returns than planned in the context of technical management. As the Company’s plants are novel constructions and, there is an inherent risk that its plants may require improvements or adjustments which may delay or limit operation of the plant. Further, additional constructional considerations may be necessary to secure safe and reliable operations. There is always a risk that unforeseen events or circumstances unknown to the Company, its partners and counterparties could materialise in a manner that puts at stake important conditions for the development and production. Furthermore, it cannot be ruled out that technical, unforeseen difficulties may arise at the recycling facilities operated or sold by the Company.

Such general operational risks could thus have a material adverse effect on the Company's future economic development and thus have a material adverse effect on the Company's net assets, financial position and results of operations.

In order to be successful in future constructions, and to avoid cost and time overruns, it is important that the Company is able to gather experiences gained from the construction of its plants such as a proper document control system and lessons learned documentation. However, no assurance can be given that the Company has sufficient personnel resources to gather such information and to build up an internal knowledge system, nor that such measures will be sufficient to avoid cost- and time overruns on future projects.

1.1.7 *Insufficient quality of equipment and technical breakdowns may lead to lower revenues and higher maintenance costs*

The Company's products, production process and equipment are highly technical, and investments in infrastructure involve technical and operational risk. Insufficient quality of installed modules and other equipment resulting in faster than estimated degradation, may lead to lower revenues and higher maintenance costs, particularly if the product guarantees have expired or the supplier is unable or unwilling to respect its obligations. Even well-maintained high-quality equipment and plants may from time to time experience technical problems or breakdowns. This may be caused by a number of different events, inter alia erroneous installation or malfunction of components, which may require extensive repair projects. Depending on the component that fails and the design of the parts, some or whole of the capacity can be out of production for some time. There is a risk that the appropriate spare parts are not available for various reasons, causing a prolonged production stop.

Suppliers could cease operations or for any other reason not honour their obligations and warranties, which would leave the Company to cover the expense associated with any faulty component. The Company's business, financial condition, results of operations and cash flows could be materially adversely affected if it cannot make claims under warranties covering its projects.

1.1.8 *Dependence on a limited number of suppliers for components in plant construction*

The Company relies upon the timely receipt of satisfactory equipment, services and other products from third party suppliers. As a result, the Company's business is dependent on its relationships and contracts with the suppliers of its products and systems.

In the course of its business operations, the Company concludes contracts with numerous different contractual partners, in particular for the construction of recycling plants. These include the procurement of construction materials and components for recycling plants, construction projects with subcontractors, the planning, financing, administration and management, the sale of recycling plants or investments or other assets. There is a risk that contracts cannot be concluded or cannot be concluded on the terms planned at the time of the investment decision, that contracts entered into cannot withstand a third-party comparison, that they are interpreted or terminated in a manner different from that agreed or intended, or that they expire and no follow-up contracts can be concluded on comparable terms or with comparably capable partners, that contractual partners fail to meet their obligations, and/or that contractual agreements are terminated, become invalid or contestable. In addition, there is the risk that legal disputes and the associated litigation and cost risks may arise in connection with these legal relationships. Furthermore, claims for damages against contractual partners for breach of their contractual obligations may not be enforceable in full or at all. Contracts may also contain limitations of liability, resulting in a loss if damages exceed the amount of liability available. These contractual risks could have a material adverse effect on the Company's future economic development and thus have a material adverse effect on the Company's net assets, financial position and results of operations.

If a producer or supplier is unable to produce and/or supply orders to the Company in a timely manner, whether due to operational difficulties, such as inclement weather conditions, a reduction in the available production capacity or otherwise, or fails to meet the Company's quality requirements, and the Company is unable to find alternative sources to provide substitute products, this could have an adverse impact on the Company's business, financial condition, results of operations, cash flows and/or prospects.

The Company is dependent on a limited number of third-party suppliers for key production components for its plants. This includes the delivery of pyrolysis reactor systems. Any disruption or delay to supply or increase in cost could negatively impact its business through increased costs or project delays, and no assurance can be given that the Company would be able to source alternative supplies of key production components that are compatible with the Company's design, in a timely or cost-effective manner or at all.

Further, in relation to development and construction of the Company's test plant, certain suppliers agreed on substantial price reductions against being preferred suppliers when the plant becomes fully operational. Should such suppliers not be competitive or preferred over other suppliers there is a risk that the Company's cost will be higher than market prices. The suppliers with whom the Company has such agreements may also fail to deliver which may force the Company to seek other alternatives that may not be available or available in a timely manner.

1.2 Operational and financial risks

1.2.1 *The Company has a limited operating history*

The Company has a limited operating history and has of today only generated limited revenues. The legal predecessor of the Company, Pyrum Innovations ESC GmbH, was founded in 2008 to develop and research recycling by the thermolysis process and to build a semi-industrial pilot plant. After successful completion of the pilot phase, a functional industrial plant was designed and developed in 2011 and started operation in 2015. Since then it has started serial manufacturing of thermolysis plant and started with permanent production in May 2020 but, since its inception, the Company has incurred significant losses, and to date, the Company has financed its operations through inter alia private placements of equity, shareholder loans, lease purchase agreements and soft funding like subsidies and investment grants. The Company expects to continue to incur significant expenses until its plants are fully operational. Substantial parts of the Company's business are in its commercialisation phase relying to some extent on products and services under development. The Company's commercial success is inter alia dependent on the successful implementation of these products and services, and to become and remain profitable, the Company must succeed in commercialising its business and technologies such that they generate revenues. This will require the Company to be successful in a range of challenging activities, and the Company may never succeed in these activities and, even if it does, may never generate revenues that are significant enough to achieve profitability. If the Company's business model does not develop as planned, in particular if new orders fail to materialize and/or cannot be realized at the expected costs and/or with the expected revenues, or if the construction and sale of recycling facilities is delayed, the risk of the establishment of business operations could have a negative impact on the Company's net assets, financial position and results of operations.

1.2.2 *Growth, and new strategies and initiatives, may generate or result in periods of uncertainty or ultimately prove unsuccessful*

The Company plans on further commercialization and growth, such strategy to be accomplished through both strengthening of existing product portfolio, development of technology and expansion into new markets, and potentially through acquisitions of existing businesses, products, and technology. Implementing growth strategies are associated with inherent risk. These processes are often complex and both time and cost consuming. Growth may lead to inefficiency during changing/reorganising the daily operations like reorganizing the operations centres, changing production lines, updating software or systems, hiring and training new employees, adversely affecting profitability and cash flows. The Company must be able to focus resources and efforts in a timely and efficient manner not affecting its operational business to be successful and will face foreseen and may also face unforeseen risks and challenges. The Company's failure to manage growth effectively and integrate new personnel may have adverse material effect on the Company's operations and/or prospects.

The Company plans to further develop and enhance technology in the recycling sector and to expand into new markets could be subject to an alteration in the public opinion if the Company's technology is not seen as advanced or favourable. The Company's management currently believes that the Company profits from a favourable and friendly public opinion as being a highly advanced company in the renewable energy sector. Such public opinion may change over time if the Company is not able to further develop and enhance its recycling technology as well as products. The Company's failure to adapt and develop its technologies and products effectively may have adverse material effect on the Company's operations and/or prospects.

1.2.3 *The Company may not be able to successfully implement its strategies*

The Company has in the past deployed, and in the future will deploy, new strategies and initiatives, and the Company must successfully create, develop and manage such strategies and initiatives. The Company may in the future experience periods of adaptation, transformation and change due to the deployment of new strategies and initiatives, which may generate or result in periods of uncertainty with respect to, or may have a material adverse effect on, the Company's business, financial condition, results of operations, cash flows and/or prospects. In addition, the success of such new strategies or initiatives depends on a number of factors, including, but not limited to, timely and successful execution of the new strategy and/or new initiative, market acceptance and the Company's ability to manage the risks associated with such new strategies and/or new initiatives. The Company's net assets, financial position and results of operations also depend on the correct selection of the respective investments or projects. In principle, there is a risk that unfavorable projects are selected and/or that the corresponding projects develop negatively, so that the Company generates fewer profits than planned or even losses. There can be no assurances that any such changes to the Company’s strategy and/or the adoption of new initiatives will be successful or have the impact intended by management. Accordingly, such new strategies and initiatives may have a material adverse effect on the Company’s business, financial condition, results of operations, cash flows and/or prospects.

1.2.4 *The Company faces continuing risk related to its customers*

The Company's ability to generate revenues is highly dependent on its customer base. After contracts are entered into, the deterioration of relations with, or the termination of any major contracts by, the Company's largest customers could have a material adverse effect on the Company's operating performance. The effect from loss of customers would be particularly severe if a number of important relationships were terminated or the number of products delivered to such customers was substantially reduced within a short period to time. Especially, the Company is dependent on its customer BASF Antwerpen N.V. ("**BASF**") as they are currently the sole customer purchasing oil manufactured with Pyrum's technology.

Financial difficulties experienced by any of its significant customers could also have a significant impact on the Company. Such effects on customers have been caused by several factors, including general operational matters, product failure and the outbreak of the Covid-19 pandemic, which inter alia led to delays of planned plant constructions. Should customers be, or continue to be, affected by events reducing revenues and profits it may also lead to increased risk of reduced spending and demand for the Company’s products and services.

It is also a risk associated with the fact that Pyrum’s oil cannot as easily be processed for commercial purposes as common crude oil, as Pyrum’s oil is highly flammable. Potential customers could therefore refrain from purchasing oil manufactured with Pyrum’s technology as processing of such oil requires certain capital expenditure.

Further, the Company is exposed to risk related to its customer base in general. The Company's growth is, among others, dependent upon its ability to attract customers. Should the Company loose customers for any reason, or not be able to attract additional customers, it will have a significant adverse effect. Inability to attract new customers will have a significant adverse effect on the Company's strategies and its possibility to meet its financial targets and/or market expectations. The Company cannot give any assurances that it will continue to achieve its historic rates of growth, be able to sustain its current customer base, or that it will be able to enter into contracts with additional customers at favourable terms, in accordance with its strategies or at all.

1.2.5 *Establishing customer relations and key commercial agreements requires long lead time and significant input of resources*

The Company inter alia targets large and complex customer arrangements. Tendering, planning and preparations for, and establishment of, such contracts are time and cost consuming. The failure to successfully conclude such arrangements once tentatively approved, can result in unrecovered costs and impede the growth of the Company.

1.2.6 *Risk related to the Company not being able to fulfill conditions for received public grants*

The Company received public grants and might receive additional grants in the future based on the provision that certain conditions are met, and if the Company fails to meet such conditions the Company may have to drawback received payments. Such drawback of received payments will make it difficult for the Company to carry out the projects that were to be financed by the grant in question.

1.2.7 *Off-take from production plants*

The Company has entered into a long term cooperation strategy with BASF as further described in section 7.4.2.3 for the off-take of products produced by the Company's thermolysis. This includes off-take agreements for the plants the Company operates as well as for those endeavors, however on a case by case basis, where the Company is a stakeholder for the operation of such plants. Such off-take agreements are subject to separate agreements with BASF. Detailed terms for any off-take from such thermolysis plants are subject to final agreement between the relevant parties. This may include elements such as price, volume and quality of the products. It is emphasized that the price that the Company will receive from the sale of its products may vary from contract to contract and will be exposed to pricing of raw materials. No assurance can be given that the price received for each such off-take contract will ensure adequate profitability for the Company. Further, the long-term cooperation with the leading chemical company for the off-take may be terminated. Such development could have a material adverse effect on the Company's business.

1.2.8 *Price pressure may impact ability to win new contracts and impact revenues*

The significant competition within the Company's industry exposes the Company to price pressure. Contracts are awarded on a competitive bid basis, and price competition is often the principal factor in determining which supplier bid is successful. The entrance of lower cost providers may influence the Company's market and lead to further competition that might adversely affect profitability. Some players, either those already active in the industry or those entering the industry, may also have greater resources than the Company, and the failure to maintain a competitive offering could have a material adverse effect.

1.2.9 *Customer contracts may be terminated before their full term*

The contracts provided by the Company to its customers and partners may include rights for the customer or partners to terminate for cause, change of control and convenience at or after specified times. The Company may suffer loss of contracts as a result of such events, termination, or inability to maintain and renew contracts. Should this for any reason occur without the Company being able to replace lost contracts, it may restrict the Company's ability to grow and implement its strategies as well result in reduced revenues from operations or even losses. With respect to suppliers, a loss of contract may restrict the Company's ability to deliver products and services to its customers. Should supply contracts for any reason be lost without the Company being able to replace such contract, it may have an adverse effect.

1.2.10 *Contractual provisions on limitation of liability may not be enforceable*

The Company seeks to reduce its financial exposure under contractual arrangements through clauses in agreements limiting liability and warranty rights. Limitation of liability and warranty rights in contract may in certain jurisdictions be set aside by statutory law and the Company may be unable to enforce such limitations. Should the Company receive a claim under any agreement and not be able to enforce agreed limitations of liability and warranty rights, the Company will be exposed to an increased financial risk that may have a material adverse effect on the business, results of operations and financial condition of the Company.

1.2.11 *The Company is exposed to credit risk in relation to third parties with obligations to the Company*

The Company is exposed to third party credit risk in several instances, including customers who have committed to buy products, suppliers and/or contractors who are engaged to construct or operate assets held by the Company, property owners who are leasing land to the Company, banks providing financing and guarantees of the obligations of other parties, insurance companies providing coverage against various risks applicable to the Company's assets, and other third parties who may have obligations towards the Company.

The Company's key customers within the renewables and recycling industry could experience significant operational challenges, reduced operational revenues and increased cost caused by several factors, including general operational matters, product failure and the outbreak of the Covid-19 pandemic. Should customers be affected by events reducing revenues and profits it may also lead to a reduced risk of failure to honour their obligations towards the Company.

Any failure in the ability or willingness of a counterparty to fulfil its contractual obligations may have a significant adverse effect on the Company's business, prospects, financial results and/or results of operations.

1.2.12 *Maintenance contracts with Sub-Contractors*

Insofar as the Company performs maintenance and repair as well as commercial management for third-party recycling facilities, it regularly concludes maintenance and management contracts with subcontractors, i.e., as a rule with local manufacturers. The conclusion of new contracts after the end of the agreed terms or prematurely in the event of extraordinary termination may trigger higher costs because, for example, recourse must be made to other third-party providers or the cost level in the industry has risen over the years. This may have a negative impact on the Company's results. Expenses for the maintenance of the operated plants (e.g. for the procurement of spare parts) may also become necessary that exceed the calculated level, which may also reduce the profitability of the relevant projects and thus indirectly also have a negative impact on the Company's results. This may have a significant negative impact on the Company's net assets, financial position and results of operations

1.2.13 *Product quality*

Under the terms of the off-take agreement entered into with BASF, the Company has undertaken to deliver products of a certain quality. Similar provisions are likely to be included in any future off-take agreements with respect to the products produced by the Company. Certain adjustments to the process may be required in order to be able to produce products at the predefined quality, and such adjustments can be both time and cost consuming. Problems with product quality or product performance, including any defects in the Company's products, could result in material reputational challenges, significant decrease in revenues, significant unexpected expenses and loss of market share.

1.2.14 *The Company is dependent on receiving raw materials for production*

For its production, the Company's operations are and will be dependent on the supply of feedstock, i.e. plastic waste such as used tires, bitumen mats and isolations, EPDM and other elastomer rubber waste and PE/PET. The successful production is dependent on the quality of raw material received from suppliers. While an impaired supply of feedstock could impact the production capabilities of the Company, the Company has made sure that there are sufficient alternative suppliers which could substitute the lack of supply.

The feedstock quality is assessed by employees before being transferred to the feedstock conveyor belt, enabling removal of significantly off-spec feedstock, however, no assurance can be given that this will ensure sufficient quality on the feedstock. Also, the Company may use some time to gain sufficient knowledge and experience together with its suppliers to secure feedstock of adequate quality. The liability for suppliers of raw materials may be limited to direct loss, and such the Company may not be able to recover loss in the event of business interruption, loss of use or revenue, or loss or damage to property or equipment.

The Company may from time to time be subject to unpredictable supplies of feedstock, and no assurance can be given that the Company would be able to source alternative or additional supplies of raw materials in the event of feedstock shortage or that there will be sufficient and adequate storage facilities available in the event of oversupply.

No assurance can be given that the Company will receive sufficient quantity of feedstock at an acceptable price. The Company currently has off-take agreements from recycling companies, tire manufacturers and others at agreed prices. If the market for feedstock should grow on the basis of other new technologies, competitors or other, it may result in a price decrease in feedstock in the general market. Should the Company not be able to renegotiate its off-take agreements to adjust to such price development this could affect the Company's profits as well as its ability to compete with other current players or new market entrants.

Any significant delay, price adjustment, lack of quality in supplies or loss of suppliers may have a material adverse effect on the Company's business, results of operations, cash flows, financial condition and prospects.

1.2.15 *The Company's production is subject to operational hazards and risks*

The Company is heavily reliant on complex machinery for its operations that involves a significant degree of uncertainty and risk for the Company, both in terms of operational performance and costs. The Company's plants consist of large-scale machinery combining many components which are intended to run complex production processes. The plant components may suffer unexpected malfunctions from time to time and will be dependent on repairs and spare parts to resume operations, which may not be available in the short term. Unexpected malfunctions of the plant components may significantly affect the intended operational efficiency of the plant. Operational performance and costs can be difficult to predict and is often influenced by factors outside of the Company's control, such as scarcity of natural resources, environmental hazards and remediation, costs associated with decommissioning of machines, labour disputes and strikes, difficulty or delays in obtaining governmental permits, damages or defects in electronic systems, leaks from pipelines, industrial accidents, fire, and seismic activity and natural disasters. Should any of these risks or other operational risks materialise, it may result in the death of, or personal injury to, plant workers, the loss of production equipment, damage to production facilities, the closure of mills, monetary losses, delays and unanticipated fluctuations in production, environmental damage, administrative fines, increased insurance costs and potential legal liabilities, all which could have a material adverse effect on the Company's business, results of operations, cash flows, financial condition or prospects.

1.2.16 *Environmental risks*

The products produced on the Company's property include oil, gas and carbon, among other, and thus substances that can potentially cause contamination. In addition, the Company's production plant may cause emissions pertaining to air, odor or noise. The Company aims at identifying and mitigating possible environmental risks. No guarantees can however be given that the Company is able to mitigate all environmental risks. If the production or operation of the Company's recycling plants is found to cause environmental harm, this could have an adverse impact on the Company's business.

1.2.17 *The Company is in a growth phase with limited resources to optimise operations*

The Company is in a growth phase, and as such has had limited resources to optimise its operations, rights and obligations. The contracts, rights and obligations of the Company are likely to carry a higher degree of uncertainty and risk than those of mature businesses.

1.2.18 *The Company may or may not generate a profit or pay any dividends for the foreseeable future. Shareholders may never obtain a return on their investment*

As of the date of this Information Document, the Company is in a growth phase, has not generated a profit since incorporation and is not in a position to pay any dividends. Beyond the growth phase, it is the Company's ambition to be profitable and provide its shareholders with a competitive return on investment over time, in terms of dividend and development in the share price. There can, however, be no assurance that the Company will achieve profitability or that the Company, in any given year, will propose or declare dividends. The payment of future dividends will depend on legal restrictions, the Company's capital requirements, including capital expenditure requirements, its financial condition, general business conditions and any restrictions that its borrowing arrangements or other contractual arrangements in place at the time of the dividend may place on its ability to pay dividends and the maintaining of appropriate financial flexibility.

1.2.19 *Participations and partly owned companies*

The Company may enter into agreements with cooperation regarding operations of a plant, or acquire ownership interests in other companies. Limited control for the Company regarding operation of a plant, ongoing costs, production and quality failures by the operating clients etc. may lead to later than expected dividends, lower dividends or no dividends at all. Further will bankruptcy of a partly owned plant or company lead to a risk of damaged reputation for the Company.

As further described in Section 7.6, the Company has purchased all shares of Pyrum Innovations International S.A. ("**Pyrum S.A.**"), Schengen/ Luxembourg. The Pyrum S.A. main assets are the patents and the know-how for the Pyrolysis process, and Pyrum S.A. will for the foreseeable future only generate revenues from licenses charged to and paid by the Company.

Accordingly, the value of the future participation and the ability to pay dividends to Pyrum as shareholder is directly connected to the technical and economic success of the Company. Any reduction or delay of the Company to meet its plan to construct own pyrolysis plant or sell such plants to customers will directly affect the revenues and cash flows of Pyrum S.A. and may impair the value of the Company's assets accordingly.

1.2.20 *Collaborations*

As of the date of this Information Document, the Company is accelerating its business activities. The Company intends to facilitate its sales by entering into co-operations with customers/plant operators through various forms of partnership and investments conducted through joint ventures, associated companies and/or companies where the Company is not the sole shareholder. The Company's ability to receive dividends and other payments from such companies depends not only upon such companies' cash flows and profits, but also upon the terms of agreements with the shareholders of such companies, and the Company cannot guarantee that it will succeed with its intentions with regards to its co-operation with customers/plant operators.

1.2.21 *The Company may not be able to uphold its research and development and trial programs with rubber manufacturers*

The Company has entered into various cooperation and research and development relationships as well as trial periods with tire and rubber manufacturers in order to further develop its thermolysis technology. The Company is also party to collaborations on a European level in order to further enhance and develop its technology as well as products. The future performance of the Company’s operations will depend on the successful research, development and cooperation with such tire and rubber manufacturers.

If such relationships may come to an end or may be unforeseeably terminated, the Company's further development of additional markets and applications for its technology may come to a hold and in particular the generation of product produced by its thermolysis plants may significantly be impaired. If the Company is not successful in continuing or developing these collaborations, processes on a timely and cost-effective basis in response to technological developments or changes in standards in the industry, or the Company's product quality or performance may be impacted, may be deemed inferior and thus may have a material adverse effect on the Company's business, results of operations and financial condition.

1.2.22 *The Company may not be able to keep pace with a significant step change in technological development or quality requirements*

The market for the Company's services is characterized by continual and rapid technological developments that have resulted in, and will likely continue to result in, substantial improvements in equipment functions and performance. As a result, the Company's future success and profitability will be dependent upon its ability to respond effectively to technological changes to be able to retain its position in the market and expand further. The future performance of the Company's operations will depend on the successful development, introduction and market acceptance of existing and new products and services that address customer requirements in a cost-effective manner.

If the Company does not expand or enhance its product and/or service range or respond effectively to technological change, its businesses may not grow. The introduction of new products and services, market acceptance of products and services based on new or alternative technologies, or the emergence of new industry standards could render the Company's existing products obsolete or make it easier for other products and/or services to compete with its products and services. If the Company is not successful in acquiring or developing processes and equipment or upgrading its existing processes and equipment on a timely and cost-effective basis in response to technological developments or changes in standards in the industry, or the Company's product quality or performance is deemed inferior, this may have a material adverse effect on the Company's business, results of operations and financial condition.

1.2.23 *The Company depends on protecting its proprietary technology and intellectual property rights and third parties may claim that the Company is violating their proprietary technology and intellectual property*

Intellectual property rights are material for the Company's business and future prospects. The success of the Company's business depends on the Company's ability to protect and enforce trade secrets, trademarks, copyrights, patents and other intellectual property rights it owns, uses or licenses. Furthermore, third parties may, both with and without substance, claim that the Company is infringing or violating their proprietary technology and intellectual property rights. Disputes associated with such claims could be time-consuming and costly and could result in loss of significant rights and/or penalties such as loss of freedom to operate.

Failure to protect the Company's proprietary technology and property rights or claims that the Company is violating or infringing third party intellectual property rights could lead to a competitive disadvantage, loss of business or future opportunities, litigation and result in a material adverse effect on the Company's business, prospects, financial position and results of operations.

Pyrum S.A. holds all patents used for the Company's business, which the Company currently licenses. To further protect the Company's proprietary technology, the Company has entered into an agreement to acquire 100% of the shares in Pyrum S.A. as further described in Section 7.6. As the shareholder base of both companies is almost identical, the acquisition is a related party transaction and does not include representation and warranties related to Pyrum S.A, by the seller. The Company is of the opinion that the transaction is agreed at arms lengths terms and that the agreement reflects the interest of the parties sufficiently but cannot rule out that there might be matters related to Pyrum S.A. that could result in a loss or claim. The Company may, however, rescind the transaction if the Listing has not been effectuated by the end of 31.12.2021. As there are no other termination rights, the Company is of the opinion that even if the purchase agreement will be not implemented, the Company's proprietary technology is sufficiently taken care of as the Company has licensed all patents from Pyrum S.A. with a license agreement entered into for an indefinite term.

The purchase price is to be settled in cash using proceeds from the Private Placement (defined below). The execution of the acquisition is expected to take place within seven business days following first day of trading on Euronext Growth. If the purchase price for the shares of Pyrum S.A. for any reason is not paid, Pyrum S.A. will not become a subsidiary of the Company but the Company would then continue to license the patents from Pyrum S.A. in accordance with current agreements.

The Company and Pyrum S.A., who is intended to become a 100% owned subsidiary of the Company after the Admission, have entered into a waiver agreement with the inventor of two inventions relating to the patents applied for by the Company. Based on such waiver agreement, the inventor is granted a remuneration by Pyrum S.A. based on certain conditions. The Company deems the waiver agreement as being compliant with applicable law. However, the Company cannot guarantee that no disputes will arise in connection with the waiver agreement. Any potential litigation in connection with the execution of the waiver agreement might impair the Company’s license rights.

Any of the above could have a materially adverse effect on the Company's business, prospects, financial position and results of operations

1.2.24 *The outbreak of the corona virus (COVID-19) could have a material adverse effect on the Company*

The outbreak of COVID-19 has resulted in a global pandemic and has severely impacted companies and markets globally.

It is expected that the COVID-19 pandemic may in the future result in more uncertain markets, operations becoming more vulnerable to interruptions and governmental bodies around the world may gravitate towards stricter regulations impacting international trade. Such consequences will likely also impact the Company and its current and planned operations and projects – as well as its customers, suppliers of goods and services - including the Company's ability to raise capital or secure financing, future customers' ability to buy the Company's products and services, and contractors' ability to provide goods and services required for the Company's projects at the agreed terms, or at all. There is no assurance that any future outbreak of Covid-19 or other contagious diseases occurring in areas in which the Company or its suppliers, partners or customers operate, or even in areas in which the Company does not operate, will not seriously interrupt the Company's business.

1.2.25 *The Company may be subject to litigation that could have an adverse effect on the Company's business, results of operations, cash flows, financial condition and/or prospects*

There are inherent risks related to the Company's business which may expose the Company to litigation, including contractual litigation with clients or other contract counterparties, intellectual property litigation and tax or securities litigation. The Company is not involved in any litigation but may in the future be involved in litigation matters from time to time. Any future litigation may have a material adverse effect on the Company's business, financial position, results of operations, and the diversion of management's attention to these matters.

1.2.26 *The Company's insurance coverage may prove insufficient*

The Company has insurance coverage which is deemed as satisfactory by the Company in light of its current operations. No guarantee can however be given that the Company will be sufficiently insured against any potential claim or that the Company's insurance will be sufficient in light of any expansion of the Company's activities. In the event the Company's insurance should prove insufficient with respect to a claim, such insufficiency may have a significant adverse effect on the Company's business, prospects, financial results and results of operations.

1.2.27 *Reputational risk*

The Company's reputation and its ability to do business may be impaired by the inappropriate behavior by any of its employees or agents or those of its affiliates. While the Company is committed to conducting business in a legal and ethical manner, there is a risk that its employees or agents or those affiliated may take actions that violate the law and could result in monetary penalties against the Company or its respective affiliates and could damage the reputation and business relationship, therefore, the ability to do business of the Company. Damage to the Company's reputation and business relationships may have a material adverse effect beyond any monetary liability.

1.2.28 *The Company uses information technology systems to conduct its business, and disruption, failure or security breaches of these systems could materially and adversely affect its business and results of operations*

The Company's operations are dependent upon IT systems and other operating systems, as well as stable business solutions. Such systems may fail, for a variety of reasons that may be outside the Company's control. Any failure or disruption to these systems or business solutions could materially harm the Company's ability to carry out its business operations and efficient services to its customers, which in turn may have a material adverse effect on the Company's business, results of operations, cash flows and financial condition.

1.2.29 *The Company may fail to comply with data protection and privacy laws, which could negatively affect the Company's business*

The Company processes, collects, stores and handles personal data, including customer data, and its operations are accordingly subject to a number of laws relating to data privacy, including the EU General Data Protection Regulation (GDPR) entered into force on 25 May 2018. The Company has implemented a number of measures to be in compliance with GDPR, however this is ongoing and continuous work that must be prioritized to maintain compliance. Failing to comply with these obligations may cause the Company to incur substantial costs if, in the event of a material personal data breach was not reported to the relevant supervisory authority and remedied without undue delay. There may be negative publicity surrounding any material incident involving personal data following disclosure to a supervisory authority and the Company may be subject to material administrative fines or other regulatory action, which could have a material adverse effect on the Company's business, financial position and results of operations. Lack of compliance with data protection, storage or handling of personal data could lead to regulatory issues.

1.2.30 *The Company may be exposed to currency exchange rate risks in the future*

The Company's reporting currency is EUR. Currently, this is as well the functional currency as almost all contracts, and relating cash flows, are based on the EUR as transaction currency. However, as the Company expands its business beyond the Euro-Zone, and in the future a significant portion of the Company's operating expenses could be done in foreign currencies. Further, the VPS Shares, as further described in Section 1.3.1, will be denominated in NOK. As a result, the Company may be exposed to the risks that such foreign currencies may appreciate or depreciate relative to the EUR, which could have a material adverse effect on the Company's results of operations, financial position and/or cash flows.

1.2.31 *The Company may require additional capital in the future in order to execute its strategy or for other purposes, which may not be available on favorable terms, or at all*

The Company's business requires capital and, to the extent the Company does not generate sufficient cash from operations, the Company may need to raise additional funds through public or private debt or equity financing to execute the Company's strategy and to fund capital expenditures. Adequate sources of capital funding may not be available when needed or may not be available on favorable terms. The Company's ability to obtain such additional capital or financing will depend in part upon prevailing market conditions as well as conditions of its business and its operating results, and those factors may affect its effort to arrange additional financing on satisfactory terms. If the Company raises additional funds by issuing additional shares or other securities, the holdings of existing shareholders may be diluted. If funding is insufficient at any time in the future, the Company may be unable to fund maintenance requirements and acquisitions, take advantage of business opportunities or respond to competitive pressures, any of which could adversely impact the Company's results of operations and financial condition.

The Company's existing or future debt arrangements could limit the Company's liquidity and flexibility in obtaining additional financing, in pursuing other business opportunities or corporate activities or the Company’s ability to declare dividends to its shareholders.

If the Company is unable to obtain adequate financing when needed, it may have to delay or reduce the scope of, or suspend one or more of the activities under its commercialization and growth strategy. If additional funding is unavailable, or not available on satisfactory terms, the Company's operations may be delayed or be discontinued due to inadequate financing, which could delay or prevent the Company from being able to generate revenues and sustainable income that is significant enough to achieve profitability, which could have a material adverse effect on the Company's revenues, profitability, liquidity, cash flow, financial position and prospects.

1.2.32 *Risks related to changes in tax legislation*

It cannot be ruled out that changes in tax legislation, administrative practice or case law, which are possible at any time at short notice, could lead to tax disadvantages for the Company. In particular, an increase in real estate transfer tax and real estate tax or changes in corporate income tax could be enacted. This could have a material adverse effect on the attractiveness of the recycling facilities developed and operated by the Company at its location and also have an adverse effect on the demand for recycling facilities to be sold. Despite a fundamental prohibition of retroactivity, changes in the applicable laws, regulations and directives may also have a retroactive effect.

1.2.33 *Risks arising from related party transaction and arm's length assessment*

The Company has entered into several related party agreements inter alia shareholder loans, supply and convertible loan agreements with shareholder BASF and lease agreements with UC Umwelt Consulting Immobilien GmbH, which is controlled by the ultimate owner of Pyrum's shareholder Amel Holding S.A. In addition, the Company intends to sign a contract to purchase real property currently leased from UC Umwelt Consulting Immobilien GmbH. As further described in Section 7.5, the Company has also agreed to purchase all shares of Pyrum S.A. The purchase will become effective and the change of control will occur after the listing at the Euronext Growth. In case that the listing will not occur, the Company has a right to abandon the purchase. As almost all shareholders of Pyrum S.A. are shareholders of the Company, this is a related party transaction.

As there is only limited financial financial and no legal assessment as to date, the Company is exposed to tax risks, in particular with regard to transfer pricing rules that apply in several jurisdictions and in relation to cross border business relationships. Pursuant to such rules, related parties are obligated to conduct any related party agreements on conditions which would also apply among unrelated third parties concluding comparable agreements (the so called "at arm's length principle") and to provide sufficient documentation thereof, subject to the rules applicable to them in the relevant jurisdiction. There is a relatively high degree of uncertainty and inherent subjectivity in complying with these regulations. Therefore, the possibility that the tax authorities will challenge the Company's compliance with applicable transfer pricing rules cannot be ruled out. There can be no assurance that the Company will be found to be operating in compliance with transfer pricing laws, or that those laws would not be modified, which, as a result, may require changes in our operating procedures or otherwise may have a material adverse effect on the Company's financial results or operations. In case that the tax authorities rule that related party agreements do not match the arm's length principle, German tax authorities may deny the deduction of business expenses for tax purposes to the extent the business expenses exceed the amount that would have been incurred in an arm's length relationship. Under certain circumstances, related party agreements that do not meet arm's length terms may also be recharacterized as deemed dividends. Any such denial of deductions or characterization of related party agreements as deemed dividends may have a material adverse effect on our financial condition and results of operations.

Further, should the tax authorities disagree with the terms of the related party agreements, that would also imply that Pyrum is bound by agreements at non-commercial terms. If such is the case, this will mean that money is being channeled in/out of the Company at non favorable terms for the Company, which may have a material adverse effect on the Company's revenues, profitability, liquidity, cash flow and financial position.

1.3 Risks relating to the Shares and the Admission

1.3.1 *Norwegian VPS Shares*

Holders of VPS Shares do not hold Shares directly. The Company will not treat a holder of a VPS Share as one of its shareholders, and a holder of VPS Shares will, as a starting point, not be able to exercise shareholder rights, except through the VPS Registrar (as defined below) as permitted by the Registrar Agreement (as defined below).

The Company has entered into a registrar agreement (the "**Registrar Agreement**") with DNB Bank ASA, DNB Markets Registrars department (the "**VPS Registrar**") to facilitate registration of the VPS Shares in the VPS in connection with the Admission to trading on Euronext Growth. In accordance with the Registrar Agreement, the VPS Registrar is registered as the legal owner of the Shares for which VPS Shares are issued. Under the Registrar Agreement, the VPS Registrar registers the beneficial interests in the Shares in book-entry form in the VPS. Accordingly, it is not the Shares issued in accordance with German law that are registered in the VPS and may be traded on Euronext Growth, but the beneficial interests in the underlying Shares (i.e. the VPS Shares).

In accordance with market practice in Norway and system requirements of the VPS, the beneficial interests in the relevant Shares will be registered in the VPS under the name of a "share". Although each "share" registered with the VPS will represent evidence of beneficial ownership of the Shares, such beneficial ownership will not necessarily be recognized by a German court. As such, investors may have no direct rights against the Company and may be required to obtain the cooperation of the VPS Registrar in order to assert claims against the Company. Also, investors investing in VPS Shares have to look solely to the VPS Registrar for the payment of any dividends, for exercise of voting rights attaching to the underlying Shares and for other rights arising in respect of the underlying Shares. Exercising such shareholder rights through the VPS Registrar is subject to certain terms and conditions. The Company cannot guarantee that the VPS Registrar will be able to execute its obligations under the Registrar Agreement, including that the beneficial owners of the Shares will receive the notice of a general meeting of the Company's shareholders (a "**General Meeting**") or offers for securities issued by the Company, including new shares in time to instruct the VPS Registrar to either effect a re-registration of their VPS Shares or otherwise vote for their Shares in the manner desired by such beneficial owners. Any such failure may inter alia, limit the access for, delay or prevent, the beneficial shareholders being able to exercise the rights attaching to the underlying Shares and may lead to unwanted dilution.

The VPS Registrar may terminate the Registrar Agreement by not giving less than three months' prior written notice. Further, the VPS Registrar may terminate the Registrar Agreement if the Company does not perform its payment obligations to the VPS Registrar (and such non-payment has not been remedied by the Company within ten business days following receipt of notice regarding this from the VPS Registrar) or commit any other material breach of the Registrar Agreement. In the event the Registrar Agreement is terminated, the Company will use its reasonable best efforts to enter into a replacement agreement for purposes of permitting the uninterrupted registration of the relevant Shares in the VPS and the Admission of the Shares on Euronext Growth. There can be no assurance, however, that it would be possible to enter into such new agreements on substantially the same terms or at all. A termination of the Registrar Agreement could therefore have a material and adverse effect on the Company and its shareholders and may ultimately lead to a delisting from Euronext Growth.

The Registrar Agreement limits the VPS Registrar's liability for any loss suffered by the Company. The VPS Registrar disclaims any liability for any loss attributable to circumstances beyond the VPS Registrar's control, including, but not limited to, errors committed by others. The VPS Registrar is liable for direct losses incurred as a result of events within the VPS, limited to a maximum of NOK 500 million for any individual error for direct financial losses in connection with securities registration operations and, for other losses, to a maximum of NOK 2.5 million per wrongful act or omission, all with a deductible of NOK 10,000 per damage event. Thus, the Company may not be able to recover its entire loss if the VPS Registrar does not perform its obligations under the Registrar Agreement.

The new Norwegian Central Securities Depository Act is expected to enter into force in Norway in 2021. This will affect VPS' services for financial instruments issued by non-Norwegian issuers. The new act implements Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories (the "**CSDR**") into Norwegian law. Please refer to Section 10.4.6.3 "Implementation of CSDR in Norway" for further information. Following implementation of CSDR the Company will be required to enter into a new agreement with the VPS Registrar for its registration with the VPS and trading of the Company's Shares. No such new registrar agreement is available to the Company and it is therefore a risk that regulations may deviate from the current Registrar Agreement. The Company cannot make any guarantee that regulations will not deviate materially from the current Registrar Agreement or that the Company or its shareholders will not become subject less favorable terms and conditions.

Further, the prices of the VPS Shares listed on the Euronext Growth will be noted and agreed in NOK. Any future change in the currency exchange rates between EUR and NOK may impact the value of the VPS Shares and the economic result of its respective owners from their engagement in Pyrum Shares.

1.3.2 *An active trading market for the Company's Shares on Euronext Growth may not develop*

The Company's Shares are not listed on any regulated markets, multilateral trading facilities or other trading venue, and no such admission has been applied for by the Company. The Company intends to explore the possibility of a listing of the Shares on an unofficial prime market segment in Germany (*Prädikatssegment im Freiverkehr*) after the Admission to trading on Euronext Growth. No assurances can be given that an active trading market for the Shares will develop on Euronext Growth, nor sustain if an active trading market is developed. If the Shares in the future are admitted to trading on another market or trading platform, liquidity and trading might be split between two trading venues. Should shareholders decide to re-convert their VPS Shares into Shares, liquidity and the possibility to trade on the Euronext Growth market will further decrease. The market price could fluctuate strongly given the limited liquidity. The market value of the Shares could be substantially affected by the extent to which a secondary market develops on Euronext Growth for the Shares following completion of the Admission.

1.3.3 *The Company will incur increased costs as a result of being a traded company, including as a result of the Norwegian implementation of CSDR*

As a company with shares admitted to trading on Euronext Growth Oslo, the Company will be required to comply with applicable reporting and disclosure requirements. The Company will incur additional legal, accounting and other expenses to comply with these and other applicable rules and regulations. The Company anticipates that its increased general and administrative expenses as a traded company will include, among other things, costs associated with annual and interim reports to shareholders, disclosure obligations, shareholders' meetings, investor relations, increased director and officer liability insurance costs and officer and director compensation.

The implementation of CSDR is expected to result in price changes. Inter alia, the pricing model for the Company's registration with the VPS will be changed. The key reason for this is the increased costs derived from the custody chain as the fee structure for issuance, safekeeping and processing any corporate action events will be reflected through each part of the custodial chain, from the local issuer CSD through VPS. Based on the information available to the Company, custodian costs are expected to be increased by 5 to 10 times the current fees. Furthermore, some costs and fees of the VPS Registrar is expected to be increased by approximately 25% due to new regulatory requirements. Currently it is not possible for the Company to provide an accurate estimate of increased costs following implementation of CSDR.

Any such increased costs, individually or in the aggregate, could have a material adverse effect on the Group 's business, operating income and overall financial condition.

1.3.4 *Share incentive scheme could dilute the holdings of shareholders*

As further described in Section 9.4, the Company does currently not have any share option programs or other share incentive schemes for employees or board members in the Company. If the Company chooses to implement such a share option program or other share based incentive schemes, this will have a dilutive effect on the Company's existing shareholders.

1.3.5 *Future issuances of Shares or other securities could dilute the holdings of shareholders and could materially affect the price of the Shares*

The Company has agreed into a convertible loan agreement with the shareholder BASF. The loan may be converted in case of a material breach of contract by the Company. Should the loan be converted this will lead to a dilution of shareholdings in the Company. Please refer to Section 10.7 for a further description of the convertible loan.

Further, the Company may require additional capital in the future to finance its business activities and growth plans. Raising additional capital or the acquisition of other companies or shareholdings in companies by means of yet to be issued Shares of the Company as well as any other capital measures may lead to a considerable dilution of shareholdings in the Company.

1.3.6 *Risks related to future sales of Shares*

Future sales, or the possibility for future sales of substantial numbers of the Shares may affect the market price of the Shares in an adverse manner.

1.3.7 *The transfer of Shares is subject to restrictions under the securities laws of the United States and other jurisdictions*

None of the Shares have been registered under the US Securities Act of 1933 (as amended) (the "**US Securities Act**") or any US state securities laws or any other jurisdiction outside of Norway and Germany and are not expected to be registered in the future. As such, the Shares may not be offered or sold except pursuant to an exemption from, or in transactions not subject to, the registration requirements of the US Securities Act and other applicable securities laws. In addition, there is no assurances that shareholders residing or domiciled in the United States will be able to participate in future capital increases or rights offerings. Further, investors in the United States may have difficulty enforcing any judgment obtained in the United States against the Company or its members of the Executive Board or Supervisory Board in Germany.

1.3.8 *Volatility of the share price*

The market price of the Shares may be highly volatile and investors in the Shares could suffer losses. The trading price of the Shares could fluctuate significantly in response to a number of factors beyond the Company's control, including quarterly variations in operating results, adverse business developments, changes in financial estimates and investment recommendations or ratings by securities analysts, significant contracts, acquisitions or strategic relationships, publicity about the Company, its products and services or its competitors, lawsuits against the Company, unforeseen liabilities, changes to the regulatory environment in which it operates or general market conditions. In recent years, the stock market has experienced extreme price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies. Those changes may occur without regard to the operating performance of these companies. The price of the Shares may therefore fluctuate based upon factors that have little or nothing to do with the Company, and these fluctuations may materially affect the price of the Shares.

1.3.9 *Shareholders outside of Norway are subject to exchange rate risk*

All of the Shares will be priced in NOK, the lawful currency of Norway and any future payments of dividends on the Shares or other distributions from the Company will be denominated in NOK. Accordingly, any investor outside Norway is subject to adverse movements in the NOK against their local currency, as the foreign currency equivalent of any dividends paid on the Shares or price received in connection with any sale of the Shares could be materially impacted upon by adverse currency movements.

1.3.10 *Pre-emptive rights may not be available to all holders of Shares*

Shareholders and holders of VPS Shares may not be able to exercise preferential rights to subscribe for shares in rights issues or other share issues by the Company and, as a result, may experience substantial dilution upon future issuances of Shares. In the event of an issuance of Shares, subject to certain exceptions, each shareholder will have a pro rata pre-emptive right in proportion to the aggregate nominal value of the Shares held by such holder. These preferential rights may be restricted or excluded by a resolution of the General Meeting or by another corporate body designated by the General Meeting or under certain limited conditions, for example in the event of a capital increase against contributions in kind, without reserving any pre-emptive subscription rights for the shareholders. This could cause existing shareholders and holders of VPS Shares to experience substantial dilution of their interest in the Company and thus, holders of Shares bear the risk that future offerings might reduce the market price of the Shares and dilute their shareholdings in the Company.

1.3.11 *Majority shareholder risk*

A concentration of ownership may have the effect of delaying, deterring or preventing a change of control of the Company that could be economically beneficial to other shareholders. Furthermore, the lack of take over regulation on Euronext Growth, as opposed to Oslo Børs and Oslo Axess, may contribute to increase the risk of a concentration of ownership as there are no rules on mandatory offer obligations. Further, the interests of shareholders exerting a significant influence over the Company may not in all matters be aligned with the interests of the Company and the other shareholders of the Company.

Some of the large shareholders of the Company hold a significant percentage of the Shares in the Company. Accordingly, these shareholders may continue to retain a significant influence in the Company. The interests of existing shareholders may differ significantly from or compete with the Company's interests or those of other shareholders, and it is possible that existing shareholders may exercise influence over the Company in a manner that is not in the best interests of all shareholders. The concentration of share ownership could delay, postpone or prevent a change of control in the Company, and impact mergers, consolidations, acquisitions or other forms of combinations, as well as distributions of profit, which may or may not be desired by other investors. Such conflicts could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows and/or prospects.

2. RESPONSIBILITY FOR THE INFORMATION DOCUMENT

This Information Document has been prepared solely in connection with the Admission to trading on Euronext Growth.

We declare that, to the best of our knowledge, the information provided in the Information Document is accurate and that, to the best of our knowledge, the Information Document is not subject to any material omissions, and that all relevant information is included in the Information Document.

30 September 2021

The Executive Board of Pyrum Innovations AG

Mr. Pascal Klein (Chairperson of the board)	Mr. Michael Kapf (Board member)

3. GENERAL INFORMATION

3.1 Other important investor information

The Company has furnished the information in this Information Document. No representation or warranty, express or implied, is made by the Euronext Growth Advisor as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Information Document is, or shall be relied upon as a promise or representation in this respect, whether as to the past or the future. The Euronext Growth Advisor assumes no responsibility for the accuracy or completeness or the verification of this Information Document and accordingly disclaims, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which it might otherwise be found to have in respect of this Information Document or any such statement.

Neither the Company nor the Euronext Growth Advisor, or any of their respective affiliates, representatives, advisors or selling agents, is making any representation to any purchaser of the Shares regarding the legality of an investment in the Shares. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

3.2 Presentation of financial and other information

3.2.1 *Financial information*

The Company's Financial Statements (as hereinafter defined) have been prepared in accordance with German Generally Accepted Accounting Principles ("**German GAAP**") under the German Commercial Code. The Financial Statements have been audited by Wirtschaftsprüfer (German CPA) Steuerberater (German tax advisor) Christian Hecht, Mergenthalerallee 77, 65760 Eschborn, Germany.

The Company presents the Financial Statements in EUR (presentation currency). Reference is made to Section 8 ("Selected financial information and other information") for further information.

The Company intends to publish interim unaudited financial information for the six month's period ended 30 June 2021. The publication of this half year report is expected to be made on or about 28 October 2021.

3.2.2 *Industry and market data*

In this Information Document, the Company has used industry and market data obtained from independent industry publications, market research and other publicly available information. Although the industry and market data is inherently imprecise, the Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Information Document that was extracted from industry publications or reports and reproduced herein.

Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such data and statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Information Document (and projections, assumptions and estimates based on such information) may not be reliable indicators of the Company's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 1 ("Risk factors") and elsewhere in this Information Document.

Unless otherwise indicated in the Information Document, the basis for any statements regarding the Company's competitive position is based on the Company's own assessment and knowledge of the market in which it operates.

3.3 Cautionary note regarding forward-looking statements

This Information Document includes forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology, such as the terms "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "should", "will", "would" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements are not historic facts. Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Company's actual financial position, operating results and liquidity, and the development of the industry in which the Company operates, may differ materially from those made in, or suggested, by the forward-looking statements contained in this Information Document. The Company cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

By their nature, forward-looking statements involve, and are subject to, known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. For a non-exhaustive overview of important factors that could cause those differences, please refer to Section 1 ("Risk factors").

These forward-looking statements speak only as of the date on which they are made. The Company undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on the Company's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Document.

4. REASONS FOR THE ADMISSION

The Company believes the Admission will:

- enhance the Company's profile with investors, business partners, suppliers and customers;
- allow for a trading platform and liquid market for the Shares;
- facilitate for a more diversified shareholder base and enable additional investors to take part in the Company's future growth and value creation;
- further improve the ability of the Company to attract and retain key management and employees; and
- further improve the ability of the Company to raise equity capital in the future to support growth of the Company's business.

No equity capital or proceeds will be raised by the Company upon the Admission, but the Company has completed a private placement immediately prior to the Admission, as further described in Section 6 ("The Private Placement").

5. DIVIDENDS AND DIVIDEND POLICY

5.1 Dividends policy

In deciding whether to propose a dividend and in determining the dividend amount, the Executive Board will take into account legal restrictions, as set out in Section 5.2 ("Legal and contractual constraints on the distribution of dividends") below, as well as capital expenditure plans, financing requirements and maintaining the appropriate strategic flexibility.

The Company has not paid any dividends since its incorporation.

5.2 Legal and contractual constraints on the distribution of dividends

The share of each individual shareholder in the Company's profits is determined based on their respective holding in the Company's share capital. For a stock corporation (*Aktiengesellschaft*) under German law, the distribution of dividends for a given financial year and the amount and payment date thereof, are resolved by the shareholders' meeting of the subsequent financial year upon a joint proposal or separate proposals by the executive board and the supervisory board. However, the shareholders' meeting is not bound by those proposals. The shareholders' meeting must be held within the first eight months of each financial year.

German law provides that a resolution concerning dividends and the distribution thereof may be adopted only on the basis of a balance sheet profit shown in the Company's unconsolidated financial statements prepared in accordance with the German Commercial Code (*Handelsgesetzbuch*). In determining the balance sheet profit available for distribution, the annual net income or loss of the respective year must be adjusted for profits and losses carried forward (Gewinn-/Verlustvorträge) from the previous year and for deposits into or withdrawals from reserves. German law requires that certain reserves are created and therefore deducted, where applicable, when calculating the balance sheet profits available for distribution. In a resolution regarding the utilization of balance sheet profits, the shareholders' meeting can include further amounts in retained earnings or carry them forward as profit.

Certain additional limitations apply if self-created intangible assets or deferred tax assets have been capitalized or certain plan assets that exceed corresponding pension liabilities have been capitalized; and from a valuation difference arising from the mandatory application of a higher long-term average interest rate for the present value calculation of pension liabilities instead of the average rate used for other long-term provisions. Currently the Company has no self-created intangible assets, valuable deferred tax assets, or pension liabilities, but may have such in the future.

The executive board must prepare the annual financial statements (balance sheet, statement of income and notes to the financial statements) and the management report for the previous financial year by the statutory deadline and present these to the auditors and the supervisory board immediately after preparation. As long as the Company is a small company in the sense of the German Companies Act, the presentation of a management report and a statutory audit is not required by law. At the same time, the executive board must present to the supervisory board a proposal for the allocation of the Company's distributable profit pursuant to Section 170 (2) of the German Stock Corporation Act (*Aktiengesetz*). Pursuant to Section 171 of the German Stock Corporation Act, the supervisory board must review the annual financial statements, the executive board's management report and the proposal for the allocation of the distributable profits, and report to the shareholders' meeting in writing on the results. The supervisory board must submit its report to the executive board within one month after they received the documents. If the supervisory board approves the annual financial statements after its review, these are deemed to be adopted unless the executive board and supervisory board resolve to assign the adoption of the annual financial statements to the shareholders' meeting. If the executive board and supervisory board choose to allow the shareholders' meeting to adopt the annual financial statements, or if the supervisory board does not approve the annual financial statements, the executive board must convene a shareholders' meeting without delay.

Dividends will be paid via the VPS Registrar in accordance with the procedures as set out in section 5.3 ("Manner of dividend payment to holders of VPS Shares"). Details concerning any dividends approved by the shareholders' meeting and the respective paying agents designated by the Company will be published in the German Federal Gazette (*Bundesanzeiger*). Shareholders using a custodian bank outside Germany must inquire at their respective bank regarding the terms and conditions applicable in their case. Notifications of any distribution of dividends resolved upon are published in the German Federal Gazette (*Bundesanzeiger*) immediately after the shareholders' meeting. There are neither dividend restrictions nor different procedures for shareholders residing outside Germany as compared to shareholders residing within Germany.

Under German law, the claim to dividend payments generally becomes statutorily time-barred after a period of three years starting at the end of the year in which the dividend payment has been resolved upon. If such claim is represented by a dividend coupon, such claim will lapse if the dividend coupon is not presented within the four-year period of presentation.

However, if the coupon is presented within the four-year period of presentation, the claim will lapse after two years following the expiration of the period of presentation. In case the dividend rights are statutory time-barred, the Company may retain the dividend as extraordinary gains.

5.3 Manner of dividend payment to holders of VPS Shares

For VPS account holders that have a NOK account linked to their VPS account, dividend will be credited directly to such NOK account. Investors residing in Norway but have not linked a NOK account to the VPS account will receive dividend by giro payment.

Any future payments of dividends on the VPS Shares to investors registered in the VPS register whose address is outside Norway and who have not supplied its VPS account administrator with details of any NOK account will be paid by the Company to the VPS Registrar and subsequently be denominated in the currency of the bank account of the relevant holder of the VPS Shares, and will be paid to the holders of VPS Shares through the VPS Registrar. Holders of VPS Shares who have not supplied the VPS Registrar with details of their bank account, will not receive payment of dividends unless they register their bank account details with the VPS Registrar. The exchange rate(s) applied when denominating any future payments of dividends to the currency of the relevant holder of VPS Shares will be the VPS Registrar's exchange rate on the payment date. Dividends will be credited automatically to the registered accounts of the holders of VPS Shares, or in lieu of such registered account, at the time when the holder has provided the VPS Registrar with its bank account details, without the need for holders of the VPS Shares to present documentation proving their ownership of the VPS Shares. The right of holders of VPS Shares to payment of dividends will lapse three years following the resolved payment date for those holders who have not registered their bank account details with the VPS Registrar within such date. Following the expiry of such date, the remaining, not distributed dividend will be returned from the VPS Registrar to the Company.

6. THE PRIVATE PLACEMENT

6.1 Details of the Private Placement

On 13 September 2021, the Executive Board, with the consent of the Supervisory Board of the same day, resolved to launch a private placement (the "**Private Placement**"). The Private Placement consisted of (i) an issuance of up to 683,500 new shares with a no par-value of EUR 1.00 each (the "**New Shares**") at a subscription price of NOK 610 per New Share from a share capital increase, increasing the Company's share capital from EUR 2,570,235.00 by up to EUR 683,500.00 to up to EUR 3,253,735.00 raising gross proceeds of approx. 416.9, and (ii) a sale of up to 29,500 shares by two of the existing shareholders of approximately NOK 18 million (the "**Sale Shares**"). In addition, certain existing shareholders (the "**Lending Shareholders**") lent Shares to the Euronext Growth Advisor of approximately 10% of the sum of the New Shares and the Sale Shares (the "**Borrowed Shares**"), to facilitate the allocation of Shares to investors in the Private Placement an equal number of Borrowed Shares as the number of Borrowed Shares (the "**Over-Allotted Shares**"). Aforementioned existing shareholders have granted the Euronext Growth Advisor with an option to acquire Shares from such aforementioned shareholders equal to the amount of Over-Allotted Shares (the "**Greenshoe Option**").

The total number of New Shares, Sale Shares and Over-Allotted Shares in the Private Placement therefore consisted of 781,000 Shares equating to NOK 476.4.

The book building period for the Private Placement took place from 14 September 2021 to 16 September 2021 and on 16 September 2021, the Executive Board, with the consent of the Supervisory Board of the same day, resolved that the capital increase shall be carried out. Notifications of allocation were issued on 17 September 2021 and the capital increase was registered with the commercial register on 21 September 2021. The New Shares are all be held by the VPS Registrar, who issued 683,500 VPS Shares representing beneficial interests in the New Shares on 27 September 2021, which were registered in the VPS on 27 September 2021. Delivery of these VPS Shares to investors who received allocations in the Private Placement will be made through the facilities of the VPS on or about 29 September 2021 on a delivery-versus-payment basis (DVP).

6.2 Shareholdings following the Private Placement

Upon delivery of the Private Placement Shares, the Company will have major shareholders as set out in Section 10.4 ("Ownership structure").

6.3 Use of proceeds

The proceeds from the Private Placement will predominantly be used to finance future plant constructions for own sites and for customers. EUR 6.5 million will be used to settle the purchase liability from the acquisition of the Pyrum S.A. shares. Approx. EUR 0.5 – 2.0 million will be used for working capital requirements.

In addition to the above, the proceeds will be used to cover relevant transaction costs incurred in connection with the Private Placement and the listing of the Shares on Euronext Growth.

6.4 Lock-up

6.4.1 *The Company*

Pursuant to a lock-up undertaking entered into in connection with the Private Placement, the Company has undertaken that it will not, without the prior written consent of the Euronext Growth Advisor, during the period up to and including the date falling 12 months from the first day of trading of the Shares on Euronext Growth, (1) issue, offer, pledge, sell, contract to sell, sell any option or contract to sell, grant any option right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Shares or any securities convertible into or exercisable for such Shares or other equity interests, or (2) enter into any swap or other agreement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Shares or other equity interests, whether any such transaction described is to be settled by delivery of Shares or other securities or interests, in cash or otherwise, or (3) publicly announce an intention to effect any transaction specified in (1) or (2) above. The foregoing shall not apply to (A) the issue of New Shares in the Private Placement, (B) any issue of consideration Shares by the Company for the acquisition of business, provided that the consideration Shares are subject to a similar lock-up undertaking, (C) the honouring of rights under a convertible loan agreement of EUR 6,600,000 concluded on 9th September 2020 with BASF, and (D) the sale and issuance of Shares directly to employees, granting of options or other rights to Shares, or the honoring of options or such other rights to Shares directly towards employees, by the Company pursuant to management or employee share incentive schemes.

6.4.2 *Management and board members*

Pursuant to lock-up undertakings entered into in connection with the Private Placement, members of the Board of Directors and Management holding Shares have undertaken that they will not, directly or indirectly, without the prior written consent of the Euronext Growth Advisor, during the period up to and including the date falling 12 months from the first day of trading of the Shares on Euronext Growth, (1) sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to purchase or otherwise dispose of or agree to dispose of, directly or indirectly, any Shares or any securities convertible into or exercisable or exchangeable for Shares, or warrants or other rights to purchase Shares or (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Shares or any securities convertible into or exercisable or exchangeable for Shares, or warrants or other rights to purchase Shares, whether any such transaction is to be settled by delivery of Shares or such other securities, in cash or otherwise, or (3) publicly announce an intention to effect any transaction specified in clause (1) or (2). The foregoing shall not apply to (A) the sale or other transfer of Shares as part of the Private Placement or the Admission, (B) any pre-acceptance, acceptance and any similar action in connection with a takeover offer for all Shares or a legal merger, (C) any sale of Shares in relation to the Company's incentive schemes in order to cover strike options, tax and cost and expenses, or (D) any transfer of Shares to a company wholly owned by the Primary Insider provided that such company (i) assumes the obligations set forth in this clause and (ii) remains wholly owned by the Primary Insider for the remaining part of the lock-up period.

6.4.3 *Shareholders*

Pursuant to lock-up undertakings entered into in connection with the Private Placement, the following Shareholders: Amel Holding SA, BASF, and Julien Dossmann have undertaken that they will not, directly or indirectly, without the prior written consent of the Euronext Growth Advisor, during the period up to and including the date falling 12 months from the first day of trading of the Shares on Euronext Growth, (1) sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to purchase or otherwise dispose of or agree to dispose of, directly or indirectly, any Shares or any securities convertible into or exercisable or exchangeable for Shares, or warrants or other rights to purchase Shares or (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Shares or any securities convertible into or exercisable or exchangeable for Shares, or warrants or other rights to purchase Shares, whether any such transaction described is to be settled by delivery of Shares or such other securities, in cash or otherwise, or (3) publicly announce an intention to effect any transaction specified in clause (1) or (2). The foregoing shall not apply to (A) the sale or other transfer of Shares as part of the Private Placement or the Admission, (B) any pre-acceptance, acceptance and any similar action in connection with a takeover offer for all Shares or a legal merger, or(C) any transfer of Shares to a company wholly owned by the shareholder provided that such company (i) assumes the obligations set forth in this clause and (ii) remains wholly owned by the shareholder for the remaining part of the lock-up period. The shareholder benefin Vermögensverwaltungs- und Beteiligungsgesellschaft mbH has undertaken the same lock-up as described above for a period up to and including the date falling 6 months from the first day of trading of the Shares on Euronext Growth.

Certain other current shareholders, with a shareholding of between 3-10% prior to completion of the Private Placement as described in Section 6.1 ("Details of the Private Placement") in the Company has entered into similar lock-up agreements as stated above, but with a lock-up period for six months.

6.4.4 *Lending Shareholders*

Potential purchases made as part of any stabilisation activities which will be redelivered to the Lending Shareholders will be subject to lock-up undertakings for a period of six months from the first day of trading of the Shares on Euronext Growth.

7. BUSINESS OVERVIEW

7.1 Introduction

Pyrum Innovations AG is an innovative recycling technology company based in Dillingen, Germany. Based on the worldwide patented thermal reactor and the European patented thermolysis process and apparatus, the Company develops, builds, owns and operates recycling plants. In the existing plant the Company extracts raw materials of high quality from used tires and other rubber waste and feeds them back into the material cycle. The output obtained include i) thermolysis oil, for which Pyrum has received REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) certification, ii) thermolysis carbon (so called recovered carbon black) and iii) thermolysis gas. These products serve as i) raw materials in certain applications in the industry, ii) a rubber-reinforcing additive used in a multitude of rubber products (e.g., tires) and iii) power and heat fed back to the recycling plant. In addition, the Company markets the thermolysis recycling plants worldwide and supplies them to its contractual partners.

In September 2020, BASF SE acquired a 10% stake in Pyrum as part of its ChemCyclingTM project and aims for access to any additional Pyrum or Pyrum contractual partner's production of thermolysis oil.

The Company's unique thermolysis process can combine rubber recycling with economic benefits and environment protection. The Company's industrial unit (yearly recycling capacity of 5,000 tons) is the proof of a well-functioning process that has also been patented.

7.2 History and important events

The table below shows the Company's key milestones from its incorporation and to the date of this Information Document:

Year	*Event*
2008	• Foundation of Pyrum Innovations ESC GmbH
2008/2009	• Construction and improvement of a pilot plant on a scale 1:3
2009	• Operation of a fully functional pilot plant
2010	• Test runs of potential customers with pilot plant
2011	• EU funding commitment
2012	• Planning and approval phase of a functioning industrial plant
2012/2013	• Building permission and start of a construction of the first industrial plant
2013-2015	• Construction of the 5,000 tons industrial plant in Dillingen, Germany
2015	• Completion of the first industrial plant and first test runs
2016	• Regulatory and material testing authorities approve the first industrial recycling facility
2015-2018	• Test runs of the recycling plant in 24/7 operation
2018	• Change of the legal form of Pyrum Innovations ESC GmbH into Pyrum Innovations AG
2018	• First company in Europe to receive a REACH certification for its pyrolysis oil
2019	• Operation of the upgraded industrial plant and construction of one of the biggest shredding units in Germany. Permanent run of the shredding unit since November 2019
2020	• Since May 2020 continuous production process of the pyrolysis plant and delivery of pyrolysis oil • Construction of coke mill (running since January 2021) • Investment of BASF and off-take agreement with BASF re pyrolysis oil
2021	• Off-take agreements re rCB with 2 international tires producers (Continental and Pirelli) • Winner of the "Recircle Award" in the category "Best Tire Recycling Innovation" • HoT with Suez UK to plan and construct pyrolysis plants in the UK • rCB MoU / strategic partnership with Schwalbe for waste collection system for bicycle tires and delivery of rCB • Pyrum received ISCC+ (International Sustainability & Carbon Certification) end of July 2021

7.3 The Company's business

7.3.1 *The Company's business model*

The Company's business model is based on two pillars: i) the operation of recycling plants and ii) the sale of recycling plants to third party operators. With regards to ii), Pyrum delivers the "Pyrum Technology part" (i.e., the tower with the thermolysis reactor, cooling system and power generators as the key elements), and has engaged subcontractors for parts of the plant, such as shredder, pelletizer, and carbon treatment. Pyrum acts as an EPC for the “Pyrum Technology parts”, only. Shredder, pelletizer, and carbon treatment are directly sold from suppliers to the Pyrum end customer.

- The operation of one of the Company's recycling plant offers predictable and recurring revenues, but it is more capital intensive compared to the sale of plants. Plant operations are planned with a regional focus on Europe only. The Company estimates that a pyrolysis plant with a capacity of 20,000 tons a plant can generate revenues of EUR ~9.0 m and an EBITDA (defined below) of EUR ~6.9m when running the plant. Based on the mentioned EBITDA (defined below), this equals a payback time of 2.8 years (based on construction costs of EUR 18-20m).

- In order to finance the investment in own plants, the Company is expected to sell recycling plants to third parties. The focus is on regions, mainly outside Europe, where the Company does not intend to operate own plants. The production of turnkey recycling plants is planned in collaboration with 20 worldwide partners. The manufacturing of crucial plant parts such as the thermolysis reactor, engines and the automation system is also outsourced to partner companies. The sales price for a pyrolysis plant with a capacity of 20,000 tons differs but is expected to be in a range of EUR 25-27m, depending on specifications and costs for the property. Pyrum receives advance payments for plant sales: 30% at signing contracts; 30% at end of engineering; 30% at delivery and 10% at ramp up. Given the mentioned construction costs the Company estimates a profit of approx. EUR 6–7m per plant sold.

- A combination of the mentioned two pillars is a so called SPV-model. Pyrum sells a plant to a third party in a SPV, while holding an equity share of 15-30% of the SPV. This capital light combination of the described two pillars allows a rapid rollout of busines plan and to receive dividends from the SPV. As the sales price for a plant with a capacity of 20,000 tons in an SPV-model equals the sales price when selling a plant to a third party, the profit from a plant sale stays the same (~EUR 6–7m). In addition to a pure sale, Pyrum is expecting to receive annual recurring inflow, such as maintenance fee (EUR ~0.3m) and a share of net dividend (EUR ~0.6m). The funding for the Pyrum share in this SPV-model is done by an equity stake (15-30% of plant) equals EUR ~ 3.0m, that is refinanced via a debt drawdown with 3% interest p.a.

The Company intends to pool the produced raw materials from both self-operated and customer plants in a separate trading company and to sell them to the market in bulk, thereby achieving better prices. In addition to these two main revenue streams and the combination hereof, the Company also will generate auxiliary revenues from maintenance and control fees for customer plants, commissions for the sale of shredding units for customer plants, fees for lab analyses and tests and royalties for granting distribution licenses for various countries.

7.3.2 *The End-of-Life-Tires' recycling process*

The Company currently addresses the recycling of rubber, especially used tires, so called End-of-Life-Tires. For the Company, it does not matter in which condition the tires are delivered. This means that defect tires can also be used in the recycling process. Both truck tires and car tires can be processed, however car tires have a higher degree of textile fibers and coke. The Company receives used tires basically from waste collection companies (among others are Veolia, Remondis, Suez, etc.), as they have to pay for the delivery of used tires to the Company. Hence, the Company receives a remuneration for the delivery of its feedstock. The waste collection companies collect End-of-Life-Tires from car garages, tire manufactures and municipalities.

In a first step, the rubber needs to be granulated into small pieces for process needs (1-12mm), thus the tires are being shredded. Out of a ton of used tires i) 730–750 kg of rubber granulates, ii) 150–250 kg of steel wire, and iii) 0–70 kg textile fibers can be obtained, depending on the input mix of truck/car tires. The steel wire is sold and sent for scrap processing and recycling. The textile fibers are used as insulation, as fiber reinforcement in concrete or as a substitute fuel. The rubber granulate is then processed into i) thermolysis oil, ii) thermolysis carbon and iii) thermolysis gas by the Company's thermolysis technology.

7.3.3 *Products out of the recycling process*

Thermolysis oil
The Company's thermolysis oil is a unique product oil, which is produced with highest quality and constant grade. These aspects make the thermolysis oil the first REACH certified recycling oil from rubber waste in Europe. A REACH certificate certifies that a product is compliant with the EU REACH regulation (EC) No 1907/2006 and aims to improve the protection of human health and the environment through the better and earlier identification of the intrinsic properties of chemical substances.

Thanks to the product status of the oil, it can be used as a raw material in various industries (chemical industry, refineries, carbon black production, etc.) and therefore does not fall under the waste legislation. For example, the Company's thermolysis oil is processed into new chemical products by BASF as part of its ChemiCycling™ project. These products are used by BASF customers from industries such as textile, medicine packaging and automotive. The Company sells its thermolysis oil under the brand "ThermoTireOil". Since May 2020 until 22 August 2021 the Company has delivered approx. 698 tons of pyrolysis oil delivered to BASF and Pirelli representing an adjusted utilization of ~58-70%. The Adjustments refer to 28 weeks without plant operations due to e.g., prolonged Christmas holiday, over-hours, to improve the future serial reactors and due to testing and renovation.

Thermolysis carbon
The thermolysis carbon is used i) by the rubber and plastics industry to produce new tires, rubber parts or plastic goods and ii) in various applications such as soil conditioner, substitute fuel, filler etc. However, it is mainly used to produce recovered carbon black. The Company's recovered carbon black can be supplied in ground form in sizes from 7-36 µm. In this form the carbon black is not easy to handle and only purchased by small niche manufacturers needing only some tons of material per year. Therefore, Pyrum has ordered a pelletizer from a well reputable German mid cap engineering company, that is to be delivered by end 2021. A pelletizer turns milled carbon black into pelletized rCB as the milled coke is moistened, mixed and dehumidified by the pelletizer. Pelletized rCB is the standard delivery form in tire, plastic and pigment industries and enables transport as bulk material in trucks and requires no packaging.

Thermolysis gas
The thermolysis gas is converted into electricity as an energy source for the Pyrum process in two combined heat and power units ("Blockheizkraftwerke") and used for the autonomous operation of the Pyrum plant.

Hydrogen (yet not on industrial scale)
The thermolysis gas is intercepted between the thermolysis system and the combined heat and power units and pumped through a pipe system under 5-10 bar pressure. The pipes are made of a special material so that the hydrogen can be separated from the thermolysis gas. This means that all other gas components migrate unhindered through the pipe system and arrive at the combined heat and power units at the end. The hydrogen, on the other hand, escapes through the walls of the pipes into another chamber, which is under negative pressure, and is collected. This negative pressure is essential, as it is used to direct the hydrogen through the pipe walls. This system called "Ferro Hy Tunnel" is a new development that was patented in 2016 by the company Mahnken and Partner. The technology currently only exists on a laboratory scale, however, Mahnken and Partner is currently looking for partners to implement this new technology on a large scale.

Rubber granules
Pyrumix is a high-quality rubber granulate, produced from a mixture of car, truck and aircraft tires, available in the particle sizes 1-3 mm, 1-4 mm, 1-5 mm and 1-6 mm. The mixture guarantees compliance with the strict PAH (Polycyclic Aromatic Hydrocarbons) limit values for use in new products. Pyrum rubber granulate from 100% truck tires is a quality product that meets the highest demands. It is available in the grain sizes 1-3 mm, 1-4 mm, 1-5 mm and 1-6 mm.

Steel wire
The unpurified Pyrum steel wire already has a purity of approx. 80% steel by weight. Through the after-treatment of the steel wire, the Company achieves a purity of more than 96% by weight. The wire can be purchased at the current mixed steel scrap price.

7.3.4 *Plant engineering*

The Company, based on many years of experience, offers their self-developed, turnkey laboratory systems for universities, technical colleges, research institutes and companies, among others. This may also provide a valuable contact point for potential customers in the industry. The Company can also offer individualized laboratory systems made of black and stainless steel including electronic control.

The Company develops and builds industrial recycling plants for rubber. The Company's plant in Dillingen/Saar is the first large-scale recycling plant based on the thermolysis technology developed and patented by the Company. After its development and commissioning in 2015, the plant now serves as a demonstration facility and is operated in continuous operation (24/7). This site is a standardized industrial recycling module in Germany. On basis of 6.600 tons End-of-life tires (composed of approximately 5.000 tons of rubber, approximately 1.300-1.600 tons of steel and 0-300 tons of textile fibres), this plant can transform 5,000 tons of rubber per year into 1,250 - 2,000 tons of thermolysis oil, 2,000 - 2,250 tons of Thermolysis carbon and 500 - 1,250 tons of thermolysis gas. It is compliant with the strict German law for environment protection ("BImSchG"). The unit is designed to work 7,800 hours a year (24/7) with an operating temperature of 500°C to 850°C. The 26-meter-high tower is designed to be installed everywhere, all around the world. It has been conceived in a very effective manner that helps to minimize space on the ground. The unit is automated to a very large degree. Only two to three workforce per shift is needed to run the installation. The automation system has been specially developed for the Company process. The module can easily be fine-tuned to accept different kinds of waste types.

7.3.5 *Other sources of revenue*

7.3.5.1 Licenses

Pyrum S.A. has licensed the intellectual property (patents) to the Company that it requires to fulfil its corporate objectives as well as business activities. For further details please see under Section 7.4.2.3.

7.3.5.2 Laboratory analysis

To determine the pyrolytic recycling of different input materials with the Company's technology for environmentally friendly and sustainable recycling, the Company offers test runs in different scales including a comprehensive product analysis.

Pyrolysis trials: Pyrum operates a laboratory plant which can replicate the process in the large-scale plant. Various process parameters can be varied according to the input material. In addition to individual tests to discuss general suitability, entire series of tests can be carried out to optimise the process parameters and pyrolysis products.

Analyses: Depending on the input material, the Company offers various analyses (oil, coke, and gas analyses) in addition to the standard procedures for characterising and classifying the pyrolysis products.

7.3.5.3 Consulting

Thanks to the Company's many years of experience in plant construction, approval procedures, project financing and funding opportunities, the Company also offers consulting and training. The Company's consulting services cover the following areas: Financial consulting (from start-up to SME); creation of business plans and project descriptions; consulting in the area of national and European funding opportunities; consulting and mediation in the area of plant safety and permits; consulting regarding recycling possibilities and technologies.

7.3.5.4 Marketing & sales

The Company focuses on R&D and engineering activities and cooperates with highly skilled partners for production and marketing & sales. International direct sales are driven by the Pyrum founders and their teams. In selected regions, distribution licenses have been granted to Volker Wessels (Belgium & The Netherlands) and Metform (Spain & Portugal).

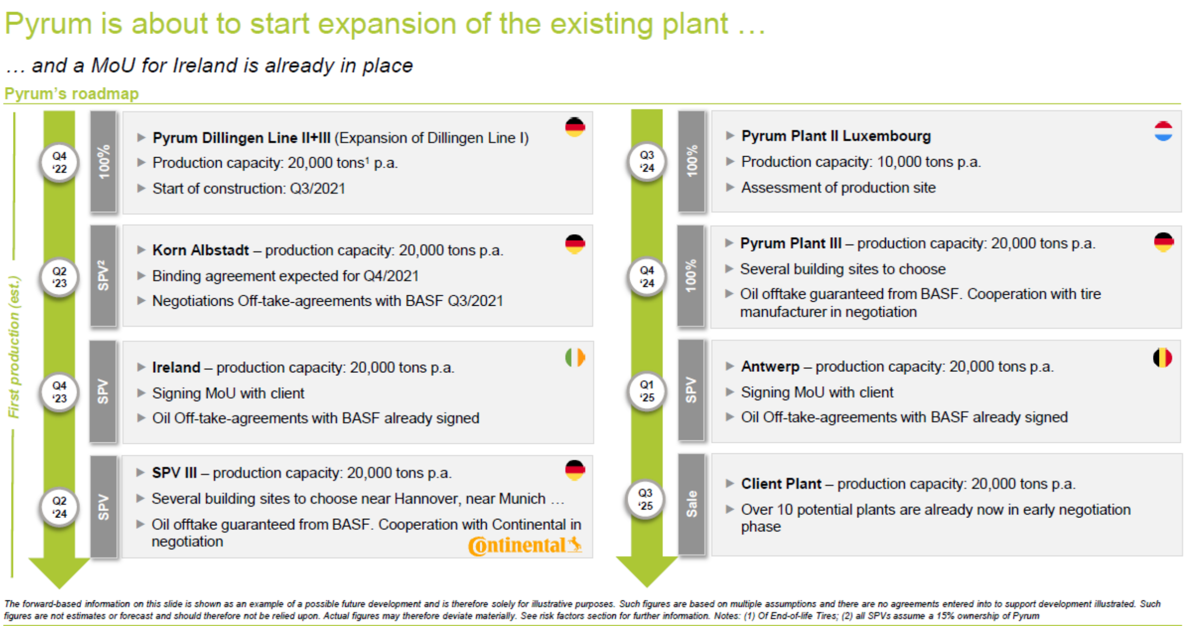
7.3.6 *Strategy*

The Company's strategy is based on its business model:

- Pyrum delivers turnkey plants based on a defined roll-out-plan: either i) with fully owned and operated plants, ii) plants sold to third parties or iii) a combination of i) and ii), where Pyrum hold a minority stake in a SPV to rapidly scale Pyrum's business over the upcoming years (see strategic roll out plan below)
- Focus on core Pyrum Technology", i.e.: The tower with the thermolysis reactor, cooling system, power generators and automation system
- In mid-term: Apply Pyrum core technology to other markets, e.g., Carbon-Fiber-Reinforced-Polymer (CFPR), Hydrogen production and PUR-Recycling

Strategic roll-out-plan:

- Pyrum expects to produce approx. 11 plants in a 5–6-year time horizon and more than 20 plants in the long-term.
- Mixture of self-owned and operated plants, plants sold to third parties and the SPV-model
- Mid-terms roll out plan in detail:



7.4 Principal Markets and Material Contracts

7.4.1 *Principal markets*

7.4.1.1 General remarks

Currently, the Company serves the rubber/End-of-Life-Tire (ELT) market only. Basically, the thermolysis technology can be adopted to the Ethylene-Propylene-Diene-Monomer (EPDM) market as well. These two segments are ready for market. Future addressable markets consist of hydrogen and Carbon-Fiber-Reinforced-Polymer (CFRP); however, they have not been marketed yet.

7.4.1.2 Rubber/End-of-Life-Tire (ELT)

There are many different ways to recover End-of-Life-Tires (i.e., used tires in the sense that a tire that can no longer serve its original purpose on a vehicle) that can be grouped into the following three categories: i) material recovery, ii) energy recovery and iii) civil engineering and backfilling. Tires can also be used in civil engineering as water retention basins, tire derived aggregates for road construction, etc., and as backfilling, i.e., land rehabilitation or backfilling in mining sites.

According to the World Business Council for Sustainable Development (WBCSD) (Research study: Global ELT Management 2019) the global End-of-Life-Tire market accounts for approx. 30.9 mt p.a. Approx. 56% of this amount is mistreated, i.e., incinerated or landfilled. Thus, the global End-of-Life-Tire market provides a high potential as mistreated ELTs account for approx. 17 mt p.a. Nowadays, shredding is one preferred way to treat End-of-Life-Tires, whilst in the future pyrolysis supports a more favourable green and profitable way to solve the End-of-Life-Tire problem.

7.4.1.3 Ethylene-Propylene-Diene-Monomer (EPDM)

Ethylene-Propylene-Diene-Monomer (EPDM) is used in the manufacture of technical products such as conveyor belts, roller covers, hoses, profiles, gaskets, cables, adhesives, molded parts and roofing membranes. Since the recycling of EPDM waste is impracticable up to now, the waste is either landfilled in accordance with the existing legal requirements or incinerated. In addition to the currently addressed End-of-Life-Tire market the Ethylene-Propylene-Diene-Monomer market could be developed at a later stage. Both markets represent a huge and suitable opportunity for innovative recycling processes to eliminate the worldwide rubber waste problem.

7.4.1.4 Hydrogen

After 5 years of research and development in the field of thermolysis of used tires, it has been confirmed several times that part of the gas produced consists of hydrogen. Thus, the Company plans to separate hydrogen from the Pyrum thermolysis gas and using it as a separate product. According to the first tests on a laboratory and pilot plant scale up to some 40% of the thermolysis gas consist of hydrogen and up to 13 kg of hydrogen can be generated per ton of old rubber.

Thus, a single Pyrum Thermolysis line could produce approximately 240 kg of hydrogen per day – enough to power a fleet of 8 passenger busses a day in a commuter service. The remaining thermolysis gas (without hydrogen) can still be converted into electricity in the existing combined heat and power units. The efficiency should increase, because the removal of the hydrogen in the thermolysis gas increases the calorific value of the gas and decreases the maintenance.

7.4.1.5 Carbon-Fiber-Reinforced-Polymer (CFRP)

Carbon-Fiber-Reinforced-Polymer (CFRP) is an extremely strong and light fiber-reinforced plastic which contains carbon fibers. Currently, there is no economic process for the recycling of CFRPs. 80% of carbon composites fall on the CFRP sector – this combination of materials is a major growth driver within the industry for the coming years, due to its outstanding lightweight construction potential. The customer industries for CFRP products are the aerospace, automotive, wind energy, sports & leisure and construction industries. The volume of CFRP waste cannot yet be conclusively quantified, however, it is already clear that materials that are no longer needed must be recycled in an environmentally friendly manner.

7.4.2 Material Agreements

The Company is party to the following agreements which it deems to be material:

- Agreement with Schäfer;
- License agreement with Pyrum S.A.; and
- Contracts with BASF,

as further described in Section 7.4.2.1 to 7.4.3.3.

Other than described below in this and the subsequent sections until Section 7.6, the Company has not entered any material contracts at the date of the Information Document. All other contracts were entered into by the Company in the ordinary course of business.

7.4.2.1 Co-operation Agreement and Purchase Contract with Schäfer Metallbau GmbH and RBD Rohrleitungsbau GmbH

With regard to the construction of the industrial-scale plant, the Company has agreed and from time-to-time amended various co-operation agreements with suppliers and subcontractors. The agreement with the highest volume of consideration regards the sub-contractor Schäfer Metallbau GmbH. According to this agreement, Schäfer has the right to receive a deferred compensation for its contracting services rendered until 2015 of EUR 150,000 each during the production of the next 10 pyrolysis reactor components. This agreement is reflected as an accrued liability in the Financial Statements (defined below). In addition, the Company has agreed a fix delivery contract for 10 reactors with RBD Rohrleitungsbau GmbH, a company affiliated with Schäfer, for a total amount of EUR 5,000,000.

7.4.2.2 License Agreement

Pyrum S.A., who will become a 100% subsidiary of the Company after the Admission (please also see below in Section 7.6), owns the intellectual property (patents) that the Company requires to fulfil its corporate objectives as well as business activities and which are further described in Section 7.8. With a license agreement entered into with Pyrum S.A. the Company has leased such patents for an indefinite term. The Company can terminate the license agreement with ordinary cause, Pyrum S.A. for extraordinary cause only.

7.4.2.3 Contracts with BASF

The Company has entered into a cooperation agreement with BASF in 2020. This includes off-take agreements for the plants the Company operates as well as for those endeavors, however on a case-by-case basis, where the Company is a stakeholder for the operation of such plants. Such off-take agreements are subject to separate agreements with BASF. Detailed terms for any off-take from such thermolysis plants are subject to final agreement between the relevant parties. This may include elements such as price, volume and quality of the products. It is emphasized that the price that the Company will receive from the sale of its products may vary from contract to contract and will be exposed to pricing of raw materials. The parties have entered into a mutual long-term agreement that includes the direct investment of BASF in the Company by way of a-cash contribution in the amount of EUR 8.5 million for Shares already subscribed in the Company as well as EUR 500,000 in Pyrum S.A. Further, the investment includes a convertible loan facility with a total volume of EUR 6.6 million in the Company as well as EUR 400,000 in Pyrum S.A. Further, BASF and the Company agreed on a strategic partnership by which the Company is incentivised by way of financing provided to the Company for future established SPV's tasked with the operation of such plants which then in return will sell all products generated from the thermolysis plants to BASF. For own plants, the Company is required to deliver all pyrolysis oil products to BASF. In the opinion of the Company, the cooperation is conducted on an arms length's basis to the benefit of all parties involved.

7.4.3 *Other agreements*

7.4.3.1 Framework Supply Agreement

The Company had entered into a framework supply agreement with BASF SE in March 2020 for the delivery of 2,500 metric tons of pyrolysis oil manufactured by the Company per calendar year but limited to the maximum quantity the Company is able to produce per calendar year. In September 2020 the commercial terms including the guaranteed offtake of the supply agreement were amended/renewed. As of 25 August 2021, the Company has delivered approx. 698 ton of pyrolysis oil delivered to BASF. Towards 2025, there is a joint ambition between Pyrum and BASF to increase capacity and deliveries to 100,000 tons pyrolysis oil per year. In addition, BASF will provide additional financing options for Pyrum participation in SPVs if BASF gets full access to SPV production. Detailed terms for any off-take from such thermolysis plants are subject to final agreement between the relevant parties. Off-Take Agreements mandatorily to be included only for plants 100% operated and owned by Pyrum, while there are no contractual claims of partners (SPVs).

The Company has signed letters of intent with Continental Reifen Deutschland GmbH and a Head of Terms with PIRELLI TYRE S.P.A. respectively. The parties intend to enter into future offtake agreements for pelletized recovered carbon black (rCB) produced by Pyrum. In addition, Continental plans a much deeper cooperation that is not simply limited to an offtake of rCB but also a strategic long-term partnership. Along with oil and gas, rCB is one of the raw materials that Pyrum extracts from scrap tires by means of the pyrolysis process. The offtake agreements are subject to other terms and conditions that have yet to be determined but the duration as well as the price for rCB has already been agreed with Pirelli.

The Company had entered into a Head of Terms with Suez Recycling and Recovery UK Ltd. Suez carriers on the business of recycling and resourcing and waste management. The parties will continue discussions and negotiations for the production, delivery, formation, testing, commission, and maintenance of a turnkey tire thermolysis plant at a location in the United Kingdom (except for Ireland and Northern Ireland).

In addition, Pyrum has entered into a MoU with Schwalbe Ralf Bohle GmbH to set up a strategic partnership to recycle bicycle tires. In the first step Schwalbe is to set up a waste collection system for bicycle tires in 50 test shops in Germany. The boxes therefore are being provided by Schwalbe, however, carrying also the Pyrum brand. The collected tires are reached out to Pyrum for recycling. As part of the partnership RCB is to be delivered to Schwalbe. Schwalbe intends to use the RCB in the production of new products. Schwalbe intends to use the RCB in the production of new products.

Part of the strategic partnership is an R&D program for the bicycle tire of the future (Development of an innovative, raw material recycling concept for old bicycle tires in terms of a closed cycle economy).

7.4.3.2 rCB memorandum of understanding/head of terms

The Company has signed a memorandum of understanding/head of terms with Continental Reifen Deutschland GmbH and PIRELLI TYRE S.P.A. respectively. The parties intend to enter into future offtake agreements for recovered carbon black (rCB) produced by Pyrum. The offtake agreements are subject to other terms and conditions that have yet to be determined. Along with oil and gas, rCB is one of the raw materials that Pyrum extracts from scrap tires by means of the pyrolysis process.

One of the memorandums of understanding/head of terms indicate a price-range for pelletized rCB that is in line with Pyrum's assumptions for a future price for rCB of 680 EUR/ton. The price level in the other MoU/head of terms is in the range (550-700 EUR/ton). To Pyrum, market players have indicated that rCB of the quality Pyrum offers, will obtain premium prices in the future. Further, Pyrum will search for the most competitive prices in the market/create competition between the suppliers.

The memorandum of understanding/head of terms refer to pelletized rCB as the tire producers can only purchase pelletized material due to their plant settings. To produce pelletized rCB, the Company intends to install a pelletizer at its current plant in Dillingen. The pelletizer has already been ordered and is to be delivered by end 2021.

7.4.3.3 Research and development agreements

The Company is a member of the BlackCycle Consortium, funded by the European commission under the well known Horizon 2020[1] program. The project is coordinated by the tire manufacturer Michelin and includes seven industrial partners, five research and technological organizations and an innovation cluster into a European consortium in five countries. BlackCycle aims to develop a "tire of the future" and to enable a circular economy of tires by designing processes to produce new tires from end-of-life tires.

The Company is a member of the “Infinity” project, which is currently in phase 2, and has started in November 2020. The aim of this project is to develop, establish and demonstrate a sustainable process cycle for carbon fiber composite materials using novel recycling technologies, materials and processing methods. This mainly refers to the recycling of Carbon Fiber Reinforced Polymers (CFRP), which can be found in wind turbines, aircrafts or electric vehicles. For example, blades of wind turbines consist of CFRP to withstand the high wind pressure and must be renewed every 15-25 years, each with a weight up to 25 tons. As of today, there is no recycling option for CFRP, and the waste is dumped on landfills.

Hydrogen is part of the Companies thermolysis gas. The Company aims to separate hydrogen out of the thermolysis gas and sell it as a new product. Using a special filter (separator) technology, the hydrogen can be separated out of the thermolysis gas in a pure and clean way without use of external energy. As a side effect, removing the hydrogen from thermolysis gas increases the calorific value and reduces maintenance cost of power generators.

To a minor extent the Company is planning to explore the possibilities to enter the Polyurethane (PUR) recycling market. PUR appears to be an ideal recycling material as it consists of homogeneous waste, that is little or no mix with other waste. Given these requirements, the Company could aim for a very stable end product quality.

7.4.3.4 Other agreements

The Company has entered into three leasing agreements for production facilities and machines, including a lease-purchase agreement (Mietkauf) in the amount of EUR 1,850,000.00 with the purpose of financing the acquisition of a shredding plant. With an affiliate of the vendor of the cokemill plant a financing loan of EUR 520,000 has been agreed. The Company has agreed several bank loans with its main business bank, the Sparkasse Merzig-Wadern, to finance plant assets as well as operating assets, and with four automotive banks to finance company cars.

Other than the convertible loan concluded with BASF, the Company entered into nine shareholder loan agreements with six different shareholders with nominal loan amounts between EUR 100,000.00 to EUR 300,000.00 and in the aggregate nominal amount of approx. EUR 1,150,000.00.

7.5 Real Property

The Company currently leases its main offices in Dieselstraβe 8, D-66763 Dillingen/Saar, Germany according to an agreement with UC Umwelt Consulting Immobilien GmbH whereby the Company leases certain office premises and the area for the Dillingen plant in the amount of TEUR 89 (for the fiscal year 2020).

The Company intends to sign a contract to purchase the building which is partly (5th floor and 1st floor) used for office and laboratory purposes, and the industrial area which is already leased and used for the existing Dillingen plant. The parties have initially discussed a purchase price of EUR 2,750,000 for the building and the industrial area. The final purchase price will be determined in the contract between the parties, inter alia based on an independent third-party valuation to be obtained following the Admission. The current landlord and seller is UC Umwelt Consulting Immobilien GmbH, which is controlled by the ultimate owner of Pyrum's shareholder Amel Holding S.A.

[1] Source: https://ec.europa.eu/programmes/horizon2020/en/what-horizon-2020”: Horizon 2020 is the biggest EU Research and Innovation programme ever with nearly €80 billion of funding available over 7 years (2014 to 2020) – in addition to the private investment that this money will attract. It promises more breakthroughs, discoveries and world-firsts by taking great ideas from the lab to the market.

Further, the Company owns the building site next to the Company's plant in Dillingen. The building site is held for further expansion, allowing for an increase of the size of the plant to three times the current size. The building site was purchased for a purchase price of EUR 775,000 plus taxes.

The Company has pre-requested a bank loan of EUR 2,680,000 for re-financing the above-mentioned real property acquisitions.

7.6 Group organisation

7.6.1 *General*

Pyrum Innovations AG, located in Dillingen/Saar, Germany, comprises the operating business, whereas Pyrum S.A., located in Schengen, Luxembourg, owns all registered intellectual property and patents. Pyrum Innovations AG has licensed all intellectual property from Pyrum S.A., a company duly registered under the law of Luxemburg and located in Schengen, Luxembourg.

7.6.2 *Acquisition of Pyrum S.A:*

To ensure the unlimited access to the IP, Pyrum subject to certain conditions has agreed to acquire, at arms lengths, all outstanding shares in Pyrum S.A. according to a purchase agreement entered into 4 May 2021. The purchase price is EUR 6,500,000 and is to be settled in cash using proceeds from the Private Placement. The execution of the acquisition is expected to take place within 7 business days following first day of trading on Euronext Growth. After completion of the transaction, Pyrum S.A. will serve as a 100% subsidiary of Pyrum.

There are no conditions precedent to be met for the completion of the acquisition, other than the payment of the purchase price. The purchase will become effective and the change of control will occur after the listing at the Euronext Growth. However, the Company may rescind the purchase in case the Shares have not been admitted to trading until 31 December 2021.

Pyrum S.A: is administered through a one-tier board of directors, which means that a single body of directors makes the strategic decisions of the company. The board of directors currently consists of Pascal Klein and Michael Kapf (members of the Executive Board of Pyrum). No advances or loans were granted during 2020 to the members of the management or the supervisory bodies of the company. Further is Pyrum S.A. subject to general taxation rules applicable to commercial companies in Luxembourg. Pyrum S.A. employed an average of one full-time equivalent person during the financial year 2020, and two persons for the financial year 2019.

The table below shows an overview over Pyrum S.A.'s key financials:

EUR thousands	**2020**	**2019**
Balance sheet items		
Fixed assets	5,399.6	7,595.9
Debtors	543,2	145.2
Cash at bank and in hand	503.0	1.2
Total assets	**5,942.7**	**7,741.1**
Equity	5,474.5	7,397.3
Provisions	4.0	3.7
Creditors	464.2	340.1
Total equity and liability	**5,942.7**	**7,741.1**
Income statement items		
Gross profit or loss	(25.9)	15.1
Staff cost	(7.6)	(70.8)
Opex and value adj.	(2,342.6)	27.3)
Interest expenses	(9.7)	(8.4)
Taxes	(37.0)	(37.7)
Profit or loss for the year	**(2,422.8)**	**(129.1)**

With regards to the key financials, Pyrum S.A. has no off-balance sheet commitments.

7.7 Competitive situation

Besides the Pyrum thermolysis process, there are basically two alternative technological approaches: rotary kiln pyrolysis technology and batch oven technology. From the Company's point of view, thermolysis process provides several advantages regarding technology, production process and environmental:

- The Company's technology enables controlled process conditions that result in controlled product quality. This is paired with a high reliability, as the Dillingen plant is running under normal industrial conditions since May 2020 in 24/7.

- The thermolysis process is a continuous process and the elapsed time between entry and exit of waste amounts to max. 40 minutes. The Lifespan of main reactor has 10 years guarantee as the reactor has no moving parts, in comparison to rotary kiln pyrolysis technology and batch oven technology. However, for maintenance, the reactor must stop every 3 months only, and each of the 150 heating sources can be replaced while the reactor is running.

- Based on the Company's knowledge, Pyrum is the only European company with a REACH certificate. The Company's plan shows low emissions due to electrical heating and environmentally friendly energy production and is non-toxic as the tires are exposed to temperatures between 450 and 550 °C just several seconds within a vacuum reactor.

7.8 Business-critical patents and licenses

The Pyrum S.A. has filed two patents for the Company's recycling technology. One of the patents is a European process patent from 2009 and the other patent for the reactor is an international patent (PCT) which was declared in 2011. Both patents expire 20 years after filing. The process patent is not deemed critical for the Company's business, and the Company can avoid it with some minor changes to the process. The reactor patent is deemed as business-critical for the Company's production as the Company is dependent on the right to use the protected IP. However, a significant input for the use of the technology is dependent on the know-how held by Pyrum and Pyrum S.A. This know-how is owned by Pyrum and could be declared as a new patent once the reactor patent ends.

7.8.1 *Thermal reactor*

A thermal reactor for the continuous thermolytic recycling of granules obtained from scrap tires, remains left over from vulcanization and scrap plastics and of similar products.

7.8.2 *Pyrolysis process and apparatus*

A multi-step, self-powered and continuously operating pyrolysis process for the fractional recovery of valuable materials and energy from flowing, high molecular weight cross-linked organic compounds, in particular of used tires, rubber profiles and other plastic granules, as well as the apparatus for carrying out the method.

7.9 Related party transactions

The following individuals and entities were considered related parties of the Company:

- Direct or indirect shareholders of the Company with a controlling or significant influence on the Company,
- The key management personnel of the Company, and
- Enterprises which can be controlled by the aforementioned individuals.

Related party transactions with a payment/remuneration threshold exceeding TEUR 10 are disclosed below.

1. Investment agreement concerning the BASF Investment as described in Section 7.4.2.3;
2. Convertible loan agreement with BASF concerning a loan and guarantee facility for a total amount of EUR 7,000,000.00 as described in Section 7.4.2.3 and 10.7;
3. The license agreement with Pyrum S.A. is described in Section 7.4.2.2. The share purchase agreement with the shareholders of Pyrum S.A. is described in Section 7.6;
4. Framework supply agreements with BASF SE dated 9/16 March 2020 as well as framework supply agreement with BASF dated 4/7 September 2020 as described in Section 7.4.3;
5. Nine shareholders loans with six different shareholders with nominal amounts between EUR 100,000.00 to EUR 300,000.00 and in the aggregate nominal amount of approx. EUR 1,150,000.00 as described in Section 7.4.3.4;
6. Lease agreements and contemplated agreement to acquire property with UC Umwelt Consulting Immobilien GmbH, a company controlled by the shareholder Amel Holding S.A., as described in Section 7.5;
7. Distribution and Service Agreements with related parties, as further described below in this Section 7.9;

Further to item 7, the Company has entered into the following distribution and service agreements with related parties:

- KORRO Consulting G.m.b.H (shareholder until September 2020, the entity is controlled by the ultimate owner of the shareholder Amel Holding S.A.) has entered into various service contracts with the Company, regarding industrial cleaning of the plant, with TEUR 22 remuneration in 2020;
- ALT + Kollegen GmbH (shareholder, its shareholder Manfred Alt is as well shareholder of Pyrum, and member of the Supervisory Board) has entered into a tax consulting agreement with the Company in the amount of TEUR 53 (for the fiscal year 2020);
- Mr. Norbert Orth (shareholder) has entered into a service agreement as technician with the Company in the amount of TEUR 112 (for the fiscal year 2020);
- Mr. Hubert Dossmann (close associate of the Company's major shareholder Julien Dossmann) has entered into a cooperation and commission agreement with the Company (no remuneration in 2020);
- Mr. Gerard Perrin (shareholder) has entered into distribution and delivery contracts with the Company (no remuneration in 2020);
- Dr. Martin Gitzinger (shareholder) has entered into a cooperation and commission agreement with the Company (no remuneration in 2020);
- Mr. Gerhard Robeller (shareholder of Rostabamy GmbH, a shareholder of the Company) has entered into a cooperation and commission agreement with the Company (no remuneration in 2020)
- KLD Klein Lux Dillingen GmbH (the entity is controlled by the ultimate owner of the shareholder Amel Holding S.A.) has agreed several service arrangements with TEUR 15 remuneration in 2020

Pyrum has granted to Pyrum S.A. in 2018 a loan with an amount of EUR 296,300 (including interest). The loan will be settled with the first licence fees due to Pyrum S.A. from the sale of plants to customers or completion of own plants.

In the Company's assessment, the Company's agreements in connection with related party transactions are entered into on arm's length terms. The Company has adhered to, and will following the Admission adhere to, applicable rules and regulations, in particular the German Stock Corporation Act, to ensure a lawful consideration of agreements with related parties. The Executive Board has adopted a policy on the conclusion of related party transactions and prepared guidelines on how to deal with related party transactions. The purpose of this policy is to continue to ensure and further enhance a proper analysis of each such contract (or change of contract) prior to its approval, and to establish measures for an effective oversight over the extent of related party relationships and their conditions. Related parties' transactions conducted outside the ordinary course of business or are exceeding value thresholds as set out in applicable rules of procedures for the Executive Board, will only be concluded with the consent of the Supervisory Board and at-arms-length as such agreements will be entered only into in adherence with the guidelines/polices which have been adopted by the Executive Board.

7.10 Legal and arbitration proceedings

From time to time, the Company may become involved in litigation, disputes and other legal proceedings arising in the course of its business. Neither the Company nor its subsidiary, is, nor has been, during the course of the preceding 12 months involved in any legal, governmental or arbitration proceedings which may have, or have had in the recent past, significant effects on the Company's and/or the Company's financial position or profitability, and the Company is not aware of any such proceedings which are pending or threatened.

8. SELECTED FINANCIAL INFORMATION AND OTHER INFORMATION

8.1 Introduction and basis for preparation

The audited financial statements as of and for the years ending on 31 December 2020 and 31 December 2019 (the "**Financial Statements**") have been prepared in accordance with German accounting requirements applicable to corporations and German GAAP under the German Commercial Code. The Financial Statements are included herein as Appendix B and Appendix C, respectively.

The Financial Statements are referred to herein as the "Financial Information". The Company presents the Financial Information in EUR (presentation currency).

The Financial Statements have been audited by the Company's independent auditor, Wirtschaftsprüfer (German CPA) Steuerberater (German tax advisor) Christian Hecht, Mergenthalerallee 77, 65760 Eschborn, Germany, as set forth in the auditor's opinion, which is included in the Financial Statements (see Appendix B and Appendix C). The auditor's opinion for the fiscal year 2019 is not modified but contains an explanatory note regarding the company's ability to act as a going concern, and referring to the language in the notes to the Financial Statements for that year. The auditor's opinion for the fiscal year 2020 is not modified.

The selected Financial Information presented in Section 8.2 to Section 8.6 below derives from the Financial Statements and should be read in connection with, and is qualified in its entirety by reference to, the Financial Statements included herein as Appendix B and Appendix C.

8.2 Summary of accounting policies and principles

For information regarding accounting policies and the use of estimates and judgments, please see the introductory section of the notes for the Financial Statements for 2020 and 2019.

8.3 Financial Information

The table below sets out selected data from Pyrum's audited income statement in accordance with German GAAP for the financial year ended 31 December 2020, with comparable figures for the financial year ended 31 December 2019.

Financial year ended December 31 (In EUR '000)	2020	2019
Revenue	662.7	169.7
Increase/decrease of finished goods	(10.3)	24.9
Increase/decrease of work in progress	(33.5)	17.5
Other own work capitalized	1,174.7	2,740.9
Other operating income	374.8	652.7
Expenses for materials		
Expenses for raw materials and supplies and for purchased goods	880.5	2,190.7
Expenses for purchased services	333.1	130.0
Personnel expenses		
Wages and salaries	1,589.9	1,039.4
Social security contributions and expenses for old-age procurement and assistance	301.0	189.4
Depreciation on intangible noncurrent assets and property, plant, and equipment	1,225.0	944.7
Other operating expenses	1,296.4	815.8
Income from noncurrent loans	8.6	8.4
Other interest and similar Income	6.8	0.1
Interest and similar expenses	129.2	87.6
Taxes from income	-	-
Result after tax	**(3,571.3)**	**(1,783.4)**
Taxes other than income taxes	3.7	3.3
Net loss of the year	**(3,575.0)**	**(1,786.7)**
Losses brought forward	(3,686.1)	(1,899.4)
Accumulated losses	*(7,261.1)*	*(3,686.1)*

The table below sets out selected data from Pyrum's audited statement of financial position in accordance with German GAAP for the financial year ended 31 December 2020, with comparable figures for the financial year ended 31 December 2019.

Financial year ended December 31 (In EUR '000)	2020	2019
A. Non-current assets		
I. Non-current intangible assets		
1. Acquired Rights and Licenses on such Rights	16.5	4.0
II. Property, Plant and Equipment		
1. Buildings on Leasehold Property	221.7	20.8
2. Technical Equipment and Machines	4,081.1	4,965.3
3. Other Equipment, Plant and Office Equipment	500.3	532.0
4. Advances paid and Asset under Construction	1,393.5	592.6
III. Non-current financial assets		
Other loans	296.3	287.7
Total non-current assets	**6,509.4**	**6,402.3**
B. Current assets		
I. Inventories		
1. Raw material and supply	23.8	44.6
2. Work in Progress	47.6	81.1
3. Finished goods	14.6	24.9
II. Receivables and other current assets		
1. Receivables from trade	60.0	33.2
2. Other current assets	95.9	145.2
III. Cash at hand and in bank	9,738.6	608.1
Total current assets	**9,980.6**	**937.3**
C. Deferred expenses	**29.3**	**2.7**
Total Assets	**16,519.2**	**7,342.3**
A. Equity		
I. Subscribed Capital	2,570.2	2,313.2
II. Capital reserve	11,574.1	3,331.1
III. Accumulated Losses	(7,261.1)	(3,686.1)
Total Equity	**6,883.2**	**1,958.2**
B. Provisions and accrued Liabilities		
I. Other provisions and accrued liabilities	2,118.2	2,127.1
C. Liabilities		
I. Liabilities to banks	1,019.8	431.6
II. Liabilities to trade	1,988.7	2,083.2
III. Other liabilities	4,509.3	742.2
Total liabilities	**7,517.8**	**3,257.0**
Total liabilities and Equity	**16,519.2**	**7,342.3**

In addition to the liabilities shown in the balance sheet, there are other financial obligations.

Financial year ended December 31 (In EUR '000)	2020
Obligations from rental and leasing contracts:	(1,786.7)
Payable in 2021	101.0
Payable in 2022	90.0
Payable in 2023	58.0
In subsequent years	13.0
Total	**262.0**

The table below sets out selected data from Pyrum's audited cash flow statement in accordance with German GAAP for the financial year ended 31 December 2020, with comparable figures for the financial year ended 31 December 2019.

Financial year ended December 31 (In EUR '000)	2020	2019
Result of the period	(3,575.0)	(1,786.7)
Depreciation/reversal of property, plant and equipment and non-current intangible assets	1,225.0	944.7
Increase/decrease of provisions and accrued liabilities	95.9	53.1
Increase/decrease of inventories, receivables trade and other assets not allocable to the investing or financing activities	(-22.0)	(271.1)
Increase/decrease of payables trade and other liabilities not allocable to the investing or financing activities	223.0	(78.0)
gains/losses from the disposal of noncurrent assets	(21.7)	0.0
Interest expense/income	113.8	79.1
Other income not allocable to the cash flow from operating activities	(209.9)	(560.0)
Cash flow from operating activities	**(2,170.9)**	(1,619.0)
Payments made for noncurrent intangible assets	(18.8)	(2.5)
Payments received from the disposal of property, plant and equipment	83.6	32.6
Payments made for property, plant and equipment	(1,377.9)	(1,040.1)
Interest received	0.1	0.1
Cash flow from investing activities	**(1,313.0)**	**(1,009.9)**
Payments received from capital contributions by shareholders	8,500.0	1,440.6
Additions to financial liabilities	3,690.0	900.0
Repayment of financial liabilities	(608.6)	(132.8)
Payments received from government grants/subsidies	1,111.7	466.2
Interest paid	(78.9)	(51.6)
Cash flow from financing activities	**12,614.3**	**2,622.4**
Cash-effective changes of the cash and cash equivalents	9,130.5	(6.5)
Cash and cash equivalents at the beginning of the period	401.1	407.6
Cash and cash equivalents at the end of the period	**9,531.6**	**401.1**

Financial trends

The Company has experienced an increase in revenues of approximately 290% from EUR ~0.2m to EUR ~0.7m, in the period 2019 to 2020. Meanwhile, the profit after taxes has decreased to EUR (~3.6m) in 2020, from EUR (~1.8m). In particular, the cost increase can be attributed to wages, depreciation and other operating income. By the end of 2020, the Company has accumulated losses of EUR (~7.3m).

At the annual General Meeting on 9th September 2020, the share capital was increased by the issue of 257,024 New Shares against cash contribution from 2,313,211.00 EUR by 257,024.00 EUR to 2,570,235.00 EUR. The New Shares were taken over by BASF, Antwerp/Belgium. In addition, the new shareholder contributed 8,242,976.00 EUR to the capital reserve according to sec. 272 para 2 no. 4 of the German Commercial Code. The capital reserve according to sec. 272 para 2 no. 1 of the German Commercial Code amounted is 3,331,098.18 EUR as of 31st December 2019 and unchanged as of 31st December 2020.

8.4 Recent developments and trends

8.4.1 *Market developments and trends*

The Global End-of-Life-Tire (ELT) market accounts for approx. 30.9 mt p.a. as tightening regulatory environment forces countries and corporates to take action. Such regulations include e.g. a landfill ban, under which landfill of End-of-Life-Tires and shredded tires is prohibited, as well as a ban on incineration, which involves (i) prohibition of burning rubber products and (ii) prohibition to use shredded tire granulate outdoors. Further, the EU Waste Directive will represent an impediment of the usage of recovered materials. In addition, the market has experienced increasing cost of CO2, which means that burning tires becomes more and more expensive.

8.4.2 *Company specific developments and trends*

The information and expectations presented below have been prepared based on the Company's current business plan and represent certain of the Company's preliminary expectations with respect to the periods indicated. While the Company believes these expectations to be reasonable, the Company's actual results could vary materially from these expectations. All such information and expectations are subject to inherent risks and uncertainties and may be subject to change. As such, you *should not place undue reliance on the information and expectations presented below or on any other information included in this section. See Section 3.3 ""Cautionary note regarding forward-looking statements") and Section 1 ("RISK FACTORS") for a more complete discussion of certain of the factors that could affect the Group's performance and results of operation.*

8.4.2.1 Current/outlook re input factors:

As of end of August 2021, Pyrum has sourced 3,185 tons of End-of-Life-Tires, which represents a run rate for 2021 of 4,824 tons (based on one production line of ~6 600 tons end-of-life-tire capacity and 4-4.8 tons per day thermolysis oil capacity). That equals to ~73% of total capacity of the current Pyrum plan. For comparison: in 2020 Pyrum has sourced 3,185 tons of End-of-Life-Tires, representing ~55% of total capacity.

8.4.2.2 Capacity outlook:

Based on the current plant in Dillingen with yearly recycling capacity of 5,000 tons Pyrum plans to build-up capacity according to their role-out plan. Pyrum's role-out plan involves a short-term target to increase capacity to 20,000 tons at the current site in Dillingen. Building permit for the site in Dillingen are already in place, for the Company to reach the short term target. The Company's mid-term target is to increase capacity to ~130,000 tons from SPV and Pyrum's own operated plants. The long-term target for the Company is to increase capacity to ~450,000 tons, which also includes plants owned by third parties.

8.4.2.3 Financials outlook

Sales and earnings before interest, tax and depreciation and amortization ("EBITDA")

On a short-term basis Pyrum expects to increase sales to MEUR 1.3 for 2021 and an EBITDA of MEUR -3 before costs for the Private Placement and the Admission. The mid-term sales target of the Company is sales of MEUR ~50, which the Company believes will be reached based on organic growth from product sales and maintenance fees from SPV and customer plants, as well as MEUR 7-13 p.a. from plant sales to customers. With regards to EBITDA, the Company aims for a mid-term target in a range of MEUR 30-40. Based on the roll-out of plants, the long-term sales target for Pyrum is to reach sales for above MEUR 120. The long-term target with regards to EBITDA is in a range of MEUR 70-80, and is mainly driven by own operated plants.

Free cash flow

On a short-term basis, the Company aims the free cash flow to remain negative at MEUR (-18). The Company's mid-term target for free cash flow is to increase it to breakeven, while the Company's long-term target is to increase the free cash flow to MEUR 40-50. In parallel to the increasements in the Company's free cash flow, Pyrum plans to deliver to a debt/total capital of 10% as opposed to 40% as of today.

8.4.2.4 General remarks

It is the Company's opinion that the business plan post the contemplated Private Placement in connection with the Admission is fully financed and supplemented by bank and project loans, and the Company has limited needs of net working capital. Looking forward, Pyrum plans to spend capital investments in a range of MEUR 12-40 p.a. depending on the role out plan, and profit from sales of plants per annum is expected in a range of MEUR 7-13.

8.4.3 *Significant changes in the Company's financial or trading position*

On 17 May 2021 the Company purchased the building site next to the Company's plant in Dillingen to increase the size of the plant to three times the actual size for a purchase price of EUR 775,000 plus taxes.

On 18 May 2021 the Company entered into an agreement with the company NEA on the purchase of a pelletizing machine to be able to fulfill the delivery contracts already entered into and which are soon to be entered into for the recovered carbon black. The budget price paid for the pelletizing unit was EUR 1.2 million.

Further, the Company has entered into an agreement for purchasing the property of the Company's plant in Dillingen. This agreement is further described in Section 7.5 above.

Other than mentioned above, the Private Placement and the acquisition of Pyrum S.A. as further described in Section 7.6, the Company has not carried out any transactions after the last audited accounts that represent a change of more than 25% in its total assets, revenue or profit or loss. The Company is not aware of any significant change in the financial or trading position of the issuer which has occurred since 31 December 2020.

8.5 Working capital statement

The Company is of the opinion that the working capital available to the Company, including the proceeds from the Private Placement described in Section 6, is sufficient for the Company's present requirements, for the period covering at least 12 months from the date of this Information Document.

9. CORPORATE BODIES AND CORPORATE GOVERNANCE OF THE COMPANY

9.1 Introduction

The corporate bodies of the Company are the Executive Board, the Supervisory Board and the General Meeting. The powers of these bodies are governed by German law – in particular the German Stock Corporation Act (*Aktiengesetz*) –, the Articles of Association of the Company and the rules of procedure for the Executive Board and the Supervisory Board (if applicable).

The General Meeting is the highest decision-making authority of the Company. All shareholders of the Company are entitled to attend and vote at General Meetings if their shares are registered in the share register and if they have registered themselves in good time. In accordance with the legal requirements, shareholders of the Company whose shares of stock, in the aggregate, are at least equivalent to one twentieth of the share capital of the Company, or to a stake of 500,000 euros, are also entitled to demand that items of business is set out in the agenda for a General Meeting.

The Executive Board manages the business activities of the Company under its own responsibility in accordance with applicable law, the Articles of Association and the rules of procedure for the Executive Board and the Supervisory Board, and taking into account the resolutions of the General Meeting. The Executive Board represents the Company in external affairs. It ensures the introduction and implementation of appropriate risk management and controlling and, in particular, ensures the establishment of a vetting system so that developments jeopardizing the continued existence of the Company can be identified at an early stage. The Executive Board is also required to report regularly to the Supervisory Board on the performance of the Company and its subsidiary and the course of business. It is also obliged to submit certain corporate plans (including financial investment and personnel plans) for the coming financial year to the Supervisory Board. In addition, in all matters of particular importance to the Company, any member of the Executive Board who becomes aware of such matters shall immediately report to the Supervisory Board. Matters of particular importance also include all developments and events at a subsidiary of which the Executive Board becomes aware that could materially affect the situation of the Company.

The General Meeting appoints the members of the Supervisory Board. The Company intends to engage in a dialog with its shareholders on the composition and structures of the corporate bodies, in particular the Supervisory Board, in consideration of the interests of new shareholders. The Company is within the applicable rules and regulations, in particular the German Stock Corporation Act, open minded for a revised composition of the Supervisory Board and the election of new Supervisory Board Members in the future, which is, however, ultimately the responsibility of the shareholders.

The Supervisory Board appoints the members of the Executive Board and is entitled to dismiss them for grave cause. A simultaneous membership of the Executive Board and the Supervisory Board is not permitted. The Supervisory Board advises the Executive Board on the management of the Company and monitors its management activities. Management activities cannot be transferred to the Supervisory Board.

The members of the Executive Board and the Supervisory Board have duties of loyalty and care towards the Company. In doing so, the members of these bodies must take into account a wide range of interests, in particular those of the Company, its shareholders, its employees and its creditors. In particular, the Executive Board must take into account the rights of shareholders to equal treatment and equal information. If the members of the Executive Board or Supervisory Board breach their duties, they shall be jointly and severally liable to the Company for damages.

In principle, a shareholder has no possibility of taking legal action against members of the Executive Board or Supervisory Board if he or she believes that they have breached their duties towards the Company and as a result the Company has incurred losses. As a rule, claims for damages of the Company against members of the Executive Board or Supervisory Board can only be enforced by the Company itself, whereby the Company is represented by the Executive Board in the case of claims against members of the Supervisory Board and by the Supervisory Board in the case of claims against members of the Executive Board. According to a decision of the Federal Court of Justice, the Supervisory Board is obliged to assert a claim for damages with a prospect of success against members of the Executive Board unless significant concerns for the well-being of the Company outweigh or at least outweigh the reasons for such a claim and makes such a claim inadvisable. If the relevant representative body decides against asserting this claim, claims for damages are to be asserted against the Executive Board and Supervisory Board, provided that the General Meeting adopts a resolution to this effect by a simple majority.

9.2 The Management (Executive Board)

The management of the business of the Company is conducted by the Executive Board.

9.2.1 *General*

The Company's Articles of Association provide that the Executive Board shall consist of at least one board member, as appointed by the Company's Supervisory Board. The Supervisory Board determines the number of members of the Executive Board. As of the date of this Information Document, the Company's Executive Board consists of two members. The Supervisory Board may nominate a chairperson of the Executive Board as well as a deputy chairperson of the Executive Board.

The Company's registered business address, Dieselstraβe 8, D-66763 Dillingen/Saar, Germany, serves as business address for the members of the Company's Executive Board in relation to their directorship in the Company.

9.2.2 *The composition of the Executive Board*

The names and positions of the members of the Executive Board and the management of the Company are set out in the table below.

Name	Function	Served since	Term expires	Shares	Options
Pascal Klein	Chairperson, CEO, CFO, COO	2018*	2023	331,505	None
Michael Kapf	Board member, CIO, Head of HR	2018	2024	39,396	None
Kai Winkelmann	Head of Business Administration	2021	-	2,337	None

*Prior to his position as chairperson of the Executive Board of Pyrum, Pascal Klein served as general director of Pyrum ESC GmbH since 2008.

9.2.3 *Brief biographies of the members of the Executive Board and the management team*

Set out below are brief biographies of the members of the Company's Executive Board, including their relevant management expertise and experience and an indication of any significant principal activities performed by them outside the Company.

Mr. Pascal Klein, **Chairperson of the Executive Board**
Mr. Pascal Klein received his bachelor degree in 2006 in "International Management" at ISEG Strasbourg. In 2008, he received his master's degree in Business Administration (MBA) at ISM Paris and St. Johns' University New York. He is a founding member of the Company and served as general director of Pyrum ESC GmbH since 2008. From 2018 he has held the positions as chairperson of the Executive Board, CEO, CFO and COO of the Company and is also a board member of Pyrum S.A.

Mr. Michael Kapf, **board member of the Executive Board**
Mr. Michael Kapf received a degree (IHK) as Computer Science Expert at Deutsche Telekom AG / Saarbrücken in 2007. He previously worked as a consultant in the European area for the company Hartech KG / Rehlingen-Siersburg. He is a founding member of the Company.

Mr. Kai Winkelmann, Head of Business Administration
Mr. Kai Winkelmann is educated within banking and graduated from the Banking academy in Hamburg in 1997. From 1997 to 2003, Mr. Winkelmann worked as a trader within the fields of equities and bonds. From 2003 he became a member of the executive board and the general manager at equine Bank AG. From 2018 to December 2019, Mr. Winkelmann had the position as Head of Trading Germany for Pareto Securities AS.

9.2.4 *Liability of Directors*

Board members owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the board members act in the best interests of the Company when exercising their functions and exercise a general duty of loyalty and care towards the Company. Their principal task is to safeguard the interests of the Company.

The Supervisory Board may revoke the appointment of an Executive Board Member prior to the expiration of his or her term for good cause, such as for gross breach of fiduciary duties or if the shareholders' meeting passes a vote of no-confidence with respect to such member, unless the no-confidence vote was clearly unreasonable according to Section 84 para. 3 German Stock Corporation Code (*Aktiengesetz*).

9.3 The Supervisory Board

The Company's Articles of Association provide that the Supervisory Board shall consist of five members, as elected by the Company's shareholders in a General Meeting. As long as BASF with registered office in Antwerp is a shareholder of the Company, BASF has the right to delegate one member to the Supervisory Board.

The Company's registered business address, Dieselstraβe 8, D-66763 Dillingen/Saar, Germany, serves as business address for the members of the Company's Supervisory Board in relation to their directorship in the Company.

9.3.1 *The composition of the Supervisory Board*

The names and positions of the members of the Supervisory Board are set out in the table below.

Name	Function	Served since	Term expires	Shares*	Options
Alf Schmidt	Chairperson	5 February 2018	2023	2,600	None
Manfred Alt	Deputy chairperson	5 February 2018	2023	28,232	None
Jürgen Franz Opitz	Board member	5 February 2018	2023	231,671	None
Jürgen Fischer	Board member	28 August 2018	2023	122,472	None
Matthias Lindner	Board member	1 April 2021	-	0	None

*Shareholding includes Shares held by entities under the relevant board member's control.

9.3.2 *Brief biographies of the members of the Supervisory Board*

Set out below are brief biographies of the members of the Company's Supervisory Board, including their relevant management expertise and experience and an indication of any significant principal activities performed by them outside the Company.

Mr. Alf Schmidt, **Chairperson of the Board**
Mr. Alf Schmidt studied academic studies law at the University of Heidelberg from 1981 to 1990. From 1990 to 2004 Mr. Schmidt held various positions in the company Wacker Chemie AG in Munich, e.g. head of Business Unit Micro Porous Insulation and managing director of Wacker Chemie South Korea. Mr. Schmidt has further held the position as vice president corporate development in ThyssenKrupp Automotive from 2004 to 2007. Currently, Mr. Schmidt is the CEO of IBG Industrie-Beteiligungs-Gesellschaft mbH & Co, a position he has held since 2007.

Mr. Manfred Alt, **board member**
Mr. Manfred Alt is educated as a tax advisor and has been a sworn accountant since 1991. From 1975 to 2008 Mr. Manfred Alt was employed by the company UWS Steuerberatungsgesellschaft mbH where he from 1975 to 1988 served as a tax advisor and from 1988 to 2008 he also held the position as managing director. From 2008 to 2019 Mr. Manfred Alt served as tax advisor and managing director at Alt + Kollegen Steuerberatungsgesellschaft mbH. Currently, Mr. Manfred Alt holds the position as counsel in Alt + Kollegen Steuerberatungsgesellschaft mbH. Since August 2017 he joined Pyrum Innovations ESC GmbH (since February 2018 Pyrum Innovations AG) as board member and deputy chairman of the Supervisory Board.

Mr. Jürgen Franz Opitz, board member
Mr. Jürgen Franz Opitz is educated as a banker. Mr. Jürgen Franz Opitz was a founder of and has been the managing director of Satherm GmbH, a German supplier of spare parts for industrial maintenance, since 1976. In his position with Satherm GmbH Mr. Jürgen Franz Opitz has had experience with i.a. wholesale and foreign trade. Since 1994, Mr. Jürgen Franz Opitz has been managing director of ETC Sàrl. Mr. Jürgen Franz Opitz has been a member of the Supervisory Board of Pyrum since 2018. In addition, Mr. Jürgen Franz Opitz currently holds various positions in company start-ups worldwide.

Mr. Jürgen Fischer, board member
Mr. Jürgen Fischer holds a business graduate degree, "Diplom-Kaufmann", from the University of Saarbrücken from 1990. From 1990 to 1996 Mr. Fischer worked for a Big Four accounting firm as a chartered accountant. Since 1996 he has been a co-founding partner and director of FINOVA S.à.r.l., an independent auditing, accounting and consulting firm which became member of UHY International, a network of independent accounting and consulting firms. Since 2014, Mr. Fischer has also served as a director of Bonacapital Family Office.

Mr. Matthias Lindner
Mr. Matthias Lindner is a business graduate with extensive experience from international industry, controlling and market experience where he has held several positions. Mr. Matthias Lindner has been with BASF since 2000. Since 2019, Mr. Matthias Lindner has worked as a division controller of the petrochemicals division.

9.4 The General Meeting

Besides the Executive Board and the Supervisory Board, the General Meeting is one of the governing bodies of the Company. However, it does not exist permanently, but is convened at least once a year to perform certain tasks. These include, for example, the election of the Supervisory Board and the ratification of the actions of the Executive Board and Supervisory Board.

The General Meetings (ordinary and extraordinary) are at the Company's Executive Board's option either held at the Company's registered seat or at the place of a stock exchange in Germany or in a city with more than 100,000 inhabitants (section 14 of the Articles of Association).

Each Share entitles the shareholder to one vote in the respective General Meeting. Unless mandatory law and/or the Articles of Association do not provide otherwise, resolutions are adopted by a simple majority of the votes cast and, if a capital majority is required, with the simple majority of the share capital represented on the adoption of a resolution.

According to mandatory law, certain resolutions of fundamental importance require, in addition to the majority of votes cast, a majority of three quarters of the share capital represented at the adoption of the resolution. Resolutions of fundamental importance include in particular:

- Changes of the corporate purpose of the Company;
- Share capital increases; if preference shares are issued, and share capital decreases;
- Creation of authorized and conditional share capital;
- Exclusion of the subscription rights of shareholders;
- Mergers, split-ups, spin-offs as well as the transfer of all assets of the Company;
- Entering into enterprise agreements (*Unternehmensverträge*) (in particular domination agreements and profit and loss transfer agreements (*Beherrschungs-und Ergebnisabführungsverträge*));
- Change of the corporate form of the Company; and
- Dissolution of the Company.

9.5 Share incentive schemes

As of the date of this Information Document, the Company does not provide for any share incentive schemes.

9.6 Employees

As of the date of this Information Document, the Company has 53 employees. As at 31 December 2020 and 2019, the Company had 43 and 22 employees, respectively.

9.7 Bonus agreements and benefits upon termination

The members of the Executive Board will receive a bonus of EUR 150,000 each in connection with the Admission to trading on Euronext Growth. The members of the Executive Board also receive a fixed annual payment based on company profits. There are no additional severance payments for termination.

9.8 Corporate governance

The German Government Commission of the German Corporate Governance Code (Regierungskommission Deutscher Corporate Governance Kodex) established by the German Federal Ministry of Justice in September 2001, approved the German Corporate Governance Code on 26 February 2002 ("**Code**"), and most recently adopted various amendments to the Code on 16 December 2019. The Code contains recommendations and suggestions for the management and supervision of German listed companies. In this respect, it is based on internationally and nationally accepted standards for good and responsible corporate management. The Code is intended to make the German corporate governance system transparent and comprehensible. The Code includes recommendations (so-called "shall provisions") and suggestions (so-called "should or can provisions") on corporate governance in relation to shareholders and the shareholders' meeting, the Executive Board and the Supervisory Board, transparency, accounting and auditing of financial statements. The Code is available at: www.corporate-governance-code.de.

There is no obligation to comply with the recommendations or suggestions of the Code. However, Section 161 of the German Stock Corporation Act (Aktiengesetz) obliges the Executive Board and the Supervisory Board of a company listed on the stock exchange to declare annually either that the recommendations of the Code were and are being complied with, or to declare which recommendations were not and are not applied and the reasons therefor. This declaration is to be made accessible to shareholders.

Prior and following to the listing of the Shares on Euronext Growth, the Company will not be required to ensure that it complies with the Code. The Company's Admission to trading on Euronext Growth is not considered as a "listing" in the meaning of Section 161 of the German Stock Corporation Act. Since only companies whose shares of stock are admitted to trading on a market that is regulated and monitored by officially recognised bodies, that takes place on a regular basis, and that is indirectly or directly accessible to the general public, are listed companies in the meaning of the German Stock Corporation Act. However, the Company nevertheless recognizes the principles of good corporate governance expressed in the Code and intends to be guided by them.

9.9 Conflicts of interests etc.

The Company has entered into certain service agreements with close associates of members of the Supervisory Board. All such related party agreements are entered into at arm's length terms, or at to the advantage of the Company as accepted by the relevant counterparty, and are further presented in Section 7.9 ("Related party transactions"). Although the Company consider the risk of potential conflicts resulting from these agreements as low, there is an inherent risk of conflict between the interest of the Company and the close associates. Other than this, there are no potential conflicts of interest between the obligations of the members of the Executive Board and Supervisory Board to the Company and their private interests or other obligations. In accordance with the existing service contracts of the members of the Executive Board, the members of the Executive Board are subject to a comprehensive non-competition clause that goes beyond the provisions of Section 88 of the German Stock Corporation Act (Aktiengesetz).

Apart from the above mentioned right, granted to BASF with registered office in Antwerp to appoint one member of the Company's Supervisory Board, there are no agreements or arrangements with major shareholders, customers, suppliers or other persons under which a member of the Executive Board or the Supervisory Board has been appointed as a member of the Executive Board or Supervisory Board.

The Company has not granted any loans to members of the Executive Board or Supervisory Board, nor has it assumed any guarantees or warranties on their behalf. The Company "Alt + Kollegen", which is run by the son of Mr. Manfred Alt, who is a member of the Supervisory Board of the Company. Further, Mr. Jürgen Fischer, member of the Company's Supervisory Board, is the owner of the Company's accounting firm in Luxembourg for Pyrum S.A. Other than this, the Company has not entered into any consulting, licensing or other agreements with the members of the Supervisory Board.

There are no family relationships between members of the Supervisory Board or between members of the Supervisory Board and the Executive Board.

Other than the above, no member of the Company's Executive Board and Supervisory Board has, or have had, as applicable, during the last five years preceding the date of the Information Document:

- any convictions in relation to fraudulent offences;
- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or was disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or
- been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his or her capacity as a founder, member of the administrative body or supervisory body, director or senior manager of a company.

10. CORPORATE INFORMATION, SHARES AND SHAREHOLDERS MATTERS

10.1 Corporate information

The Company's legal name is Pyrum Innovations AG. The Company is a German stock corporation, incorporated and existing under the laws of Germany. The Company's registration number with the Commercial Register of the Local Court of Saarbrücken is HRB 104458. The Company's legal entity identifier (LEI) is 39120067WWD5WF229E72.

The registered office of the Company is Dillingen/Saar, the Company's registered address is Dieselstraβe 8, D-66763 Dillingen/Saar, Germany. The telephone number of its registered office is +49 6831 959 48 0 and its website is https://www.pyrum.net/for-a-cleaner-world/.

The Company's financial year is the calendar year.

The Company is authorized to undertake all acts and measures that are suitable to directly and indirectly serve the objective of the Company as set out below in Section 10.9.1.

The announcements of the Company shall be published in the German federal gazette (*Bundesanzeiger*).

The Company expects that the first General Meeting of the Company to be held after the Admission will be the annual General Meeting in spring 2022.

10.2 Legal structure of the group

At the date of this Information Document, Pyrum has no subsidiaries nor other participations in legal entities. After the effective date of the share purchase agreement disclosed under Section 7.6, the Company's group will consist of the Company and Pyrum S.A., a stock corporation incorporated under the laws of Luxembourg and with its registered office in Schengen, Luxembourg, registered with the commercial register of Luxembourg under B145120 as a 100% subsidiary of the Company.

The Company was founded on 10 September 2008, under the name Pyrum Innovations ESC GmbH, and converted into a stock corporation under the laws of Germany in accordance with the conversion resolution dated 18 August 2017. Pyrum Innovations AG was subsequently registered with the Commercial Register of the Local Court of Saarbrücken (Amtsgericht Saarbrücken) on 5 February 2018.

10.3 Share capital and share capital history

10.3.1 *Overview*

As of the date of this Information Document, the Company's registered share capital amounts to EUR 3,253,735 divided into 3,253,735 Shares. All of the Company's Shares have been issued under the German Stock Corporation Act (*Aktiengesetz)*, are validly issued and fully paid.

The Company has one class of shares, and there are no differences in the voting rights among the shares. The Company's Shares are freely transferable, meaning that a transfer of Shares is neither subject to the consent of the Executive Board, Supervisory Board nor rights of first refusal.

The Euronext Growth listing committee resolved to admit the Company's Shares to trading on Euronext Growth on 28 September 2021. The first day of trading on Euronext Growth is 30 September 2021 under the ticker code "PYRUM".

On Euronext Growth, the Shares will be traded in the form of VPS Shares that represent the beneficial interests in the underlying Shares. The VPS Shares will be registered in the VPS in book-entry form under the name of a "share" and will be traded on Euronext Growth in NOK in the form of VPS Shares as "shares in Pyrum Innovations AG". Each VPS Share will represent one Share deposited with Clearstream (defined below) and the VPS Shares will have the same par value as the Shares.

Through its nominee in Germany, Baader Bank AG, the VPS Registrar will hold the underlying Shares to be registered in the VPS in the form of VPS Shares deposited with Clearstream Banking Aktiengesellschaft, Mergenthalerallee 61, 65760 Eschborn, Germany ("**Clearstream**"). The VPS Registrar will register the beneficial interests representing the relevant Shares in the VPS, which following such registration will reflect the beneficial shareholders, either personally or through nominee registrations.

All Shares and the VPS Shares, are freely transferable, meaning that a transfer of Shares and/or VPS Shares is not subject to the consent of the Executive Board or any other corporate consents or rights of first refusal. The VPS Shares are registered in the VPS with ISIN code DE000A2G8ZX8 .

Existing shareholders of the Company and new investors should note that only Shares that have been registered in the VPS in the form of VPS Shares will be tradable on Euronext Growth. Please refer to Section 10.4 ("The VPS Shares") for further information.

10.3.2 *Form and representation of Shares*

All of the Shares are ordinary registered shares with no-par value (*auf den Namen lautende Stückaktien*), each such Share with a notional value of EUR 1.00, and have been issued based on the provisions of the German Stock Corporation Act (Aktiengesetz). The Company's current share capital in the amount of EUR 3,253,735 is represented by two global share certificates, which are deposited with Clearstream. One of the global share certificates contains the 2,570,235 Shares outstanding in the Company prior to the Private Placement, and the second global certificate contains the 683,500 Shares issued in the Private Placement.

The Company's Shares are not listed on any regulated markets, multilateral trading facilities or other trading venue, and no such admission has been applied for by the Company. The Company intends to explore the possibility of a listing of the Shares on an unofficial prime market segment in Germany (*Prädikatssegment im Freiverkehr*) after the Admission to trading on Euronext Growth.

10.3.3 *Share capital history*

On February 2018, the Company was incorporated with a share capital of EUR 50,000.00 and 50,000 Shares each with a par value of EUR 1.00. Any changes of the Company's share capital since the date of the incorporation is set out in the below table:

	Date	Share capital	Number of Shares	Par value
Incorporation of Pyrum Innovations AG	February 2018	50,000.00	50,000	1.00
Equity Issue	July 2018	52,900.00	52,900	1.00
Equity Issue	September 2018	2,221,800.00	2,221,800	1.00
Equity Issue	June 2019	2,313,211.00	2,313,211	1.00
Equity Issue*	November 2020	2,570,235.00	2,570,235.00	1.00

*This increase results from the 10% participation of BASF agreed on September 9, 2020.

10.4 The VPS Shares

10.4.1 *Introduction*

As of the date of this Information Document, the VPS Registrar has issued 803,218 VPS Shares, representing beneficial interests in 803,218 Shares. Holders of VPS Shares will not have direct shareholder rights as the nominee of the VPS Registrar will be the registered owner of the underlying financial instruments of the VPS Shares, i.e. the relevant Shares. Because the VPS Shares have similarities to depository receipts as such term is known under German law, for the purpose of its corporate governance structure the Company considers the holders of VPS Shares to be holders of VPS Shares under German law issued with its cooperation. As a consequence, holders of the VPS Shares shall have certain rights under German law, including rights of those entitled to attend General Meetings and dividend payments, as further described in Section 10.10 ("Certain aspects of German corporate law"). The number of VPS Shares outstanding may vary from time to time since holders of VPS Shares may request their conversion into Shares of the Company and shareholders of the Company can request the issuance of VPS Shares.

The rights and obligations of the VPS Registrar described further in Section 10.4.6.2 ("The Registrar Agreement").

10.4.2 *Issuance*

The VPS Registrar will issue and deliver the VPS Shares to the holders in the VPS, in accordance with the Norwegian Act on Registration of Financial Instruments of 5 July 2002 no. 64. All VPS Shares will be issued and registered in book-entry form through the VPS system and holders of VPS Shares may obtain statements, showing the number of VPS Shares held, online or through the VPS account operator who maintains the holder's VPS account.

10.4.3 *Record dates*

The Company may fix a record date for the determination of the holders of VPS Shares who will be entitled to receive any distribution on or in respect of the Shares, to give instructions for the exercise of any voting rights, to receive any notice or to act in respect of other matters and only such holders of VPS Shares at such record date will be so entitled or obligated. The VPS Registrar may fix the same.

10.4.4 *Voting rights*

Each Share underlying a VPS Share carries one vote. Although the VPS Shares do not carry voting rights, holders of VPS Shares may instruct the VPS Registrar to vote on the Shares underlying their VPS Shares, subject to any applicable provisions of German law. The Company will furnish voting materials to the VPS Shares and the VPS Registrar will notify the holders of VPS Shares of the upcoming vote and arrange to deliver the Company's voting materials to the holders of VPS Shares. Otherwise, holders of VPS Shares will not be able to exercise the voting rights attached to the underlying Shares unless the steps outlined in Section 10.4.6.3 ("Transfer of VPS Shares") are followed. The VPS Registrar's notice will describe the information in the voting materials and explain how holders of VPS Shares may instruct the VPS Registrar to vote the underlying Shares. However, no assurance can be given that instructions to vote or a transfer of VPS Shares into shares may be given in time for exercising ones votes.

The VPS Registrar will only vote or attempt to vote as the holders of VPS Shares instruct. The VPS Registrar itself will not exercise any voting rights.

10.4.5 *Change or alterations of the share capital*

In the event of any change or alteration of the share capital of the Company all necessary amendments to the VPS Shares shall be made in the VPS system. However, no assurance can be given that holders of VPS Shares will be able to exercise subscription rights to newly issued shares in time and therefore, there is a risk of dilution.

10.4.6 *VPS registration of the VPS Shares*

10.4.6.1 Introduction

In order to facilitate registration of the VPS Shares in the VPS, the Company has entered into Registrar Agreement with the VPS Registrar, which administrates the Company's VPS register.

Pursuant to the Registrar Agreement, Baader Bank AG, which is the nominee of the VPS Registrar, is registered as the holder of the Shares for which VPS Shares are outstanding in the shareholders' register of the Company. The VPS Registrar registers the VPS Shares in book-entry form in the VPS. Therefore, it is not the underlying Shares, but the beneficial interests in such Shares in book-entry form, that are registered with the VPS.

At the date of this Prospectus, there is one class of VPS Shares. The VPS Shares have ISIN DE000A2G8ZX8.

The Registrar Agreement is subject to Norwegian law and, accordingly, the VPS Shares will be established under Norwegian law. Each VPS Share registered with the VPS will represent the beneficial ownership of one Share in the Company. The VPS Shares are freely transferable, with delivery and settlement through the VPS system. The VPS Shares will be priced and traded in NOK on Euronext Growth.

10.4.6.2 The Registrar Agreement

Pursuant to the Registrar Agreement, the VPS Registrar will register the VPS Shares in the VPS. The holders of VPS Shares must look solely to the VPS Registrar for the payment of dividends, for the exercise of voting rights attached to the Shares underlying the VPS Shares and for all other rights arising in respect of the VPS Shares. In order to exercise any rights directly as shareholder, a holder of VPS Shares must retire his or her VPS Shares in the VPS in exchange for Shares and has the right to do so. The VPS Registrar will assist with establishing a market practice conversion program which will enable the holders of Shares and VPS Shares to exchange the Shares with VPS Shares within a standard VPS settlement period (T+2). Holders of VPS Shares who wish to retire their VPS Shares in the VPS are advised to contact a bank or a broker for further assistance.

The Company will pay dividends directly to the VPS Registrar, which in turn has undertaken to distribute the dividends and other declared distributions to the holders of VPS Shares in accordance with the Registrar Agreement. Please see Section 5.3 ("Manner of dividend payment to holders of VPS Shares") for further information.

The VPS Registrar will not hold any right to share in profits and any liquidation surplus which are not passed on to the holders of the VPS Shares. The VPS Registrar shall not attend nor vote at a General Meeting, other than pursuant to an instruction from the holders of VPS Shares.

The VPS Registrar is only liable for financial losses as a result of errors that occur in connection with securities registration operations that are not outside the VPS Registrar's control and for other financial losses in the event of negligence on the part of the VPS Registrar. In both cases, the liability is limited to direct losses and in any event to a maximum of NOK 500 million for any individual error. As regards liability for other losses, the VPS Registrar is only liable for any direct loss suffered by the Company from events within the control of the VPS Registrar and limited to a maximum of NOK 2.5 million per wrongful act or omission, subject to a deductible of NOK 10,000 per damage event as a result of breach of contract. Each of the Company and the VPS Registrar may terminate the Registrar Agreement at any time with a minimum of three months' prior written notice, or immediately upon written notice of a material breach by the other party of the Registrar Agreement. In the event that the Registrar Agreement is terminated, the Company will use its reasonable best efforts to enter into a replacement agreement for purposes of permitting the uninterrupted trading of the VPS Shares on Euronext Growth.

10.4.6.3 Implementation of CSDR in Norway

The new Norwegian Central Securities Depository Act is expected to enter into force in Norway in 2021. This will affect VPS' services for financial instruments issued by non-Norwegian issuers. The new act implements Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories (the "**CSDR**") into Norwegian law. CSDR was adopted in the European Union (the "**EU**") in 2014, and has already entered into force in most member states of the EU ("**EU Member States**"). Its purpose is to increase the safety and efficiency of securities settlement and Central Securities Depositories (CSDs) in the European Union. It is also intended to create a competitive and level playing field between European CSDs. As a result of CSDR, European CSDs have had to re-apply for authorization to their respective Financial Supervisory Authorities in order to continue to operate, and to adapt to new requirements in order to ensure compliance with CSDR. In Norway, the legislative changes required by CSDR were approved in March 2019. The new Act and CSDR will enter into force in Norway and will apply to the services offered by VPS once authorized under the new Act. The Act is expected to be effective in Q4 2021.

VPS' current services are regulated by current Norwegian law and the current VPS' rules, as well as by the agreement between the Company and its issuer account operator – the VPS Registrar. The services of the account operators are also regulated by 'VPS' General Terms and Conditions for Account Operators'.

As a result of the legislative changes, it has been necessary for VPS to adjust its services in order to comply with CSDR. As part of the CSDR implementation, VPS has streamlined its services for non-Norwegian issuers. The changes following CSDR will ensure that VPS continues its role as an important part of the Norwegian infrastructure, in conjunction with organizations such as Oslo Børs, account operators and nominees. This will again enable the Norwegian capital market to continue to offer efficient services for issuers and investors, and hence continue being an attractive marketplace.

The services as they will be offered in the future will be regulated by the new VPS Rulebook. The VPS Rulebook is currently being assessed by the Financial Supervisory Authority of Norway (NFSA), whose approval is required under Norwegian law. In addition, Euronext VPS is in contact with the account operators on new versions of the agreements that account operators have with issuers, in which the descriptions of the services will be adapted to the new models.

The Company is expecting to maintain its secondary registration with VPS, with its primary register in Germany. To provide CSDR compliant services to issuers and their investors in the Norwegian market, VPS has decided to set up links to European CSDs that are authorized under CSDR. The Company is expecting to migrate its current registration to such 'CSD Link'. The CSDs have links to the other relevant CSDs and hence provide a network for all existing instruments that are secondary recorded in VPS. These instruments will, after implementation of the CSDR in Norway, be held on accounts at the three CSDs by the account operator, in its role as VPS' custodian.

Corporate actions that are processed in VPS will be based on the information that is received from the CSD that the account operator uses, alternatively from the Company directly. The current set-up for investors to transfer their holdings between the markets will be maintained, however settlement instructions and cut-off times will change, due to the changes following CSDR compliance.

The changes following implementation of CSDR in terms of services are expected to have limited consequences for the Company's registration with the VPS and trading of the Company's Shares other than the need to sign an updated agreement with the VPS Registrar. It is however expected that the Company will experience price changes. Inter alia, the pricing model for financial instruments that are secondary recorded via another CSD, such as for the Company, will be changed. The key reason for this is the increased costs derived from the custody chain as the fee structure for issuance, safekeeping and processing any corporate action events will be reflected through each part of the custodial chain, from the local issuer CSD through VPS.

Based on the information available to the Company, custodian costs are expected to be increased by 5 to 10 times the current fees. Furthermore, some costs and fees of the VPS Registrar is expected to be increased by approximately 25% due to new regulatory requirements. Currently it is not possible for the Company to provide an accurate estimate of increased costs following implementation of CSDR.

10.4.6.4 Transfer of VPS Shares

All transactions relating to securities registered with the VPS are made through computerized book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered owner irrespective of any beneficial ownership. To give effect to such entries, the individual security holder must establish a VPS securities account with a Norwegian VPS account operator. Norwegian banks, Norges Bank (being the Central Bank of Norway), authorized securities brokers in Norway and Norwegian branches of credit institutions established within the European Economic Area ("**EEA**") are allowed to act as VPS account operator.

The entry of a transaction in the VPS is prima facie evidence under Norwegian law in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security.

Shareholders who hold Shares and wish to exchange these Shares into corresponding VPS Shares in the VPS must instruct and authorize the VPS Registrar to receive such VPS Shares. Upon the VPS Registrar's receipt of the Shares (through its nominee), the VPS Shares will be issued by the VPS Registrar and delivered to the VPS account of the relevant holder. Holders of VPS Shares who wish to exchange their VPS Shares in the VPS into Shares, must advise the VPS Registrar to deliver and transfer the VPS Shares to an intermediary VPS account of the VPS Registrar and they will then receive the corresponding number of Shares upon the VPS Registrar's receipt of instructions on delivery.

The VPS must provide information to the Norwegian Financial Supervisory Authority on an ongoing basis, as well as any information that the Norwegian Financial Supervisory Authority requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

10.5 Shareholders

As of 29 September 2021, being the last practical date prior to the date of this Information Document, the Company's twenty largest shareholders on record (i.e. excluding any New Shares issued and allocated in the Private Placement) were:

	Shareholder	Number of Shares held	Percent of share capital held[1]
1	Pascal Klein	331,505	12.90%
2	Amel Holding S.A.	331,501	12.90%
3	Julien Dossmann	259,288	10.09%
4	BASF Antwerpen N.V.	257,024	10.00%
5	benefin Vermögensverwaltungs- und Beteiligungsgesellschaft mbH	231,758	9.02%
6	Hans-Friedrich Sefranek	141,990	5.52%
7	Rostabamy GmbH	128,274	4.99%
8	Jürgen Fischer	122,472	4.77%
9	Satherm GmbH	110,279	4.29%
10	Laquidasa S.L.U.	94,613	3.68%
11	Jürgen Franz Opitz	91,954	3.58%
12	Rosa Maria Engstler	81,385	3.17%
13	Klaus Krumnau	52,500	2.04%
14	European Technologie Concept (ETC)	44,589	1.73%
15	André Rosch	41,958	1.63%
16	Brigitte Veit	40,656	1.58%
17	Michael Walter Kapf	39,396	1.53%
18	Gérard Perrin	33,306	1.30%
19	Peter Erkelenz	25,212	0.98%
20	Sigrid Fischer	24,360	0.95%
	Top 20 holders of shares	**2,484,020**	**96.65%**
	Others	**86,215**	**3.35%**
	Total	**2,570,235**	**100%**

[1]Rounded to two decimal points

To the Company's knowledge, no shareholder other than Amel Holding S.A., Pascal Klein, Julien Dossmann, BASF, Jürgen Franz Opitz (including shareholders controlled by him), Hans-Friedrich Sefranek, and benefin Vermögensverwaltungs- und Beteiligungsgesellschaft mbH holds more than 5% of the Shares. As of the date of this Information Document, the Company does not hold any treasury shares.

To the Company's knowledge, there are no arrangements known to the Company that may lead to a change of control in the Company.

10.6 Board authorisations

Through resolution of the General Meeting on 28 April 2021, the Executive Board is authorized, with the consent of the Supervisory Board, to increase the share capital of the Company on one occasion or in partial amounts by a total of up to EUR 771,070.00 by the end of 27 April 2026 by issuing new no-par value shares against cash contributions and/or contributions in kind (Authorized Capital 2021). The new shares shall participate in profits from the beginning of the financial year in which they are issued. On 16 September, the Executive Board resolved to carry out a Private Placement as further described in Section 6.1 "Details of the Private Placement", including issuance of 683,500 which were issued pursuant to the board authorisation. After completion of the Private Placement, the remaining amount of the board authorisation is EUR 87,570.

The new shares shall participate in profits from the beginning of the financial year in which they are issued. To the extent legally permissible, the Executive Board may, with the consent of the Supervisory Board and in deviation from Section 60 para. 2 German Stock Corporation Act (*Aktiengesetz*), determine that the new shares shall participate in profits from the beginning of an already completed financial year for which, at the time of their issuance, no resolution of the annual General Meeting on the appropriation of the balance sheet profit has been passed.

In principle, shareholders are entitled to a subscription right. The shares may also be taken over by one or more credit institutions or companies determined by the Executive Board within the meaning of Section 186 para. 5 sentence 1 German Stock Corporation Act (*Aktiengesetz*) with the obligation to offer them exclusively to the shareholders for subscription (indirect subscription right). However, the management board is authorized, with the consent of the Supervisory Board, to exclude shareholders' subscription rights,

- in order to exclude fractional amounts from the subscription right;
- in order to offer the new shares by way of private placement in any jurisdiction at a selling price yet to be determined by the Executive Board, subject to the approval of a resolution of the Supervisory Board, in connection with an introduction of the shares of the Company and/or the VPS Shares representing such shares for trading on a German stock exchange and/or foreign stock exchange (including inclusion in a non-regulated market segment) and in this connection also in order to be able to fulfil an option agreed with the issuing bank to acquire additional shares (greenshoe option);
- if the capital increase is made by cash contributions and the issue price of the new shares does not significantly fall below the stock exchange price of the already listed shares of the same class and features at the time of the final determination of the issue price by the Executive Board within the meaning of Sections 203 para. 1 and 2, 186 para. 3 sentence 4 German Stock Corporation Act (*Aktiengesetz*). The stock exchange price shall also be deemed to be the price of a VPS Share admitted to trading on a foreign stock exchange (including trading on a non-regulated market segment), of which each VPS Share represents one share. The number of shares issued under exclusion of the subscription right pursuant to Section 203 para. 1 and 2, 186 para. 3 sentence 4 German Stock Corporation Act (*Aktiengesetz*) may not exceed a total of 10% of the share capital, neither at the time this authorization becomes effective nor at the time it is exercised. This number shall include shares that are issued or are to be issued to service option or conversion rights or option or conversion obligations under bonds with warrants and/or convertible bonds and/or profit participation rights, provided that the bonds are issued during the term of this authorization in analogous application of Section 186 para. 3 sentence 4 German Stock Corporation Act (*Aktiengesetz*)with exclusion of the subscription right; furthermore, this number shall include shares that are issued during the term of this authorisation with simplified exclusion of the subscription right pursuant to or in accordance with Section 186 para. 3 sentence 4 German Stock Corporation Act (*Aktiengesetz*) or that are sold after repurchase;
- in order to issue new shares, if the capital increase is made by contributions in kind, in particular for the purpose of granting shares is in the context of mergers or for the purpose of acquiring companies, parts of companies, participations in companies or other assets or claims to the acquisition of assets, including claims against the company or its group companies
- to issue new shares up to a proportionate amount of the share capital amounting to EUR 51,400.00 as employee shares to employees of the Company or employees and members of the management of subordinate affiliated companies within the meaning of Sections 15 et seqq. German Stock Corporation Act (*Aktiengesetz*).

The Executive Board is authorized, with the consent of the Supervisory Board, to determine the further details of the capital increase and the conditions of the share issue. The Supervisory Board is authorized to amend the wording of the Articles of Association after the full or partial implementation of the increase of the share capital from the Authorized Capital 2021 or after the expiry of the authorization period in accordance with the scope of the capital increase from the Authorized Capital 2021.

10.7 Rights to acquire shares

The Company and Pyrum S.A. have entered a loan agreement with BASF with registered office in Antwerp on 9 September 2020 as debtors. The Company and Pyrum S.A. were granted a convertible loan by BASF in the nominal amount of EUR 7 million (EUR 6.6 million in the Company as well as EUR 400,000 in Pyrum S.A.). Each loan amount disbursed bears interest at a rate of 3% p.a, payable each month, whereas additional 3% accrue if the Company falls into default with its repayment obligations and each loan disbursed has a term of 10 years upon the disbursement date. From the convertible loan facility provided, EUR 2,000,000.00 have been disbursed to the Company and Pyrum S.A. The convertible loan in a total amount has been agreed on 9 September 2020.

The loan is paid out in tranches at three different milestones, where the first tranches were paid out on signing; EUR 1.88m and EUR 0.12m for Pyrum and Pyrum S.A., respectively. The following two milestones are i) end of engineering (upon request) and ii) end of construction / start of ramp-up, (upon request). The loan has a term of 10 years and repayment begins at the beginning of the third year after it is granted.

Moreover, the convertible loan has a conversion price of EUR 33.070108 per share. During the term of the loan, the loan can only be converted upon certain negative events, and therefore it does not represent traditional dilution; Pyrum being unable to pay interest for two consecutive periods, or unable to pay the loan amount due, or if the Company files for bankruptcy. Upon termination, BASF is entitled to the loan amount and accrued interest.

The possible dilution effect of the entire convertible loan frame is up to 199 576 shares in Pyrum, representing ~6% of shares outstanding after conversion. The EUR 1.88m currently drawn represent 56,849 potential shares or ~2% of the shares outstanding after conversion. After Pyrum’s acquisition of Pyrum S.A., the target will serve as a 100% subsidiary. As BASF is entitled to convert the outstanding repayment claims of Pyrum S.A. into shares in the subsidiary, the possible dilution effect on Pyrum shares is limited.

To serve the convertible loan the Company has created conditional capital by resolution of the General Meeting on 9 September 2020 under agenda item 8 in the amount of up to EUR 199,576.00, by issuing up to 199,576 no-par value registered shares. The conditional capital increase serves to grant conversion rights to BASF as creditor of the convertible loan. BASF is entitled to convert the loan into shares only after a termination of the loan for cause. As of the day of this Information Document no cause for such termination occurred, nor has BASF exercised a termination of its conversion rights.

10.8 Shareholder rights

The Company has one class of shares in issue and all Shares provide equal rights in the Company, including the rights to any dividends. Each of the Company's Shares carries one vote. The rights attached to the Shares are further described in Section 10.8 ("The Articles of Association") and Section 10.9 ("Certain aspects of German corporate law"). As long as BASF is a shareholder of the Company, it has the right to delegate one member of the Supervisory Board.

According to the German Stock Corporation Act (Aktiengesetz), each shareholder has, in principle, a right to subscribe for new shares issued in a share capital increase (including securities convertible into shares, securities with warrants to purchase shares, securities with profit participation or participation certificates) to maintain their existing share in the share capital. However, the general shareholders’ meeting may exclude subscription rights in the resolution on the increase of the share capital or may authorise the Executive Board, with the consent of the Supervisory Board, to exclude shareholders' subscription rights (for cases specified in detail in the authorisation) in connection with a capital increase from authorised capital with a majority of the votes cast and, at the same time, at least three-quarters of the share capital represented at the adoption of the resolution. An exclusion of subscription rights further requires a report of the management board, which must show, in order to justify the exclusion of subscription rights, that the Company’s interest in excluding the subscription rights outweighs the interest of the shareholders being granted in the subscription rights. Excluding the subscription right for newly issued shares is permissible in particular in those cases in which the capital increase in return for contributions in cash does not exceed ten percent of the share capital and the issue price is not significantly lower than the stock exchange price.

10.9 The Articles of Association

The Articles of Association are enclosed in Appendix A to the Information Document. Below is a summary of the provisions of the Articles of Association as of 16 September 2021.

10.9.1 *Objective of the Company*

Pursuant to section 2 of the Articles of Association, the objective of the Company is to plan and develop recycling facilities, to trade with recycling plants, to monitor installation and to operate recycling plants, to consult in the field of recycling plants as well as to operate a pilot recycling plant and, in addition, offer business-consulting services. The Company is authorized to undertake all acts and measures that are suitable to directly and indirectly serve the objective of the Company. The Company may establish, sell or acquire a shareholding in other companies of the same or a similar kind and take over their management. The Company may also establish branch offices in its domestic country and abroad.

10.9.2 *Share capital and par value*

Pursuant to section 4 of the Articles of Association, the Company's share capital amounts to EUR 3,253,735 divided into 3,253,735 Shares each with a par value of EUR 1.00. 803,218 of the Company's shares and which are issued in one global share certificate held by Clearstream shall be registered with the VPS.

The originally existing share capital in the amount of EUR 50,000.00 was provided through the change of the legal form of Pyrum Innovations ESC GmbH with registered office in Dillingen/Saar.

The share capital is contingently increased by up to EUR 199,576.00, by issuing up to 199,576 no-par value registered shares. The contingent capital increase serves to grant conversion rights to BASF with registered office in Antwerp as creditor of the convertible bonds, issued on the grounds of the resolution of the General Meeting from 9 September 2020 under agenda item 8. The contingent capital increase shall only be implemented to the extent that this conversion right is exercised. The new shares shall participate in profits from the beginning of the financial year in which they are created through the exercise of conversion rights. The Supervisory Board is authorized to amend the wording of the Articles of Association to reflect the extent to which the new shares are issued.

The Executive Board is authorized, with the consent of the Supervisory Board, to increase the share capital of the Company on one occasion or in partial amounts by a total of up to EUR 771,070.00 by the end of 27 April 2026 by issuing new no-par value shares against cash contributions and/or contributions in kind (Authorized Capital 2021). The new shares shall participate in profits from the beginning of the financial year in which they are issued. To the extent legally permissible, the Executive Board may, with the consent of the Supervisory Board and in deviation from Section 60 para. 2 German Stock Corporation Act (*Aktiengesetz*), determine that the new shares shall participate in profits from the beginning of an already completed financial year for which, at the time of their issuance, no resolution of the annual General Meeting on the appropriation of the balance sheet profit has been passed. As new shares in the Company are offered for subscription for trading in accordance with the specifications in the authorisation, with the resolution of the Executive Board dated 16 September 2021 and consent of the Supervisory Board dated 16 September 2021, the Authorized Capital 2021 has been used partially and the share capital of the Company is, after the corresponding registration in the commercial register, increased by issuing 683,500 new registered no-par value shares.

10.9.3 *Transfer of shares*

There are no restrictions on the transferability of the Shares.

10.9.4 *The Executive Board*

Pursuant to section 5 of the Articles of Association, the Executive Board shall consist of at least one member. All members will be appointed by the Company's Supervisory Board. The Supervisory Board determines the number of members of the Executive Board and may nominate a chairperson of the Executive Board as well as a deputy chairperson of the Executive Board.

10.9.5 *The Supervisory Board*

Pursuant to section 8 of the Articles of Association, the Supervisory Board consists of five members. As long as BASF is a shareholder of the Company, BASF has the right to delegate one member of the Supervisory Board.

10.9.6 *Indemnification of board members*

According to section 13 of the Articles of Association members of the Company's Supervisory Board receive, in addition to reimbursement of their cash expenses and any value-added tax payable on their supervisory board activities, a fixed remuneration payable after the end of each financial year, which amounts to EUR 10,000.00 for each member. The chairperson of the Supervisory Board will receive double and his deputy one and a half times the amount of the fixed remuneration.

10.9.7 *General Meetings*

The General Meetings (ordinary and extraordinary) are at the Company's Executive Board's option either held at the Company's registered seat or at the place of a stock exchange in Germany or in a city with more than 100,000 inhabitants pursuant to section 14 of the Articles of Association.

The General Meeting shall be convened by the Executive Board, notwithstanding the statutory rights of the Supervisory Board and a shareholder minority. The convening notice shall be published – provided there are no shorter periods permitted by law – at least thirty days before the day of the General Meeting. The day of convening and the day of the General Meeting are not included in the calculation of the period of notice. This period of notice for convening shall be extended by the days of the registration period in accordance with section 15 para. 1 of the Articles of Association.

The General Meeting is held within the first 8 months of each financial year.

Pursuant to section 17 of the Articles of Association the resolutions of the General Meeting are adopted by a simple majority of the votes cast unless mandatory statutory provisions stipulate otherwise. To the extent that a majority of the share capital represented when the resolution is adopted is additionally required by law, a simple majority of the share capital represented is sufficient insofar as this is legally permissible.

10.9.8 *Voting rights*

Shareholders are entitled to participate in the General Meeting and to exercise their voting rights if their shares are registered in the share register and if they have registered themselves in time. The registration must be received by the Company at the address specified in the convocation notice at least six days prior to the General Meeting. The day of receipt and the day of the General Meeting shall not be included in the calculation of the notice period. The convocation notice may provide for a shorter period, to be measured in days. The registration must be in text form and must be in German or English.

The Executive Board is authorized to provide that shareholders may also participate in the General Meeting without being present at its location and without a proxy and exercise all or some of their rights in whole or in part by means of electronic communication. The Executive Board is also authorized to make provisions regarding the scope and procedure of participation and exercise of rights. These will be announced with the convocation of the General Meeting. The Executive Board is authorized to provide that shareholders may cast their votes in writing or by means of electronic communication without attending the General Meeting (postal vote). The Executive Board is also authorized to make provisions regarding the procedure. These will be announced with the convocation of the General Meeting.

The voting rights may be exercised by proxies. The granting of power of attorney, its revocation and proof of power of attorney require the written form vis-á-vis the company. Section 135 of the German Stock Corporation Act (*Aktiengesetz*) remains unaffected. The convocation notice may specify less strict requirements.

10.10 General Provisions

10.10.1 *Exclusion of Minority shareholders*

Under the rules of Sections 327a et seq. of the German Stock Corporation Act (*Aktiengesetz*) regarding the so-called "squeeze-out" of minority shareholders, the general meeting of a stock corporation may resolve upon request by a shareholder who holds 95.0% of the share capital (majority shareholder) that the shares held by the remaining minority shareholders be transferred to the majority shareholder against payment of adequate cash compensation. The amount of the cash compensation to be granted to the minority shareholders must reflect the situation of the company at the time the resolution is adopted by the general meeting. For the purpose of calculating the compensation amount, the full enterprise value is relevant and will generally be determined by applying the discounted future earnings method (Ertragswertmethode). The minority shareholders are entitled to file for valuation proceedings (Spruchverfahren) in the course of which the appropriateness of the cash compensation is reviewed.

Under the German Transformation Act (Umwandlungsgesetz), a majority shareholder holding at least 90% of a stock corporation's share capital can require the general shareholders' meeting to resolve that the minority shareholders must sell their stock to the majority shareholder against the payment of adequate compensation in cash, provided that (i) the majority shareholder is a stock corporation, a partnership limited by shares (KGaA), or a European stock corporation (SE) having its seat in Germany, and (ii) the squeeze-out is performed to facilitate a merger under the German Transformation Act (Umwandlungsgesetz) between the majority shareholder and the stock corporation. The general shareholders' meeting approving the squeeze-out must take place within three months of the conclusion of the merger agreement. The procedure for the squeeze-out is essentially identical to the squeeze-out under stock corporation law described above, including the minority shareholders' right to have the appropriateness of the cash compensation reviewed.

Furthermore, pursuant to the provisions of Sections 319 et seq. of the German Stock Corporation Act (Aktiengesetz) regarding the integration (Eingliederung) of a subsidiary, the general meeting of a stock corporation may resolve the integration into another company provided that the future principal company (Hauptgesellschaft) is a German stock corporation and holds at least 95.0% of the shares of the company to be integrated. The shareholders of the integrated company are entitled to adequate compensation, which is generally to be granted in the form of shares of the principal company. The amount of compensation is to be determined by the so-called "merger value ratio" (Verschmelzungswertrelation) between the companies, i.e., the exchange ratio which would have to be considered adequate in the event of a merger of the two companies.

10.10.2 *Takeover bids and forced transfers of shares*

Pursuant to the provisions in Sections 39a and 39b of the German Securities Acquisition and Takeover Act (Wertpapiererwerbs- und Übernahmegesetz) regarding the so-called "takeover law squeeze-out", a bidder who, following a takeover offer or a mandatory tender offer, holds at least 95.0% of the voting share capital of the target company may, within a period of three months following the expiration of the acceptance period, apply to the Regional Court (Landgericht) of Frankfurt am Main for a court order to transfer to such bidder the remaining voting shares against payment of adequate compensation. No resolution of the general meeting is required. The consideration granted under the takeover offer or the mandatory tender offer is considered adequate compensation if the bidder, based on such offer, has acquired at least 90.0% of the share capital subject to the offer. Furthermore, following a takeover offer or a mandatory tender offer, the shareholders of the target company who did not accept such offer may accept the offer within three months after the expiration of the acceptance period (so-called "sell-out"), provided the bidder is entitled to file an application for the transfer of the remaining voting shares in accordance with Section 39a of the German Securities Acquisition and Takeover Act (Wertpapiererwerbs- und Übernahmegesetz) (Section 39c of the German Securities Acquisition and Takeover Act (Wertpapiererwerbs- und Übernahmegesetz)).

The Company is not subject to certain provisions regarding the German Securities Trading Act (*Wertpapierhandelsgesetz*). Therefore, even if a shareholder gains control of the Company by controlling at least 30% of the Company's voting rights, such person would not have to make a mandatory take-over bid in accordance with the German Securities Trading Act.

11. TAXATION

11.1 German taxation

11.1.1 *Introduction*

The following section contains a summary of key German taxation principles which generally are or may be relevant to the acquisition, holding or transfer of shares in the form of VPS shares under German law. This summary does not purport to be an exhaustive or complete description of all potential tax aspects that could be relevant for shareholders. The information is based on the domestic tax law in force in Germany as of the date of this Information Document (and its interpretation by administrative directives and courts) as well as typical provisions of double taxation treaties that Germany has concluded with other countries. Tax legislation and the status of the treaties may change, possibly with retroactive or retrospective effect. Moreover, it cannot be ruled out that the German tax authorities or courts may consider an alternative assessment to be correct that differs from the one described in this section.

This section is no substitute for individual tax advice to a particular shareholder and should not be viewed as such advice. The tax legislation of the prospective investor's country of tax residence and of the Company's country of incorporation may have an impact on the income received from the securities.

Prospective investors are therefore advised to consult their tax advisers and attorneys regarding the tax implications of the acquisition, holding or transfer, donating or bequeathing of shares and/or subscription rights and regarding the procedures to be followed to potentially achieve a reimbursement of German withholding tax (*Kapitalertragsteuer*). Only such individual tax advice can adequately take the specific tax-relevant circumstances of individual investors into due account and consider special legal consequences that might arise for the shareholders in their personal tax situations and under their applicable legal systems.

Please note that for the purpose of the summary below, a reference to a German or non-German shareholder refers to the tax residency rather than the nationality of the shareholder.

11.1.2 *Taxation of the Company*

As a rule, the taxable profits generated by German corporations are subject to corporate income tax (*Körperschaftsteuer*). The rate of the corporate income tax is a standard 15% for both distributed and retained earnings, plus a solidarity surcharge (*Solidaritätszuschlag*) amounting to 5.5% on the corporate income tax liability (i.e., 15.825% in total).

In general, dividends (*Dividenden*) or other profit shares that the Company derives from domestic or foreign corporations are effectively 95% exempt from corporate income tax, as 5% of such receipts are treated as a non-deductible business expenses, and are therefore subject to corporate income tax (and solidarity surcharge, i.e. increase the income of the Company). However, dividends are not exempt from corporate income tax (including solidarity surcharge thereon) if the Company only holds a direct participation of less than 10% in the share capital of such corporation at the beginning of the calendar year (herein after in all cases, a "**Portfolio Participation**"—*Streubesitzbeteiligung*). Participations of at least 10% acquired during a calendar year are deemed to have been acquired at the beginning of the calendar year. Participations in the share capital of other corporations which the Company holds through a partnership (including those that are co-entrepreneurships (*Mitunternehmerschaften*)) are attributable to the Company only on a *pro rata* basis at the ratio of the interest share of the Company in the assets of the relevant partnership.

The Company's gains from the disposal of shares in a domestic or foreign corporation are in general effectively 95% exempt from corporate income tax (including the solidarity surcharge thereon), regardless of the size of the participation and the holding period. 5% of the gains are treated as non-deductible business expenses and are therefore subject to corporate income tax (plus the solidarity surcharge thereon) at a rate of 15.825%. Conversely, losses incurred from the disposal of such shares are generally not deductible for corporate income tax purposes. Currently, there are no specific rules for the taxation of gains arising from the disposal of Portfolio Participations. Please note that there have been discussions and even draft laws which would lead to the taxation of such gains. However, so far none of the draft laws has actually been passed.

Additionally, German corporations are generally subject to trade tax (*Gewerbesteuer*) on their taxable trade profit (*Gewerbeertrag*) generated at their permanent establishments maintained in Germany (*inländische Betriebstätten*). The effective trade tax rate depends on the municipalities in which the corporation maintains its operations or permanent establishments. The effective trade tax rates generally ranges from 7% to more than 18% depending on the municipal trade tax multiplier applied by the relevant municipal authority (*Hebesatz*). The Company is located in Dillingen/Saar, where the trade tax multiplier is 420%, resulting in an effective trade tax rate of 14.7%. When determining the income of the corporation that is subject to corporate income tax, trade tax may not be deducted as a business expense.

In principle, dividends (*Dividenden*) or other profit shares that the Company derives from domestic or foreign corporation are treated in the same way for trade tax purposes as for corporate income tax purposes. However, 95% of profit shares will in effect be exempt from trade tax only if (a) the distributing corporation is a German corporation and the Company held an interest of at least 15% in the share capital of the company at the beginning of the relevant tax assessment period (*Erhebungszeitraum*), (b) the distributing corporation is a foreign corporation as per Article 2 of Council Directive 2011/96/EU of November 30, 2011 (the "**Parent-Subsidiary Directive"**) with its registered office in another EU Member State and the Company held at least 10% of the nominal capital (*Nennkapital*) of the distributing corporation at the beginning of the relevant tax assessment period, (c) the distributing corporation is a foreign corporation and the Company held at least 15% of the nominal capital (*Nennkapital*) of the distributing corporation since the beginning of the relevant tax assessment period or (d) the distributing corporation is a foreign corporation resident in a jurisdiction with which Germany has concluded a double taxation treaty which provides for an exemption on the taxation of dividend income and the Company holds a stake of at least 15% (or any lower rate as set out in the treaty) in the distributing corporation at the time of the distribution. Otherwise, the profit shares will be fully subject to trade tax. Additional restrictions apply for profit shares originating from foreign corporations which do not fall under Article 2 of the Parent-Subsidiary Directive.

Profits derived from the sale of shares in another domestic and foreign corporation are treated in the same way for trade tax purposes as for corporate income tax purposes, i.e. 95% of such profits are in general exempt from trade tax.

If and to the extent the Company and its German subsidiaries form a tax group for corporate income and trade tax purposes (*ertragsteuerliche Organschaft*), the profits and losses are generally effectively consolidated and subject to tax at the level of the Company.

Interest expenses are generally tax-deductible, the provisions of the so-called interest barrier rules (*Zinsschranke*), however, limits the amount of interest expenses which can be deducted from the tax base in certain cases. According to these rules, interest (and other financing) expenses are tax deductible without limitation to the extent that the relevant entity earns taxable interest income in the same fiscal year. Interest (and other financing) expenses which exceed the taxable interest income ("net interest expenses**"**), are only tax deductible up to an amount of 30% of the current year net taxable EBITDA of the respective entity unless the net interest expenses of the entity are below the threshold of EUR 3,000,000 per annum and no other exceptions apply. Non-deductible interest expenses will be carried forward and will generally be deductible in subsequent years, subject to certain limitations. EBITDA that has not been fully utilized can under certain circumstances be carried forward to subsequent years and may be deducted subject to the limitations set out above. For trade tax purposes, 25% of the interest expenses deductible after applying the interest barrier rules are added back when calculating the taxable trade profit. Therefore, for trade tax purposes, the deductible interest expenses amount to only 75% of the interest expenses which are deductible for corporate income tax purposes. The add back does, however, only apply to the extent that the sum of (i) 25% of the interest expense which was deductible for income tax purposes and (ii) the relevant percentage of certain other expenses (in particular leasing rates and royalties) exceeds EUR 200,000.

Under certain conditions, negative income of the Company that has not been offset by the current year's positive income can be carried forward or back into other assessment periods. Loss carry-backs to the immediately preceding assessment period are, in principle, only permissible up to EUR 1,000,000 for corporate income tax but not for trade tax purposes. However, due to the Covid pandemic, for the years 2020 and 2021 it is possible to carry back losses up to EUR 10,000,000. As from 2022, the limit will again be EUR 1,000,000. Negative income that has not been offset and not carried back can only be carried forward to subsequent assessment periods in an amount of up to EUR 1,000,000 to offset positive income for corporate income and trade tax purposes (tax loss carry-forward). If the taxable income or the taxable trade profit exceeds this amount, only 60% of the excess amount can be offset by tax loss carry-forwards. The remaining 40% of the taxable income are subject to trade tax and corporate income tax (so called minimum taxation—*Mindestbesteuerung*). Generally, tax loss carry forwards that are not utilized may be carried forward and be used to offset by future income, subject to the application of the minimum taxation rules.

There is a simplified mechanism to utilize tax loss carry-backs from the assessment period 2021 in the tax assessment for the period 2020, as well as from the assessment period 2020 in the tax assessment for the period 2019.

However, interest carry-forwards, tax loss carry-forwards and unused losses of the current year are forfeited in full if more than 50% of the subscribed capital, membership rights, participation rights or voting rights in the Company are transferred, directly or indirectly, to an acquirer or related parties of such acquirer (or a group of acquirers with common interest) within a period of five years or in case of comparable measures (harmful acquisition—*schädlicher Beteiligungserwerb*). The provisions on the complete forfeiture of losses in case of transfers of more than 50% within five years are currently being challenged before the German Federal Constitutional Court. If and to the extent the tax loss carry-forwards and unused losses of the current year as well as the interest carry-forwards are covered by the built-in gains of the loss making company's business assets that are subject to domestic taxation a forfeiture of such items will generally not apply. An allocation of the built-in gains of business assets to interest carry-forwards is subordinated to the allocation of built-in gains to loss carry forwards/unused losses. The forfeiture of accrued losses, loss carry-forwards and interest carry-forwards can be avoided upon application of the taxpayer provided that the company has been continuously operating the same business operations since its establishment or at least within a period including the past three tax assessment periods preceding and including the tax assessment period, in which the harmful transfer of shares or voting rights takes place, and that none of further pre-determined events has occurred during this period (so-called continuation-bound loss carry forward). Furthermore, if any of these pre-determined events (including the discontinuation of the business operations) occurs in a subsequent period, any tax loss carry-forward remaining after this period is forfeited.

11.1.3 *Taxation of the shareholders*

Based on the circular issued by the German Federal Ministry of Finance (*BMF-Schreiben*), dated May 24, 2013, reference number IV C 1-S2204/12/10003, in respect of the taxation of American Depositary Receipts (the "**ADRs"**) on domestic shares (as amended) (the "**ADR Tax Circular**"), for German tax purposes, ADRs and depository receipts structured accordingly represent a beneficial ownership interest in the underlying shares of the company and qualify as the shares for the purpose of the ADR Tax Circular. If the shares qualify as depository receipts under the ADR Tax Circular, dividends would accordingly be attributable to holders of the shares for tax purposes, and not to the legal owner of the ordinary shares. Furthermore, holders of the shares should be treated as beneficial owners of the capital of the company with respect to capital gains. However, investors should note that circulars published by the German tax authorities (including the ADR Tax Circular) are not binding on German courts, including German tax courts, and it is unclear whether a German court would follow the ADR Tax Circular in determining the German tax treatment of the ADRs. For the purpose of this German tax section, it is assumed that the Shares are structured in a comparable manner to ADRs within the meaning of the ADR Tax Circular and, thus, are treated accordingly for German tax purposes.

11.1.3.1 Income tax implications of the holding, sale and transfer of shares

Shareholders may be subject to taxation in connection with the holding of shares ("**Taxation of Dividends"**), the sale of shares ("**Taxation of Capital Gains"**) and the gratuitous transfer of shares ("**Inheritance and Gift Tax"**).

11.1.3.2 Taxation of Dividends – Withholding tax procedures

Payments of any future dividends/distributions on the depositary receipts recorded in the VPS shall be paid by the Company to the VPS Registrar subject to the withholding of German withholding tax at the rate of 26,375%.

As a general rule, the dividends distributed by the Company are subject to a withholding tax (*Kapitalertragsteuer*) at a rate of 25% plus solidarity surcharge of 5.5% thereon (i.e., 26.375% in total plus church tax, if applicable). This, however, will not apply if and to the extent that dividend payments are funded from the Company's contribution account for tax purposes (*steuerliches Einlagekonto);* Section 27 of the German Corporate Income Tax Act ("**CIT"**) because distributions from a distribution account for tax purposes are not subject to withholding tax.

If shares are admitted for collective custody by a securities custodian bank (*Wertpapiersammelbank*) pursuant to Section 5 German Act on Securities Accounts (*Depotgesetz*) and are entrusted to such bank for collective custody (*Sammelverwahrung*) in Germany (as in the case of the Shares), the withholding tax is withheld and passed on for the account of the shareholders by the domestic credit or financial services institution (*inländisches Kredit – oder Finanzdienstleistungsinstitut*) (including domestic branches of such foreign enterprises), by the domestic securities trading company (*inländisches Wertpapierhandelsunternehmen*) or the domestic securities trading bank (*inländische Wertpapierhandelsbank*) which keeps or administers the shares and disburses or credits the dividends or disburses the dividends to a foreign agent or by the central securities depository (*Wertpapiersammelbank*) to which the shares were entrusted for collective custody if the dividends are disbursed to a foreign agent by such central securities depository (*Wertpapiersammelbank*) (the "**Dividend Paying Agent"**). The Company does not assume any responsibility for the withholding of the withholding tax.

In general, the withholding tax must be withheld regardless of whether and to what extent the dividend is exempt from taxation at the level of the shareholder and whether the shareholder is domiciled in Germany or in a foreign country.

However, withholding tax on dividends distributed to a company domiciled in another EU Member State within the meaning of Article 2 of the Parent-Subsidiary Directive, may be refunded upon application provided that further conditions are met, including e.g., the minimum holding requirement of 10% that have to be held for at least 12 months continuously and substance requirements of the German anti-treaty shopping rules. This also applies to dividends distributed to a permanent establishment of such a parent company in another Member State of the European Union or to a parent company that is subject to unlimited tax liability in Germany, **provided that** the participation in the Company is actually part of such permanent establishment's business assets. The application has to be filed with the German Federal Central Tax Office (*Bundeszentralamt für Steuern, Hauptdienstsitz Bonn-Beuel*, An der Küppe 1, D-53225 Bonn, Germany).

With respect to distributions made to other shareholders without a tax domicile in Germany, the withholding tax rate can be reduced in accordance with the double taxation treaty if Germany has entered into a double taxation treaty with the shareholder's country of residence and if the shares neither form part of the assets of a permanent establishment or a fixed place of business in Germany, nor form part of business assets for which a permanent representative in Germany has been appointed. The withholding tax reduction is generally granted by the German Federal Central Tax Office (*Bundeszentralamt für Steuern*) upon application in such a manner that the difference between the total amount withheld, including the solidarity surcharge, and the reduced withholding tax actually owed under the relevant double taxation treaty (generally 15%) is refunded by the German Federal Central Tax Office. Please note that the afore-mentioned is, in principle, subject to German anti-avoidance rules requiring certain substance requirements, which may influence the result.

The German Federal Central Tax Office (http://www.bzst.bund.de) as well as at German embassies and consulates provide forms for the application of the refund of the withheld tax.

If dividends are distributed to corporations subject to limited taxation, i.e., corporations with no registered office or place of management in Germany and if the shares neither belong to the assets of a permanent establishment or fixed place of business in Germany nor are part of business assets for which a permanent representative in Germany has been appointed, two-fifths of the tax withheld at the source can generally be refunded even if not all of the prerequisites for a refund under the Parent-Subsidiary Directive or the relevant double taxation treaty are fulfilled (subject to certain substance requirements). The relevant application forms are available at the German Federal Central Tax Office (at the address specified above).

A withholding tax credit or refund might be limited if the prerequisites set out in section 50j German Income Tax Act (*Einkommensteuergesetz*—"**ITA"**) are not met.

11.1.3.3 Taxation of Dividends of shareholders with a tax domicile in Germany

11.1.3.3.1 Shares held as private assets

Dividends distributed to shareholders being tax residents in Germany and holding shares as private (non-business) assets form part of their taxable capital investment income, which is subject to a special uniform income tax rate of 25% plus solidarity surcharge of 5.5% thereon (i.e., 26.375% in total plus church tax, if applicable). The private investor's income tax liability is in general settled by the withholding tax withheld by the Dividend Paying Agent (flat-rate withholding tax—*Abgeltungsteuer*). Income-related expenses cannot be deducted from the shareholder's capital investment income (including dividends), except for an annual lump-sum deduction (Sparer-Pauschbetrag) of EUR 801 (EUR 1,602 in the case of jointly assessed spouses or registered life partners). However, the shareholder may request that his capital investment income (including dividends) along with his other taxable income be subject to progressive income tax rate (instead of the uniform tax rate for capital investment income) if this results in a lower tax burden. In this case the withholding tax will be credited against the progressive income tax and any excess amount will be refunded; in principle, such withholding tax credit or refund might be limited pursuant to section 36a ITA; however, pursuant to a tax decree dated 3 April 2017, this provision should generally not apply to shares held as private assets. Also in this case income-related expenses cannot be deducted from the capital investment income, except for the aforementioned annual lump-sum deduction.

In general, no flat income withholding tax is levied if the shareholder is an individual (i) who does not hold the shares as operating assets and (ii) who submits a tax exemption request (*Freistellungsauftrag*) to the German Custodian, but only to the extent the income derived from the shares together with all other capital income do not exceed the lump-sum deduction amount. Similarly, no withholding tax is deducted if it is to be assumed that the income is not subject to taxation and the shareholder has submitted to the German Custodian a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the competent tax office.

Another exceptions from the flat rate withholding tax apply upon application for shareholders who have a shareholding of at least 25% in the Company and for shareholders who have a shareholding of at least 1% in the Company and are able to have, as a result of their employment (*berufliche Tätigkeit*) for the Company, a significant entrepreneurial influence on the business activities of the Company.

With regard to church tax on dividends an automatic procedure for deducting church tax applies unless the shareholder has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office. In consequence a shareholder being a member of a religious community is obliged—as also in case of an insufficient withholding of taxes—to report the capital gains that are subject to church tax subsequently within the scope of his income tax return. In this case, church tax on interest income is imposed by assessment. Any church tax withheld as a surcharge on the withholding tax is not deductible as special expenses (*Sonderausgaben*).

As an exemption, dividend payments that are funded from the Company's contribution account for tax purposes (*steuerliches Einlagekonto*; Section 27 CIT) and are paid to shareholders with a tax domicile in Germany whose shares are held as non-business assets, do—contrary to the above—not form part of the shareholder's taxable income. However, these dividend payments are deemed a disposal of shares and a capital gain deriving thereof is in principle taxable if the shareholder or, in the event of a gratuitous transfer, its legal predecessor, or, if the shares have been gratuitously transferred several times in succession, one of his legal predecessors at any point during the five years preceding the (deemed, as the case may be) disposal directly or indirectly held at least 1% of the share capital of the Company (a "**Qualified Holding"**). A capital gain generally arises if the dividend payment funded from the Company's contribution account for tax purposes (*steuerliches Einlagekonto;* Section 27 CIT) exceeds the acquisition costs of the shares. In this case the taxation corresponds with the description in the section 11.1.3.4 "Taxation of Capital Gains" made with regard to shareholders maintaining a Qualified Holding.

Please note that abolishing the flat-rate withholding tax regime for certain savings income (*Kapitalerträge*) is regularly subject to political discussion. While it is not yet clear if and to what extent the currently applicable withholding tax rules will be amended, it is possible that any such amendment may lead to a higher tax burden of shareholders who hold the Shares as private assets and whose individual tax rate exceeds 25%.

11.1.3.3.2 Shares held as business assets

Dividends from shares held as business assets of a shareholder with a tax domicile in Germany are not subject to the flat-rate withholding tax. The taxation depends on whether the shareholder is a corporation, a sole proprietor or a partnership (co-entrepreneurship (*Mitunternehmerschaften*)). The withholding tax (including the solidarity surcharge and church tax, if applicable) withheld and paid by the Dividend Paying Agent will, in general, be credited against the shareholder's income or corporate income tax liability (including the solidarity surcharge and church tax, if applicable) or refunded in the amount of any excess. However, such withholding tax credit or refund might be limited if the prerequisites set out in section 36a ITA are not met.

Dividend payments that are funded from the Company's contribution account for tax purposes (*steuerliches Einlagekonto;* Section 27 CIT) and are paid to shareholders with a tax domicile in Germany whose shares are held as business assets are generally fully tax-exempt in the hands of such shareholder. To the extent the dividend payments funded from the Company's contribution account for tax purposes (*steuerliches Einlagekonto;* Section 27 CIT) exceed the acquisition costs of the shares, a taxable capital gain should occur. The taxation of such gain corresponds with the description in the Section 11.1.3.4"Taxation of Capital Gains" made with regard to shareholders whose shares are held as business assets (however, as regards the application of the 95% exemption in case of a corporation this is not undisputed).

11.1.3.3.3 Corporations

Generally, dividends paid to a corporation with a tax domicile in Germany are subject to corporate income tax (and solidarity surcharge thereon) at a rate of 15.825%. However, the dividends are in general effectively 95% exempt from corporate income tax and the solidarity surcharge if the corporation holds a direct participation of at least 10% in the share capital of such corporation at the beginning of the calendar year. Participations of at least 10% acquired during a calendar year are deemed to have been acquired at the beginning of the calendar year. Participations which a shareholder holds through a partnership (including those that are co-entrepreneurships) are attributable to the shareholder only on a *pro rata* basis at the ratio of the interest share of the shareholder in the assets of the relevant partnership. 5% of the dividends are treated as non-deductible business expenses and are therefore subject to corporate income tax (plus the solidarity surcharge). In other respects, business expenses actually incurred in direct relation to the dividends may be deducted.

Dividends (after deducting business expenses economically related to the dividends) are subject to trade tax in the full amount, unless the requirements of the trade tax participation exemption privilege are fulfilled. This is generally the case if the dividend receiving entity holds a stake of at least 15% in the share capital of the Company at the beginning of the assessment period. In case the requirements of the participation exemption are met, the dividends are not subject to trade tax; however, trade tax is levied on the amount considered to be non-deductible business expenses (amounting to 5% of the dividend). Trade tax ranges from 7% to more than 18% of the taxable trade profit depending on the municipal trade tax multiplier applied by the relevant municipal authority.

11.1.3.3.4 Sole proprietors

In general, if the shares are held as business assets by a sole proprietor with a tax domicile in Germany, only 60% of the dividends are subject to progressive income tax (plus the solidarity surcharge) at the individual tax rate of the shareholder, so-called partial income method (*Teileinkünfteverfahren*). Respectively, only 60% of the business expenses incurred in connection with the dividends are tax-deductible. If the shares belong to a domestic permanent establishment in Germany of a business operation of the shareholder, the dividend income (after deduction of business expenses) is not only subject to income tax but is also fully subject to trade tax, unless the prerequisites of the trade tax participation exemption privilege are fulfilled (see 11.1.3.3.3 "Corporations" above). In this latter case the net amount of dividends, i.e., after deducting directly related expenses, is exempt from trade tax. As a rule, trade tax can be credited against the shareholder's personal income tax, either in full or in part, by means of a lump-sum tax credit method, depending on the level of the municipal trade tax multiplier and certain individual tax-relevant circumstances of the taxpayer.

11.1.3.3.5 Partnerships

The income or corporate income tax is not levied at the level of the partnership but at the level of the respective partner. The taxation for every partner depends on whether the partner is a corporation or an individual. If the partner is a corporation, the dividends contained in the profit share of the shareholder will be taxed in accordance with the principles applicable for corporations (see 11.1.3.3.3 "Corporations" above). If the partner is an individual, the taxation is in line with the principles described for sole proprietors (see 11.1.3.3.4 "Sole Proprietors" above). Upon application and subject to further conditions, an individual as a partner can have his personal income tax rate lowered for earnings not withdrawn from the partnership.

In addition, the dividends are generally subject to trade tax in the full amount at the partnership level if the shares are attributed to a German permanent establishment of the partnership. If a partner of the partnership is an individual, the portion of the trade tax paid by the partnership pertaining to his profit share will generally be credited, either in full or in part, against his personal income tax by means of a lump-sum method—depending on the level of the municipal trade tax multiplier and certain individual tax-relevant circumstances of the taxpayer. Due to a lack of case law and administrative guidance, it is currently unclear how the rules for the Taxation of Dividends from Portfolio Participations (see 11.1.2"Taxation of the Company" above) might impact the trade tax treatment at the level of the partnership. Shareholders are strongly recommended to consult their tax advisors.

11.1.3.3.6 Taxation of Dividends of shareholders without a tax domicile in Germany

Shareholders without a tax domicile in Germany, whose shares are attributable to a German permanent establishment or fixed place of business or are part of business assets for which a permanent representative in Germany has been appointed, are liable for tax in Germany on their dividend income. In this respect the provisions outlined above for shareholders with a tax domicile in Germany whose shares are held as business assets apply accordingly (see 11.1.3.3 "Taxation of Dividends of Shareholders with a Tax Domicile in Germany – Shares Held as Business Assets"). The withholding tax (including the solidarity surcharge) withheld and passed on will be credited against the income or corporate income tax liability or refunded in the amount of any excess. However, such withholding tax credit or refund might be limited if the prerequisites set out in section 50j ITA are not met.

In all other cases, any German tax liability for dividends is satisfied by the withholding of the withholding tax by the Dividend Paying Agent. Withholding tax is only reimbursed in the cases and to the extent described above under 11.1.3.2 "Taxation of dividends – Withholding tax procedures".

Dividend payments that are funded from the Company's contribution account for tax purposes (*steuerliches Einlagekonto;* Section 27 CIT) are generally not taxable in Germany.

11.1.3.4 Taxation of Capital Gains

11.1.3.4.1 Taxation of Capital Gains of shareholders with a tax domicile in Germany

Shares held as private assets

Gains on the disposal of shares held by a shareholder with a tax domicile in Germany as private assets are generally—regardless of the holding period—subject to a uniform tax rate on capital investment income in Germany (25% plus the solidarity surcharge of 5.5% thereon, i.e., 26.375% in total plus any church tax if applicable). If the entitlement to dividend payments is disposed of without the shares, the income from the sale of the entitlement to dividend payments is taxable. The same applies if shares are sold without the entitlement to dividend payments.]

The taxable capital gain is computed from the difference between (a) the proceeds of the disposal and (b) the acquisition costs of the shares and the expenses related directly and materially to the disposal. Dividend payments that are funded from the Company's contribution account for tax purposes (*steuerliches Einlagekonto;* Section 27 CIT) reduce the original acquisition costs; if dividend payments that are funded from the Company's contribution account for tax purposes (*steuerliches Einlagekonto;* Section 27 CIT) exceed the acquisition costs, negative acquisition costs—which can increase a capital gain—can arise in case of shareholders, whose shares are held as non-business assets and do not qualify as Qualified Holding.

Only an annual lump-sum deduction of EUR 801 (EUR 1,602 in the case of jointly assessed spouses or registered life partners) may be deducted from the entire capital investments income. It is generally not possible to deduct income-related expenses in connection with capital gains, except for the expenses directly related in substance to the disposal which can be deducted when calculating the capital gains. Losses on disposals of shares may only be offset against gains on the disposal of shares, and if there are not sufficient other gains on the disposal of shares, carried forward to subsequent assessment periods. However, currently it is under review by the German Federal Constitutional Court (file number VIII R 11/18) whether it is in line with the German constitution that losses from the disposal of shares may only be offset against gains from the disposal of shares and not against other positive income from capital assets.

If losses result from the derecognition (Ausbuchung) or transfer to a third party of worthless assets in terms of section 20 para 1 ITA or any other total loss of such assets, such losses together with other losses of such kind and losses resulting from the full or partial non-recoverability of the repayment claim of capital receivables of the same year and loss-carry forwards of previous years can only be offset against investment income up to an amount of EUR 20,000 ("Limitation on Loss Deduction"). Any exceeding loss amount can be carried forward and offset against future investment income, but be applied by the Domestic Paying Agent (as defined below), investors suffering losses which are subject to the Limitation on loss Deduction are required to declare such losses in their income tax return.

If the shares are held in custody or administered by a domestic credit institution, domestic financial services institution, domestic securities trading company or a domestic securities trading bank, including domestic branches of foreign credit institutions or financial service institutions, or if such an office executes the disposal of the shares and pays out or credits the capital gains (a "**Domestic Paying Agent"**), the tax on the capital gains will in general be satisfied by the Domestic Paying Agent withholding the withholding tax on investment income in the amount of 26.375% (including the solidarity surcharge) on the capital gain and transferring it to the tax authority for the account of the seller. If the shares were held in safekeeping or administered by the respective Domestic Paying Agent after acquisition, the amount of tax withheld is generally based on the difference between the proceeds from the sale, after deducting expenses that stand in direct relation to the sale, and the amount paid to acquire the shares. However, the withholding tax rate of 25% (plus the 5.5% solidarity surcharge thereon and church tax, if any) will be applied to 30% of the gross sales proceeds if the shares were not administered by the same Domestic Paying Agent since acquisition and the original cost of the shares cannot be verified or such verification is not valid. In this case, the shareholder is entitled to verify the original costs of the shares in his annual tax return.

However, the shareholder can apply for his total capital investment income together with his other taxable income to be subject to progressive income tax rate as opposed to the uniform tax rate on investment income if this results in a lower tax liability. In this case the withholding tax is credited against the progressive income tax and any resulting excess amount will be refunded; limitations on offsetting losses are applicable. Also income-related expenses are non-deductible, except for the annual lump-sum deduction. Moreover, the limitations on offsetting losses are also applicable under the income tax assessment.

If the withholding tax or, if applicable, the church tax on capital gains is not withheld by a Domestic Paying Agent, the shareholder is required to declare the capital gains in his income tax return. The income tax and any applicable church tax on the capital gains will then be collected by way of assessment.

With regard to church tax on capital gains an automatic procedure for deducting church tax applies unless the shareholder has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office.

If the shareholder making the disposal—or, in case of a sale of shares acquired without consideration, its legal predecessor—held a direct or indirect stake of at least 1% in the Company's share capital at any time in the five years preceding the disposal (Qualified Holding), the partial income method applies to gains on the disposal of shares, which means that only 60% of the capital gains are subject to tax and only 60% of the losses on the disposal and expenses economically related thereto are tax deductible. Even though withholding tax is withheld by a Domestic Paying Agent in the case of a Qualified Holding, this does not satisfy the tax liability of the shareholder. Consequently, a shareholder must declare his capital gains in his income tax returns. The withholding tax (including the solidarity surcharge and church tax, if applicable) withheld and paid will be credited against the shareholder's income tax on his tax assessment (including the solidarity surcharge and any church tax if applicable) or refunded in the amount of any excess.

Shares held as business assets
Gains on the sale of shares held as business assets of a shareholder with a tax domicile in Germany are not subject to uniform withholding tax. The taxation of the capital gains depends on whether the shareholder is a corporation, a sole proprietor or a partnership (co-entrepreneurship). Dividend payments that are funded from the Company's contribution account for tax purposes (*steuerliches Einlagekonto*; Section 27 CIT) reduce the original acquisition costs. In case of disposal a higher taxable capital gain can arise herefrom. If the dividend payments exceed the shares' book value for tax purposes, a taxable capital gain can arise.

Corporations
If the shareholder is a corporation with a tax domicile in Germany, the gains on the disposal of shares are in general effectively 95% exempt from corporate income tax (including the solidarity surcharge) and trade tax, currently, regardless of the size of the participation and the holding period. 5% of the gains are treated as a non-deductible business expenses and are therefore subject to corporate income tax (plus the solidarity surcharge) at a tax rate amounting to 15.825% and trade tax (depending on the municipal trade tax multiplier applied by the municipal authority, generally between 7% and more than 18%). As a rule, losses on disposals and other profit reductions in connection with shares (e.g., from a write-down) cannot be deducted as business expenses. Currently, there are no specific rules for the taxation of gains arising from the disposal of Portfolio Participations. Please note that there have been discussions and even draft laws which would lead to the taxation of such gains. However, so far none of the draft laws has actually been passed.

Sole proprietors
In general, if the shares are held as business assets by a sole proprietor with a tax domicile in Germany, only 60% of the gains on the disposal of the shares are subject to progressive income tax (plus the solidarity surcharge) at the individual tax rate of the shareholder, and, if applicable, church tax (partial-income method). Respectively only 60% of the losses in connection with the disposal of the shares are tax deductible. If the shares belong to a German permanent establishment of a business operation of the sole proprietor, 60% of the gains of the disposal of the shares are, in addition, subject to trade tax.

Trade tax can be credited towards the shareholder's personal income tax, either in full or in part, by means of a lump-sum tax credit method—depending on the level of the municipal trade tax multiplier and certain individual tax-relevant circumstances of the taxpayer.

Partnerships
The income or corporate income tax is not levied at the level of the partnership but at the level of the respective partner. The taxation depends on whether the partner is a corporation or an individual. If the partner is a corporation, the gains on the disposal of the shares as contained in the profit share of the partner will be taxed in accordance with the principles applicable for corporations (see 11.1.3.3.3 "Corporations" above). For capital gains in the profit share of a partner that is an individual, the principles outlined above for sole proprietors apply accordingly (partial-income method, see above under 11.1.3.3.4"Sole proprietors"). Upon application and subject to further conditions, an individual as a partner can obtain a reduction of his personal income tax rate for earnings not withdrawn from the partnership.

In addition, gains on the disposal of shares are subject to trade tax at the level of the partnership if the shares are attributed to a domestic permanent establishment of a business operation of the partnership: Generally, at 60% as far as they are attributable to the profit share of an individual as the partner of the partnership, and, currently, at 5% as far as they are attributable to the profit share of a corporation as the partner of the partnership. Losses on disposals and other profit reductions in connection with the shares are currently not considered for the purposes of trade tax if they are attributable to the profit share of a corporation, and are taken into account at 60% in the context of general limitations if they are attributable to the profit share of an individual.

If the partner of the partnership is an individual, the portion of the trade tax paid by the partnership attributable to his profit share will generally be credited, either in full or in part, against his personal income tax by means of a lump-sum method—depending on the level of the municipal trade tax multiplier and certain individual tax-relevant circumstances of the taxpayer.

Withholding tax
In case of a Domestic Paying Agent, the gains of the sale of shares held as business assets are in general subject to withholding tax in the same way as shares held as non-business assets by a shareholder (see the Section 11.1.3.4.1 "*Taxation of Capital Gains of Shareholders with a Tax Domicile in Germany—Shares Held as Non-Business Assets*"). However, the Domestic Paying Agent will not withhold the withholding tax if (i) the shareholder is a corporation, association of persons or estate with a tax domicile in Germany, or (ii) the shares belong to the domestic business assets of a shareholder, and the shareholder declares so to the Domestic Paying Agent using the designated official form and certain other requirements are met. If withholding tax is nonetheless withheld by a Domestic Paying Agent, the withholding tax (including the solidarity surcharge and church

tax, if applicable) withheld and paid will be credited against the income or corporate income tax liability (including the solidarity surcharge and church tax, if applicable) or will be refunded in the amount of any excess.

11.1.3.5 Taxation of Capital Gains of shareholders without a tax domicile in Germany

Generally, capital gains derived by shareholders with no tax domicile in Germany are only subject to German tax if the shareholder making the disposal—or, in case of a sale of shares acquired without consideration, its legal predecessor—held a direct or indirect stake of at least 1% in the Company's share capital at any time in the five years preceding the disposal or the shares belong to a domestic permanent establishment or fixed place of business or are part of business assets for which a permanent representative in Germany has been appointed. Pursuant to a recently published decision of the Federal Fiscal Court, the gains on the disposal of shares are exempt from corporate income tax if the shareholder is a corporation and has no domestic permanent establishment or fixed place of business in Germany and the shares do not form part of business assets for which a permanent representative in Germany has been appointed.

If the shareholder is a private individual, only 60% of the gains of the disposal of the shares are subject to progressive income tax plus the solidarity surcharge (partial-income method). However, most double taxation treaties provide for exemption from German taxation and assign the right of taxation to the shareholder's country of residence. According to the tax authorities there is no obligation to withhold withholding tax at source in the case of a Qualified Holding if the shareholder submits to the Domestic Paying Agent a certificate of domicile issued by a foreign tax authority.

With regard to gains or losses of the disposal of shares belonging to a domestic permanent establishment or fixed place of business or which are part of business assets for which a permanent representative in Germany has been appointed, the above-mentioned provisions pertaining to shareholders with a tax domicile in Germany whose shares are business assets apply *mutatis mutandis* (see 11.1.3.4.1"Taxation of Capital Gains of Shareholders with a Tax Domicile in Germany—Shares Held as Business Assets"). The German tax authorities have ruled that generally no withholding tax needs to be deducted by a Domestic Paying Agent where a shareholder not tax resident in Germany sells its shares in a company. However, if the capital gain is subject to tax in Germany, the shareholder is required to file a tax return and pay such taxes

11.1.3.6 Special Treatment of Companies in the Financial and Insurance Sectors and Pension Funds

If financial institutions (*Kreditinstitute*) or financial services providers (*Finanzdienstleistungsinstitute*) within the meaning of section 1a of the German Banking Act hold or sell shares which are allocable to their trading book (*Handelsbuch*) pursuant to Section 340e para. 3 of the HGB, neither dividends nor capital gains are subject to the partial-income method or the economical 95% exemption from corporate income tax and any applicable trade tax. Thus, dividend income and capital gains are fully taxable and business expenses relating thereto are generally fully deductible. The same applies to shares acquired by a financial enterprise (*Finanzunternehmen*) within the meaning of the German Banking Act if at least 50% of the shares in such financial enterprise are held (directly or indirectly) by financial institutions or financial services providers and the shares had to be capitalized as current assets (*Umlaufvermögen*) upon acquisition. This also applies to financial institutions, financial services providers, and financial enterprises that have their seat in a EU Member State or another country that is a signatory to the treaty on the EEA.

The 95% exemption from corporate income tax and any applicable trade tax does not apply to dividends from shares held as investments by life insurance and health insurance companies, and to capital gains from the sale of such shares or which are held by pension funds. The 95% exemption from corporate income tax and any applicable trade tax does, however, apply to dividends distributed to aforementioned companies if such dividends qualify for the exemption under the Parent-Subsidiary Directive.

11.1.4 *Inheritance and Gift Tax*

The transfer of shares to another person by way of gift or upon death is generally subject to German inheritance or gift tax if:

(i) the place of residence, habitual abode, place of management or registered office of the decedent, the donor, the heir, the donee or another acquirer is, at the time of the asset transfer, in Germany, or such person, as a German national, has not spent more than five continuous years outside of Germany without maintaining a place of residence in Germany, or

(ii) independent of these individual circumstances, the decedent's or donor's shares belonged to business assets for which there had been a permanent establishment in Germany or a permanent representative had been appointed, or

(iii) the decedent or the donor, at the time of the succession or gift, held a direct or indirect interest of at least 10% of the Company's share capital either alone or jointly with other related parties.

The small number of double taxation treaties in respect of Inheritance and Gift Tax which Germany has concluded to date usually provide for German inheritance or gift tax only to be levied in the cases under (i) and, subject to certain restrictions, as stated under (ii) above. Special provisions apply to certain German nationals living outside of Germany and to former German nationals who are resident outside Germany.

11.1.5 *Other taxes*

No German capital transfer taxes, value-added-tax, stamp duties or similar taxes are currently levied on the issuance, purchase or disposal or other forms of transfer of the shares. However, an entrepreneur may opt to subject disposals of shares, which are in principle exempt from value-added-tax, to value-added-tax if the sale is made to another entrepreneur for the entrepreneur's business. Wealth tax (*Vermögenssteuer*) is currently not levied in Germany.

On February 14, 2013, the European Commission published a proposal (the "**Commission's Proposal"**) for a directive for a common financial transaction tax ("**FTT"**). The Commission's Proposal had a rather broad scope. However, the negotiations in relation to the Commission's Proposal among the EU Member States which originally intended to introduce the FTT (Belgium, Germany, Greece, Spain, France, Italy, Austria, Portugal, Slovenia, Slovakia (the "**Participating Member States**") and Estonia (which has since stated that it will not participate) failed.

The Participating Member States have resumed negotiations regarding the introduction of the FTT and Germany and France proposed that the FTT should apply in particular to transactions with shares in a company which has its seat in an EU Member State and a market capitalization of more than EUR 1 billion as of 1 December of the year before the relevant transaction. However, as to the further negotiations and implementation of any FTT no detailed plan has been published. The FTT proposal remains subject to negotiation between Participating Member States. It may, therefore, be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective shareholders are advised to seek their own professional advice in relation to the FTT.

11.2 Norwegian taxation

*This section describes certain tax rules in Norway applicable to shareholders who are resident in Norway for tax purposes ("**Norwegian Shareholders**") and to shareholders who are not resident in Norway for tax purposes ("**Non-Norwegian Shareholders**"). The statements herein regarding taxation are based on the laws in force in Norway as of the date of this Information Document and are subject to any changes in law occurring after such date. Such changes could possibly be made on a retrospective basis.*

The summary below assumes that the Company is incorporated and tax resident in Germany, and that the Company is genuinely established in and conducts genuine business activities in Germany. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Shares. Investors are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of Shares. The statements only apply to shareholders who are beneficial owners of Shares.

Please note that for the purpose of the summary below, references to Norwegian Shareholders or Non-Norwegian Shareholders refers to the tax residency rather than the nationality of the shareholder.

The tax legislation in Germany, where the Company is resident, and the tax legislation in the jurisdiction in which the shareholders are resident for tax purposes may have an impact on the income received from the Shares.

11.2.1 *Norwegian shareholders*

11.2.1.1 Taxation of Dividends

Norwegian Corporate Shareholders

Corporate shareholders (i.e. limited liability companies and similar entities) resident in Norway for tax purposes ("**Norwegian Corporate Shareholders**") are comprised by the Norwegian participation exemption. Under the exemption, only 3% of dividend income on shares comprised by the Norwegian participation exemption is subject to tax as ordinary income (22% flat rate as of 2021), implying that such dividends are effectively taxed at a rate of 0.66%. The shares in a non-Norwegian company, such as the Company, will be comprised by the Norwegian participation exemption provided that the Company is a limited liability company (or a similar entity) which is incorporated and performs genuine economic activity within the EEA.

Norwegian Individual Shareholders

Dividends distributed to shareholders who are individuals resident in Norway for tax purposes ("**Norwegian Individual Shareholders**") are grossed up with a factor of 1.44 before taxed as ordinary income (22% flat rate, resulting in an effective tax rate of 31.68%) to the extent the dividend exceeds a tax-free allowance. The tax-free allowance is calculated on a share-by-share basis for each individual shareholder on the basis of the cost price of each of the Shares multiplied by a risk-free interest rate. The risk-free interest rate is based on the effective rate of interest on treasury bills (Nw.: statskasseveksler) with three months maturity plus 0.5 percentage points, after tax. The tax-free allowance is calculated for each calendar year and is allocated solely to Norwegian Individual Shareholders holding Shares at the expiration of the relevant calendar year. Norwegian Individual Shareholders who transfer Shares will thus not be entitled to deduct any calculated allowance related to the year of transfer. Any part of the calculated tax-free allowance one year exceeding the dividend distributed on the Share ("unused allowance") may be carried forward and set off against future dividends received on (or gains upon realization of, see below) the same Share. Any unused allowance will also be added to the basis of computation of the tax-free allowance on the same Share the following year.

If certain requirements are met, Norwegian Individual Shareholders are entitled to a tax credit in the Norwegian tax for withholding tax imposed on the dividends distributed in the jurisdiction where the Company is resident for tax purposes. However, any tax exceeding the withholding tax rate according to an applicable tax treaty with the country in which the Company is resident will not be deductible.

The Shares will not qualify for Norwegian share saving accounts (Nw.: aksjesparekonto) for Norwegian Individual Shareholders as the Shares are listed on Euronext Growth (and not Oslo Børs).

11.2.1.2 Taxation of Capital Gains

Sale, redemption or other disposal of Shares is considered as a realization for Norwegian tax purposes.

Norwegian Corporate Shareholders

Capital gains generated by Norwegian Corporate Shareholders through a realization of shares comprised by the Norwegian participation exemption are tax exempt. Net losses from realization of Shares and costs incurred in connection with the purchase and realization of such shares are not tax deductible for Norwegian Corporate Shareholders. The shares in a non-Norwegian company, such as the Company, will be comprised by the Norwegian participation exemption provided that the Company is a limited liability company (or a similar entity) which is incorporated and performs genuine economic activity within the EEA.

Norwegian Individual Shareholders

Norwegian Individual Shareholders are taxable in Norway for capital gains derived from realization of Shares, and have a corresponding right to deduct losses. This applies irrespective of how long the Shares have been owned by the individual shareholder and irrespective of how many Shares that are realized. Gains are taxable as ordinary income in the year of realization and losses can be deducted from ordinary income in the year of realization. Any gain or loss is grossed up with a factor of 1.44 before being taxed at a rate of 22% (resulting in an effective tax rate of 31.68%). Under current tax rules, gain or loss is calculated per Share, as the difference between the consideration received for the Share and the Norwegian Individual Shareholder's cost price for the Share, including costs incurred in connection with the acquisition or realization of the Share. From a capital gain, Norwegian Personal Shareholders are entitled to deduct a calculated allowance provided that such allowance has not already been used to reduce taxable dividend income. Please refer to "Taxation of Dividends — Norwegian Individual Shareholders" above for a description of the calculation of the allowance. The allowance may only be deducted in order to reduce a taxable gain, and cannot increase or produce a deductible loss, i.e. any unused allowance exceeding the capital gain upon the realisation of a share will be annulled. Further, unused tax-free allowance related to a Share cannot be set off against gains from realization of other Shares.

If a Norwegian shareholder realizes Shares acquired at different points in time, the Shares that were first acquired will be deemed as first sold (the "first in first out"-principle) upon calculating taxable gain or loss. Costs incurred in connection with the purchase and sale of Shares may be deducted in the year of sale.

A shareholder who ceases to be tax resident in Norway due to domestic law or tax treaty provisions may become subject to Norwegian exit Taxation of Capital Gains related to shares in certain circumstances.

The Shares will not qualify for Norwegian share saving accounts (Nw.: aksjesparekonto) for Norwegian Individual Shareholders as the Shares are listed on Euronext Growth (and not Oslo Børs).

11.2.1.3 Net wealth tax

The value of Shares is taken into account for net wealth tax purposes in Norway. The marginal net wealth tax rate is currently 0.85% of the value assessed. The value for assessment purposes for the Shares is equal to 55% of the assumed sales value of the Shares as of 1 January of the tax assessment year (i.e. the year following the relevant fiscal year) unless otherwise requested by the shareholder.

If requested by the shareholder, the value for assessment purposes may instead be equal to the total tax value of the Company as of 1 January of the year before the tax assessment year, or if the share capital in the Company has been increased or reduced by payment from or to shareholders in the year before the tax assessment year, the value for assessment purposes for the Shares may be equal to 55% of the total tax value of the Company as of 1 January of the tax assessment year. In order to request such valuation, the shareholder must be able to substantiate the total tax value of the Company.

The value of debt allocated to the Shares for Norwegian wealth tax purposes is reduced correspondingly (i.e. to 55%).

Norwegian limited liability companies and similar entities are exempted from net wealth tax.

11.2.2 *Non-Norwegian shareholders*

11.2.2.1 Taxation of Dividends

As a general rule, dividends received by non-Norwegian tax resident shareholders from shares in non-Norwegian companies are not subject to Norwegian taxation unless the Non-Norwegian Shareholder holds the shares in connection with the conduct of a trade or business in Norway.

11.2.2.2 Taxation of Capital Gains

As a general rule, capital gains or loss derived from the sale or other disposal of shares in a Non-Norwegian company by a Non-Norwegian Shareholder will not be subject to taxation in Norway unless the Non-Norwegian Shareholder holds the shares in connection with business activities carried out or managed from Norway.

12. TRANSFER RESTRICTIONS

This Information Document is not an offer of Shares and no Shares may be subscribed for, applied for or purchased based on this Information Document.

As a consequence of possible restrictions under local securities laws and regulations, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Shares admitted to trading on Euronext Growth.

The Company is not taking any action to permit a public offering of the Shares in any jurisdiction. Receipt of this Information Document does not constitute an offer and this Information Document is for information only and should not be copied or redistributed to any jurisdiction where such redistribution may be unlawful. If an investor receives a copy of this Information Document, the investor may not treat this Information Document as constituting an invitation or offer to it, nor should the investor in any event deal in the Shares, unless, in the relevant jurisdiction, the Shares could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this Information Document, the investor should not distribute or send the same, or transfer Shares, to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations.

12.1 Selling restrictions

12.1.1 *United States*

The Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold except: (i) within the United States to QIBs in reliance on Rule 144A or pursuant to another available exemption from the registration requirements of the U.S. Securities Act; or (ii) outside the United States to certain persons in offshore transactions in compliance with Regulation S under the U.S. Securities Act, and, in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.

12.1.2 *United Kingdom*

In the United Kingdom, the issue or sale of any Shares will only be communicated or caused to be communicated in circumstances in which Section 21 (1) of the Financial Services and Markets Act 2000 ("FSMA") does not apply to the Company and in accordance with all applicable provisions of the FSMA with respect to the Shares in, from or otherwise involving the United Kingdom.

12.1.3 *European Economic Area*

In no member state (each a "**Relevant Member State**") of the EEA have Shares been offered and in no Relevant Member State will Shares be offered to the public pursuant to an offering, except that Shares may be offered to the public in that Relevant Member State at any time in reliance on the following exemptions under the Prospectus Regulation:

a) to persons who are "qualified investors" within the meaning of Article 2(e) in the Prospectus Regulation;

b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) per Relevant Member State; or

c) in any other circumstances falling under the scope of Article 3(2) of the Prospectus Regulation; provided that no such offer of Shares shall result in a requirement for the Company or Euronext Growth Advisor to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplementary prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purpose of this provision, the expression an "offer to the public" in relation to any Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of an offering and the Shares to be offered, so as to enable an investor to decide to acquire any Shares

This EEA selling restriction is in addition to any other selling restrictions set out in this Information Document.

12.1.4 *Other Jurisdictions*

The Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, Switzerland, Japan, Canada, Australia or any other jurisdiction in which it would not be permissible to offer the Shares. In jurisdictions outside the United States and the EEA where an offering would be permissible, the Shares will only be offered pursuant to applicable exceptions from prospectus requirements in such jurisdictions

12.2 Transfer restrictions

12.2.1 *United States*

The Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold except: (i) within the United States only to QIBs in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S, and in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this Section. Each purchaser of the Shares outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Information Document and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorised to consummate the purchase of the Shares in compliance with all applicable laws and regulations.

- The purchaser acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority or any state of the United States, subject to certain exceptions, may not be offered or sold within the United States.

- The purchaser is, and the person, if any, for whose account or benefit the purchaser is acquiring the Shares, was located outside the United States at the time the buy order for the Shares was originated and continues to be located outside the United States and has not purchased the Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Shares or any economic interest therein to any person in the United States.

- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Shares from the Company or an affiliate thereof in the initial distribution of such Shares.

- The purchaser is aware of the restrictions on the offer and sale of the Shares pursuant to Regulation S described in this Information Document.

- The Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.

- The Company shall not recognise any offer, sale, pledge or other transfer of the Shares made other than in compliance with the above restrictions.

- If the purchaser is acquiring any of the Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements in behalf of each such account.

- The purchaser acknowledges that the Company, the Euronext Growth Advisor and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each purchaser of the Shares within the United States purchasing pursuant to Rule 144A or another available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act will be deemed to have acknowledged, represented and agreed that it has received a copy of this Information Document and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorised to consummate the purchase of the Shares in compliance with all applicable laws and regulations.

- The purchaser acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.

- The purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is acquiring such Shares for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution to the Shares, as the case may be.

- The purchaser is aware that the Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act.

- If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Shares, or any economic interest therein, as the case may be, such Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) outside the United States in a transaction meeting the requirements of Regulation S, (iii) in accordance with Rule 144 (if available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act or (v) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.

- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Shares from the Company or an affiliate thereof in the initial distribution of such Shares.

- The purchaser will not deposit or cause to be deposited such Shares into any depository receipt facility established or maintained by a depository bank other than a Rule 144A restricted depository receipt facility, so long as such Shares are "restricted securities" within the meaning of Rule 144(a) (3) under the U.S. Securities Act.

- The purchaser acknowledges that the Shares are "restricted securities" within the meaning of Rule 144(a) (3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Shares, as the case may be.

- The purchaser acknowledges that the Company shall not recognise any offer, sale, pledge or other transfer of the Shares made other than in compliance with the above-stated restrictions.

- If the purchaser is requiring any of the Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account

- The purchaser acknowledges that these representations and undertakings are required in connection with the securities laws of the United States and that the Company, the Euronext Growth Advisor and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

12.2.2 *European Economic Area*

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any Shares under, the offers contemplated in this Information Document will be deemed to have represented, warranted and agreed to and with the Euronext Growth Advisor and the Company that:

a) it is a qualified investor within the meaning of Articles 2(e) of the Prospectus Regulation; and

b) in the case of any Shares acquired by it as a financial intermediary, as that term is used in Article 1 of the Prospectus Regulation, (i) the Shares acquired by it in an offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Regulation; or (ii) where Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the

Prospectus Regulation as having been made to such persons. For the purpose of this representation, the expression an "offer to the public" in relation to any Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on terms of an offering and the Shares to be offered, so as to enable an investor to decide to acquire any Shares.

For the purpose of this provision, the expression an "offer to the public" in relation to any Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on terms of an offering and the Shares to be offered, so as to enable an investor to decide to acquire any Shares.

13. ADDITIONAL INFORMATION

13.1 Admission to Euronext Growth

On 13 September 2021, the Company applied for Admission to Euronext Growth. The first day of trading on Euronext Growth is 30 September 2021.

Neither the Company nor any other entity of the Company have securities listed on any stock exchange or other regulated marketplace.

13.2 Information sourced from third parties and expert opinions

In this Information Document, certain information has been sourced from third parties. The Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified.

The Company confirms that no statement or report attributed to a person as an expert is included in this Information Document.

13.3 Independent auditor

The Company's independent auditor is Wirtschaftsprüfer (German CPA) Steuerberater (German tax advisor) Christian Hecht with registered business address at Mergenthalerallee 77, 65760 Eschborn, Germany. The auditor is member of the German Chamber of Public Accountants (Wirtschaftsprüferkammer), Rauchstraße 26, 10787 Berlin, and member of the Institute of Public Auditors in Germany, Incorporated Association (Institut der Wirtschaftsprüfer in Deutschland e.V.), Tersteegenstraße 14, 40474 Düsseldorf, Germany. Christian Hecht has been the Company's independent auditor since 2017.

Christian Hecht has not audited, reviewed or produced any report on any other information in this Information Document.

13.4 Advisors

The Company has engaged Pareto Securities AS (business registration number 956 632 374, and registered business address at Dronning Mauds gate 3, 0250 Oslo, Norway) as the Euronext Growth Advisor.

Advokatfirmaet Selmer AS (business registration number 920 969 798, and registered address at Tjuvholmen allé 1, 0252 Oslo, Norway) is acting as Norwegian legal counsel to the Company. Dentons Europe LLP (business registration number OC316822, and registered business address at Nextower, Thurn-und Taxis-Platz 6, 60313 Frankfurt am Main Germany) is acting as German legal counsel to the Company.

14. DEFINITIONS AND GLOSSARY OF TERMS

When used in this Information Document, the following defined terms shall have the following meaning:

Admission	The admission to trading of the Company's shares on Euronext Growth.
ADR Tax Circular	The circular issued by the German Federal Ministry of Finance (*BMF-Schreiben*), dated May 24, 2013, reference number IV C 1-S2204/12/10003, in respect of the taxation of American Depositary Receipts on domestic shares (as amended) (the "**ADR Tax Circular**"),
ADRs	American Depositary Receipts.
Articles of Association	Articles of Association of the Company as of 16 September 2021.
BASF	BASF Antwerpen NV.
Borrowed Shares	The shares equivalent to approximately 10% of the sum of the New Shares and the Sale Shares lent from certain existing shareholders to the Euronext Growth Advisor.
CEO	Chief Executive Officer.
CIT	The German Corporate Income Tax Act
Clearstream	Clearstream Banking Aktiengesellschaft.
Code	German Corporate Governance Code on February 26, 2002.
Commission's Proposal	The proposal from the European Commission for a directive for a common financial transaction tax published on 14 February 2013.
Company	Pyrum Innovations AG.
CSDR	Central securities depositories
Dividend Paying Agent	The domestic securities trading company or the domestic securities trading bank which keeps or administers the shares and disburses or credits the dividends or disburses the dividends to a foreign agent or by the central securities depository to which the shares were entrusted for collective custody if the dividends are disbursed to a foreign agent by such central securities depository the "**Dividend Paying Agent"**).
Domestic Paying Agent	Shares held in custody or administered by a domestic credit institution, domestic financial services institution, domestic securities trading company or a domestic securities trading bank, including domestic branches of foreign credit institutions or financial service institutions, or if such an office executes the disposal of the shares and pays out or credits the capital gains.
EBITDA	Earnings before interest, tax and depreciation and amortization.
EEA	European Economic Area.
EU	The European Union
EU Member State	Member state of the European Union.
EUR	The lawful common currency of the participating member states in the European Union.
Euronext Growth Advisor	Pareto Securities AS.
Euronext Growth	The multilateral trading facility for equity instruments operated by Oslo Børs ASA.
Euronext Growth Admission Rules	Admission to trading rules for Euronext Growth as of November 2020.
Euronext Growth Content Requirements	Content requirements for Information Documents for Euronext Growth as of November 2020.
Executive Board	The executive board of the Company.
Executive Board Members	The members of the Company's Executive Board.
Financial Information	The Financial Statements.
Financial Statements	The audited financial statements of the Company for the years ending 31 December 2020 and 31 December 2019.
FTT	Financial transaction tax.
General Meeting	General meeting of the Company's shareholders.
German GAAP	German Generally Accepted Accounting Principles under the German Commercial code.
Greenshoe Option	An option granted to the Euronext Growth Advisor from existing shareholders to acquire Shares from the shareholders equal to the amount of Over-Allotted Shares.
Information Document	This information document, dated 30 September 2021.
Inheritance and Gift Tax	Taxation in connection with the gratuitous transfer of shares.
ITA	German Income Tax Act.
LEI	Legal Entity Identifier.

Lending Shareholders	The existing shareholders who lent shares to the Euronext Growth Advisor in connection with the Private Placement.
New Shares	The 683,500 Shares issued in the Private Placement.
NOK	Norwegian kroner, the currency of the Kingdom of Norway.
Non-Norwegian Shareholders	Shareholders who are individuals not resident in Norway for tax purposes.
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2007 no. 75 (as amended) (*Nw.: verdipapirhandelloven*).
Norwegian Corporate Shareholders	Shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes.
Norwegian Individual Shareholders	Shareholders who are individuals resident in Norway for tax purposes.
Norwegian Shareholders	Shareholders who are resident in Norway for tax purposes.
Oslo Børs (or OSE)	Oslo Børs ASA.
Over-Allotted Shares	The allocation of Shares to investors in the Private Placement of an equal number of Borrowed Shares as the number of Borrowed Shares.
Parent-Subsidiary Directive	Council Directive 2011/96/EU of November 30, 2011.
Participating Member States	The EU Member States which originally intended to introduce the FTT (Belgium, Germany, France , Greece, Spain, France, Italy, Austria, Portugal, Slovenia, Slovakia)
Private Placement	The private placement consisting of (i) a share capital increase for a total amount of NOK 476.4, by issuing 683,500 Shares, with a nominal value of EUR 1 each, at a subscription price of NOK 610 per Share; (ii) a secondary sale of existing, validly issued Shares from the Selling Shareholders, each with a nominal value of EUR 1, for a total amount of approximately NOK 18 million, and (iii) over-allotment of 68,000 Shares, each with a nominal value of EUR 1, for a total amount of 41.5 million.
Pyrum	Pyrum Innovations AG.
Pyrum S.A.	Pyrum Innovations International S.A.
Qualified Holding	Directly or indirectly holding of at least 1% of the share capital of the Company.
Registrar Agreement	The agreement between Pyrum Innovations AG and DNB Bank ASA, DNB Markets Registrars department (the "**VPS Registrar**") with regards to facilitate registration of the Depository Receipts in the VPS in connection with the Admission to trading on Euronext Growth.
Relevant Member State	Each member state of the European Economic Area which has implemented the EU Prospectus Regulation.
Sale Shares	The 29,500 Shares sold by two of the existing shareholders of up to NOK 18 million (the "**Sale Shares**").
Shares (or Share)	Shares in the capital of the Company, each with a nominal value of EUR 1, or any one of them.
Supervisory Board	The supervisory board of the Company.
Supervisory Board Members	The members of the Company's Supervisory Board.
Taxation of Dividends	Taxation in connection with the holding of Shares.
Taxation of Capital Gains	Taxation in connection with the holding of Shares.
United States (or US)	The United States of America.
US Securities Act	The US Securities Act of 1933.
VPS	The Norwegian Central Securities Depository, Euronext VPS (*Nw.: Verdipapirsentralen*).
VPS Registrar	DNB Bank ASA, DNB Markets Registrars department, with registered address Dronning Eufemias gate 30, 0191 Oslo, Norway.
VPS Shares	VPS shares that represent the beneficial interests in the underlying Shares, registered in VPS in book-entry form.

APPENDIX A:

ARTICLES OF ASSOCIATION

ARTICLES OF ASSOCIATION

I. General Provisions

§ 1
Business Name, Registered Office, Financial Year

(1) The business name of the company is

Pyrum Innovations AG.

(2) The registered office of the company is Dillingen/Saar.

(3) The financial year is the calendar year.

§ 2
Object of the Company

(1) The object of the company is to plan and develop recycling facilities, to trade with recycling plants, to monitor installation and to operate recycling plants, to provide consulting in the field of recycling plants as well as to operate a pilot recycling plant and, in addition, to offer business consulting services.

(2) The company is authorized to undertake all acts and measures that are suitable to directly and indirectly serve the objective of the company. The company may establish, acquire, sell or acquire a shareholding in other companies of the same or a similar kind and take over their management. The company may also establish branch offices in its domestic country and abroad.

§ 3
Announcements

(1) The announcements of the company shall be published in the federal gazette.

(2) The company is entitled to provide information to the shareholders by means of remote data transmission.

II. Registered Share Capital and Shares

§ 4
Amount and Division of Registered Share Capital

(1) The share capital amounts to EUR 3,253,735.00 (in words: euros three million two hundred fifty-three thousand seven hundred thirty-five). It is divided into 3,253,735 shares.

(2) The shares are registered shares. If, in the event of a capital increase, the increase resolution does not determine whether the new shares are to be bearer shares or registered shares, they shall be registered shares. For registration in the share register, shareholders shall, in the case of natural persons, provide the company with their names, addresses and their date of birth, and, in the case of legal persons, their company name, their business address and their registered office and in both cases, the number of shares held. Electronic postal addresses and any changes thereof should be indicated to facilitate communication.

(3) The originally existing share capital in the amount of EUR 50,000.00 (in words: euros fifty-thousand) was provided through the change of the legal form of Pyrum Innovations ESC GmbH with registered office in Dillingen/Saar.

(4) When new shares are issued, profit participation can be regulated in deviation from Section 60 of the German Stock Corporation Act (AktG). The form and the content of the share certificates, the dividend certificates and renewal certificates shall be determined by the executive board with the approval of the supervisory board.

(5) The right of a shareholder to have his/her share securitized is excluded as far as legally permitted and unless securitization is required under the rules of the stock exchange where the share is admitted. Global share certificates may be issued.

(6) The share capital is contingently increased by up to EUR 199,576.00, by issuing up to 199,576 no-par value registered shares. The contingent capital increase serves to grant conversion rights to BASF Antwerpen N.V. with registered office in Antwerp as creditor of the convertible bonds, issued on the grounds of the resolution of the general meeting from 9 September 2020 under agenda item 8. The contingent capital increase shall only be implemented to the extent that this conversion right is exercised. The new shares shall participate in profits from the beginning of the financial year in which they are created through the exercise of conversion rights. The supervisory board is authorized to amend the wording of the Articles of Association to reflect the extent to which the new shares are issued.

(7) The executive board is authorized, with the consent of the supervisory board, to increase the share capital of the company on one occasion or in partial amounts by a total of up to EUR 87,570.00 (in words: euros eighty-seven five hundred seventy) by the end of 27 April 2026 by issuing new no-par value shares against cash contributions and/or contributions in kind (Authorized Capital 2021). The new shares shall participate in profits from the beginning of the financial year in which they are issued. To the extent legally permissible, the executive board may, with the consent of the supervisory board and in deviation from Section 60 para. 2 AktG, determine that the new shares shall participate in profits from the beginning of an already completed financial year for which, at the time of their issuance, no resolution of the general meeting on the appropriation of the balance sheet profit has been passed.

In principle, shareholders are entitled to a subscription right. The shares may also be taken over by one or more credit institutions or companies determined by the executive board within the meaning of Section 186 para. 5 sentence 1 AktG with the obligation to offer them exclusively to the shareholders for subscription (indirect subscription right). However, the executive board is authorized, with the consent of the supervisory board, to exclude shareholders' subscription rights,

- in order to exclude fractional amounts from the subscription right;

- in order to offer the new shares by way of private placement in any jurisdiction at a selling price yet to be determined by the executive board, subject to the approval of a resolution of the supervisory board, in connection with an introduction of the shares of the company and/or the depositary shares representing such shares for trading on a German stock exchange and/or foreign stock exchange (including inclusion in a non-regulated market segment) and in this connection also in order to be able to fulfil an option agreed with the issuing bank to acquire additional shares (greenshoe option);

- if the capital increase is made by cash contributions and the issue price of the new shares does not significantly fall below the stock exchange price of the already listed shares of the same class and features at the time of the final determination of the issue price by the executive board within the meaning of Sections 203 para. 1 and 2, 186 para. 3 sentence 4 AktG. The stock exchange price shall also be deemed to be the price of a depositary share admitted to trading on a foreign stock exchange (including trading on a non-regulated market segment), of which each depositary share represents one share. The number of shares issued under exclusion of the subscription right pursuant to Section 203 para. 1 and 2, 186 para. 3 sentence 4 AktG may not exceed a total of 10 % of the share capital, neither at the time this authorization becomes effective nor at the time it is exercised. This number shall include shares that are issued or are to be issued to service option or conversion rights or option or conversion obligations under bonds with warrants and/or convertible bonds and/or profit participation rights, provided that the bonds are issued during the term of this authorization in analogous application of Section 186 para. 3 sentence 4 AktG with exclusion of the subscription right; furthermore, this number shall include shares that are issued or sold after repurchase during the term of this authorization with simplified exclusion of the subscription right pursuant to or in accordance with Section 186 para. 3 sentence 4 AktG;

- in order to issue new shares, if the capital increase is made by contributions in kind, in particular for the purpose of granting shares in the context of mergers or for the purpose of acquiring companies, parts of companies, participations in companies or other assets or claims to the acquisition of assets, including claims against the company or its group companies

- to issue new shares up to a proportionate amount of the share capital totaling EUR 51,400.00 as employee shares to employees of the company or employees and members of the management of subordinate affiliated companies within the meaning of Sections 15 et seqq. AktG.

The executive board is authorized, with the consent of the supervisory board, to determine the further details of the capital increase and the conditions of the share issue. The supervisory board is authorized to amend the wording of the Articles of Association after the full or partial implementation of the increase of the share capital from the Authorized Capital 2021 or after the expiry of the authorization period in accordance with the scope of the capital increase from the Authorized Capital 2021.

III. Executive Board

§ 5
Composition and Rules of Procedure

(1) The executive board consists of at least one person. Furthermore, the supervisory board determines the number of members of the executive board. The supervisory board may nominate a chairperson of the executive board as well as a deputy chairperson of the executive board.

(2) The executive board may, by unanimous resolution of all members of the executive board and with consent of the supervisory board adopt its own rules of procedure, unless the supervisory board issues rules of procedure for the executive board. The supervisory board shall determine that certain types of transaction may only be carried out with its approval. If more than one

member of the executive board has been appointed, the supervisory board shall also determine the allocation of responsibilities amongst the executive board members.

§ 6
Representation of the Company

The company shall be statutorily represented by one member of the executive board if the supervisory board has granted the member of the executive board the sole power of representation or the company is statutorily represented by two members of the executive board or one member of the executive board jointly with a holder of registered signing authority (Prokurist). If only one member of the executive board has been nominated, that member shall represent the company alone. The members of the executive board are exempt from the restrictions set forth in Section 181 2 Alt. of the German Civil Code (BGB).

§ 7
Management of Business

The executive board shall conduct the company's business in accordance with the laws, the Articles of Association and the rules of procedure. The executive board is obliged vis-á-vis the company to comply with the restrictions imposed by the Articles of Association, the supervisory board, the general meeting and the rules of procedure of the executive board and the supervisory board.

IV. Supervisory Board

§ 8
Composition, Term of Office, Resignation from Office

(1) The supervisory board consists of five members. As long as BASF Antwerp N.V. with registered office in Antwerp is shareholder of the company, it has the right to appoint one member of the supervisory board. The appointment and dismissal shall come into effect with a written declaration to the executive board of the company.

(2) The election of other members of the supervisory board shall be for the period until the end of the general meeting that resolves on the formal approval of actions for the fourth financial year after the start of the term of office. The financial year in which the term of office starts shall not be included in the calculation. At the election, the general meeting may determine a shorter term of office. If a member elected by the general meeting retires from the supervisory board before the expiry of his/her term of office, a successor shall be newly elected at the next general meeting. The term of office of the newly elected member shall be for the remainder of the term of office of the retiring member unless at the election, the general meeting resolves otherwise.

(3) Each member of the supervisory board may resign from office at any time upon issuing a declaration to the chairperson of the supervisory board or to the executive board with a notice period of one month. This notice period may be waived subject to the approval of the chairperson of the supervisory board.

§ 9
Duties and Powers of the Supervisory Board

(1) The supervisory board shall have all the duties and rights assigned to it by law, the Articles of Association or in any other manner. The supervisory board also has the right to convene the general meeting.

(2) The supervisory board is authorized to amend the Articles of Association if only the wording is affected.

(3) The supervisory board has the right to supervise the entire executive board and inspect and examine all books and records and assets of the company at all times.

(4) The executive board shall report to the supervisory board and/or the chairperson of the supervisory board on a case-by-case basis and on an ongoing basis to the extent stipulated by law. In addition, the supervisory board may request a report on matters concerning the company, on its legal and business relations with affiliated companies, as well as business activities at these companies, which may be of considerable importance for the situation of the shareholders.

§ 10
Chairperson and Deputy Chairperson

(1) A supervisory board meeting, to which no explicit invitation is required, takes place directly after the general meeting in which the members of the supervisory board to be elected by the general meeting have been newly elected. At this meeting, chaired by the oldest supervisory board member in terms of age, the supervisory board shall elect a chairperson and a deputy from among its members by majority vote for the duration of its term of office. The deputy chairperson has the rights and duties of the chairperson of the supervisory board if the chairperson is unable to act. If the chairperson or his/her deputy retires before the end of his/her term, the supervisory board must immediately hold a new election for the remainder of the term of office of the retiring person.

(2) Declarations of intent on behalf of the supervisory board are made by the chairperson. If he/she is unable to do so, his/her deputy shall issue such declarations. The chairperson also acts as the permanent representative of the supervisory board vis-à-vis third parties, in particular vis-à-vis courts and authorities as well as vis-à-vis the executive board. If he/she is unable to do so, his/her deputy shall step in.

§ 11
Convocation and Resolution

(1) The supervisory board shall pass its resolutions at meetings to which the chairperson has issued invitations observing a notice period of 14 days in writing, by telephone, per telefax or by electronic telecommunication. The day on which the invitation is sent and the day of the meeting shall not be included in the calculation of the deadline. In matters of urgency, the chairperson may shorten the period and may also convene the meeting orally. The agenda shall be communicated in the invitation. Resolutions regarding an item on the agenda, which was not announced in the invitation, are only permissible if no member of the supervisory board objects to the resolution.

(2) The executive board shall be invited to attend the meetings of the supervisory board in an advisory capacity, except where the personal affairs or remuneration of the members of the executive board are concerned. The supervisory board may resolve a different arrangement.

(3) The supervisory board may pass resolutions outside meetings in writing, by telephone, by telefax or by electronic telecommunication if ordered so by the chairperson and if no member of the supervisory board objects to this procedure and these Articles of Association do not provide otherwise.

(4) The supervisory board has a quorum if invitations have been sent to all members to their most recent known contact details and if at least half of the members that should comprise the supervisory board – in any case at least 3 members – participate in the resolution. A member shall participate in the resolutions even if he or she abstains from voting. Members of the supervisory board joining by telephone or video conference shall be deemed to be present. Absent members of the supervisory board may participate in the resolutions of the supervisory board by having their written vote submitted by another member of the supervisory board; a vote submitted by telefax or electronic communication to the chairperson, or, if the chairperson is unavailable, his/her deputy, shall also be deemed to be a written vote.

(5) The supervisory board shall pass its resolution by simple majority of the votes cast, unless the law or these Articles of Association provide otherwise. Abstentions shall not count as votes cast. In a case of a tie in the voting, the chairperson has two votes. The chairperson determines the order in which the items on the agenda are to be discussed as well as the nature and order of voting. In the case of casting the vote in writing, by telephone or telefax or by electronic telecommunication, these provisions apply mutatis mutandis.

(6) Minutes shall be taken of the meetings and resolutions of the supervisory board as stipulated in Section 107 para. 2 AktG.

§ 12
Rules of Procedure and Committees

(1) The supervisory board may issue itself rules of procedures within the framework of the mandatory statutory provisions and the terms of these Articles of Association.

(2) The supervisory board can create committees from among its members and also grant decision-making powers to them within the framework of the statutory provisions.

§ 13
Remuneration

(1) The members of the supervisory board shall receive, in addition to reimbursement of their cash expenses and any value-added tax payable on their supervisory board activities, a fixed remuneration payable after the end of the financial year, which amounts to EUR 10,000.00 for each member.

(2) The chairperson of the supervisory board shall receive double and his deputy one and a half times the amount of the fixed remuneration.

(3) If the office of a member of the supervisory board member or the function associated with increased remuneration begins or ends in the course of a financial year, the member of the supervisory board shall receive the remuneration or the increased remuneration pro rata temporis.

(4) This regulation shall apply for the first time to the remuneration payable for the year 2021.

V. General Meeting

§ 14
Place and Convening

(1) The general meeting shall be held at the place where the company has its registered office or at the location of a German stock exchange or in a city with more than 100.000 inhabitants.

(2) The general meeting shall be convened by the executive board, notwithstanding the statutory convening rights of the supervisory board and a shareholder minority. The convocation notice shall be published – provided there are no shorter periods permitted by law – at least thirty days before the day of the general meeting. The day of convening and the day of the general meeting are not included in the calculation of the period of notice. This period of notice for convening shall be extended by the days of the registration period in accordance with § 15 clause 1.

(3) The ordinary general meeting is held within the first 8 months of each financial year.

§ 15
Participation und Voting Rights

(1) Shareholders are entitled to participate in the general meeting and to exercise their voting rights if their shares are registered in the share register and if they have registered themselves in time. The registration must be received by the company at the address specified in the convocation notice at least six days before the general meeting. The day of receipt and the day of the general meeting shall not be included in the calculation of the notice period. The convocation notice may provide for a shorter period, to be measured in days. The registration must be in text form and must be in German or English.

(2) The executive board is authorized to provide that shareholders may also participate in the general meeting without being present at its location and without a proxy and exercise all or some of their rights in whole or in part by means of electronic communication. The executive board is also authorized to make provisions regarding the scope and procedure of participation and exercise of rights in accordance with sentence 1. These will be announced with the convocation of the general meeting.

(3) The executive board is authorized to provide that shareholders may cast their votes in writing or by means of electronic communication without attending the general meeting (postal vote). The executive board is also authorized to make provisions regarding the procedure pursuant to sentence 1. These will be announced with the convocation of the general meeting.

(4) Each non-par value share confers one vote.

(5) The voting rights may be exercised by proxies. The granting of power of attorney, its revocation and proof of power of attorney vis-á-vis the company require the written form. Section 135 AktG remains unaffected. The convocation notice may specify less strict requirements.

§ 16
Chair of the General Meeting

(1) The general meeting is chaired by the chairperson of the supervisory board, or, if he/she is unable to attend, by another member of the supervisory board to be appointed by the chairperson of the supervisory board, or, in the absence of such an appointment, by the deputy chairperson of the supervisory board. If none of these persons are present or willing to chair

the general meeting, the chairperson of the meeting shall be elected by the members of the supervisory board present at the meeting.

(2) The chairperson chairs the general meeting. He/she determines the order in which the items on the agenda are dealt with, and the nature, method and order of voting.

(3) The chairperson is authorized to set reasonable restrictions on the shareholders' right to ask questions and speak. In particular, at the beginning or during the general meeting, he/she is authorized to set a reasonable time limit for the meeting, for the discussion of the individual agenda items, and for the time allowed for speaking and asking questions in general or for individual speakers.

§ 17
Resolution

The resolutions of the general meeting are adopted by a simple majority of the votes cast unless mandatory statutory provisions stipulate otherwise. To the extent that a majority of the share capital represented when the resolution is adopted is additionally required by law, a simple majority of the share capital represented is sufficient insofar as this is legally permissible.

§ 18
Broadcasting of the General Meeting

The executive board is authorized to permit the complete or partial video and audio broadcasting of the general meeting in a manner to be specified by executive board in more detail. The broadcasting may also take place in a form to which the public has unrestricted access.

VI. Annual Financial Statements

§ 19
Annual Financial Statements and Appropriation of profits

(1) Within the statutory time limits, the executive board shall prepare the annual financial statements and the management report and, where required, the consolidated financial statements and the group management report for the past financial year, and shall submit them without undue delay to the supervisory board and to the auditor. The executive board shall submit to the supervisory board a proposal for the appropriation of the balance sheet profits.

(2) When adopting the annual financial statements, the executive board and the supervisory board are authorized to allocate to other revenue reserves all or part of the net income remaining after deduction of the amounts to be transferred to the statutory reserve and any loss to be carried forward. Allocating a larger part than half of the annual surplus is not admissible, if the other revenue reserves do not exceed half of the share capital or would exceed half of the share capital following such allocation.

(3) The general meeting shall annually pass resolutions on the formal approval of the actions of the executive board and the supervisory board, the appropriation of the balance sheet profits and the selection of the company's auditor.

VII. Final Provisions

§ 20
Expenses for Establishment

(1) The expenses for the establishment (notarial and court fees, costs for legal and tax advice, costs of the announcement, taxes) of Pyrum Innovations ESC GmbH with registered office in Dillingen/Saar were borne by Pyrum Innovations ESC GmbH up to an amount of EUR 2,000.00 (in words: euros two-thousand). Any costs exceeding this amount were borne by the shareholders in proportion to their share in the share capital.

(2) The expenses for the establishment of Pyrum Innovations AG with registered office in Dilligen/Saar, which consist of costs for the change of the legal form (notary and court fees, costs for legal and tax advice, cost of the announcement, taxes) of Pyrum Innovations ESC GmbH into Pyrum Innovations AG, shall be borne by Pyrum Innovations AG in the amount of EUR 40,000.00 (in words: euros forty-thousand). Any costs exceeding this amount shall be borne by the shareholders in proportion to their share in the share capital.

APPENDIX B:

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Christian Hecht
Wirtschaftsprüfer Steuerberater

Financial Statements

according to the
German Commercial Code

for the Fiscal Year from
January 1 to December 31, 2020

of

Pyrum Innovations AG,
Dillingen / Saar

Mergenthalerallee 77
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CONTENT

APPENDICES

[note: This is a translation of the German original. Solely the original text in German language is authoritative. If necessary, translator's comments are made between square brackets]

Independent Auditor's Report

To Pyrum Innovations AG
Dillingen / Saar

Opinion

I have audited the Annual Financial Statements of Pyrum Innovations AG, Dillingen / Saar, which comprise the balance sheet as at December 31, 2020 and the statement of income for the financial year from January 1, 2020 to December 31, 2020, the cash flow statement for the financial year from January 1 to December 31, 2020 and the Notes to the Financial Statements, including the recognition and measurement policies presented therein.

In my opinion, on the basis of the knowledge obtained in the audit, the accompanying Annual Financial Statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the company as at December 31, 2020 and of its financial performance for the financial year from January 1, 2020 to December 31, 2020 in compliance with German Legally Required Accounting Principles.

Pursuant to Section 322 (3) sentence 1 HGB [Handelsgesetzbuch: German Commercial Code], I declare that my audit has not led to any reservations relating to the legal compliance of the Annual Financial Statements.

Basis for the Opinion

I conducted my audit of the Annual Financial Statements in accordance with Section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). My responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements" section of my auditor's report. I am independent of the company in accordance with the requirements of German commercial and professional law, and I have fulfilled my other German professional responsibilities in accordance with these requirements. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on the Annual Financial Statements.

Responsibilities of the Legal Representatives and the Supervisory Board for the Annual Financial Statements

The legal representatives are responsible for the preparation of the Annual Financial Statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the Annual Financial Statements give a true and fair view of the assets, liabilities, financial position and financial performance of the company in compliance with German Legally Required Accounting Principles. In addition, the legal representatives are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of Annual Financial Statements that are free from material misstatement, whether due to fraud or error.

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

The Supervisory Board is responsible for overseeing the company's financial reporting process for the preparation of the Annual Financial Statements.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

My 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, as well as to issue an auditor's report that includes my opinion on the Annual 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 the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Annual Financial Statements.

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

- Identify and assess the risks of material misstatement of the Annual 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 my 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 controls.
- Obtain an understanding of internal control system relevant to the audit of the Annual 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 of the company.
- Evaluate the appropriateness of accounting policies used by the legal representatives and the reasonableness of estimates made by the legal representatives and related disclosures.
- Conclude on the appropriateness of the legal representatives' 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 I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the Annual Financial Statements or, if such disclosures are inadequate, to modify my respective opinion. My conclusions are based on the audit evidence obtained up to the date of my 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 Finan-

cial 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.

I 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 I identify during my audit.

Eschborn, April 28, 2021

[original version signed by:] [original version: professional seal]

Christian Hecht
Wirtschaftsprüfer [German Public Accountant]

Pyrum Innovations AG
Dillingen/ Saar

Financial Statements
for the Fiscal Year ended
December 31, 2020

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ASSETS

	Current Year EUR	Prior Year EUR
A. Noncurrent Assets		
I. Noncurrent Intangible Assets		
Acquired Rights and Licenses on such Rights	16,462.00	3,964.00
II. Property,Plant, and Equipment		
1. Buildings on Leasehold Property	221,657.00	20,806.00
2. Technical Equipment and Machines	4,081,097.00	4,965,309.00
3. Other Equipment, Plant and Office Equipment	500,323.00	532,018.00
4. Advances paid and Assets under Construction	1,393,546.77	592,577.10
	6,196,623.77	6,110,710.10
III. Noncurrent Financial Assets		
Other Loans	296,300.68	287,670.56
Total Noncurrent Assets	6,509,386.45	6,402,344.66
B. Current Assets		
I. Inventories		
1. Raw Materials and Supplies	23,841.10	44,633.20
2. Work in Progress	47,600.00	81,100.00
3. Finished Goods	14,630.12	24,941.63
	86,071.22	150,674.83
II. Receivables and other Current Assets		
1. Receivables Trade	60,022.62	33,236.27
2. Other Current Assets	95,896.20	145,235.98
	155,918.82	178,472.25
III. Cash at Hand and in Bank	9,738,572.67	608,112.75
Total Current Assets	9,980,562.71	937,259.83
C. Deferred Expenses	29,267.78	2,665.54
	16,519,216.94	7,342,270.03

LIABILITY AND EQUITY

	Current Year EUR	Prior Year EUR
A. Equity		
I. Subscribed Capital	2,570,235.00	2,313,211.00
II. Capital Reserve	11,574,074.18	3,331,098.18
III. Accumulated Losses	-7,261,100.97	-3,686,083.67
Total Equity	6,883,208.21	1,958,225.51
B. Provisions and Accrued Liabilities		
Other Provisions and Accrued Liabilities	2,118,232.25	2,127,063.66
C. Liabilities		
1. Liabilities to Banks	1,019,808.05	431,556.04
2. Liabilities Trade	1,988,697.21	2,083,185.48
3. Other Liabilities	4,509,271.22	742,239.34
	7,517,776.48	3,256,980.86
	16,519,216.94	7,342,270.03

[translation of the sole authoritative German Financial Statements]

Appendix 2

INCOME STATEMENT for the Fiscal Year from January 1 to December 31, 2020

Pyrum Innovations AG
Dillingen/ Saar

	Current Year EUR	Prior Year EUR
1. Revenues	662,747.95	169,725.23
2. Increase/Decrease of Finished Goods	-10,311.51	24,941.63
3. Increase/Decrease of Work in Progress	-33,500.00	17,500.00
4. Other own Work Capitalized	1,174,678.22	2,740,923.87
5. Other Operating Income	374,763.62	652,683.52
6. Expenses for Materials		
a) Expenses for Raw Materials and Supplies and for purchased goods	880,507.43	2,190,674.40
b) Expenses for Purchased Services	333,102.18	129,996.25
	1,213,609.61	2,320,670.65
7. Personnel Expenses		
a) Wages and Salaries	1,589,896.66	1,039,361.30
b) Social Security Contributions and Expenses for old-age procurement and assistance	301,021.82	189,483.24
	1,890,918.48	1,228,844.54
8. Depreciation on Intangible Noncurrent Assets and Property, Plant, and Equipment	1,225,013.62	944,748.17
9. Other Operating Expenses	1,296,401.08	815,820.46
10. Income from Noncurrent Loans	8,630.12	8,430.00
11. Other Interest and similar Inoome	6,816.94	77.96
12. Interest and similar Expenses	129,213.85	87,592.99
13. Taxes from Income	0.00	0.00
14. Result after Tax	-3,571,331.30	-1,783,394.60
15. Taxes other than Income Taxes	3,686.00	3,339.00
16. Net Loss of the Year	-3,575,017.30	-1,786,733.60
17. Losses carried Forward	-3,686,083.67	-1,899,350.07
18. Accumulated Losses	-7,261,100.97	-3,686,083.67

Notes to the Financial Statements for the Fiscal Year 2020

1. General Disclosures to the Financial Statements

Disclosures for Identification Purposes according to the Trade Registry Court

The following information is entered in the commercial register at the balance sheet date:

Company name according to the registry court:	Pyrum Innovations AG
Principal office according to the registry court:	Dillingen/Saar
Registry section:	Commercial register Abt. B
Registry court:	Saarbrücken
Registry number.:	104458

2. Disclosure to Accounting and Valuation Methods

2.1 Accounting, Valuation and Classification Principles

The annual financial statements are compiled in accordance with the accounting regulations set forth in the German Commercial Code (sec 242 et seq. Handelsgesetzbuch – HGB -), under particular consideration of the special accounting regulations for companies. The classification of the balance sheet and income statement is based on the rules for large corporations. For the notes to the financial statements, the exemptions for small companies were partially used. The annual financial statements have been expanded by a cash flow statement; the principles of the German accounting standard DRS 21 are observed here.

Acquired intangible assets were recognized at purchase cost and, if they have a limited useful life, reduced by scheduled depreciation. Self- generated intangible assets were not capitalized.

Property, plant and equipment is recognized at acquisition or production cost and, if they have a limited useful life, reduced by scheduled depreciation.

Direct material costs, direct and overhead production costs, the depreciation of the fixed assets used for the provision of the service as well as an appropriate portion of the administrative overhead costs, were included in the production costs. Interest on borrowed capital is not included in the production costs.

Subsequent acquisition and manufacturing costs are only capitalized, if the scope, the function or the performance of a technical system in operation is significantly expanded. The depreciation is linear over the remaining useful life.

The scheduled depreciation was carried out on a straight-line basis, based on the expected useful life of the assets.

Low-value fixed assets up to EUR 800,00 were depreciated completely in the year of the acquisition.

The financial assets were recognized at acquisition cost. Impairment allowances to the lower fair value were not necessary.

Raw materials, consumables and supplies were capitalized at their acquisition costs. Work in progress and finished goods were stated at their production costs. Inventories are written down to their fair value as of the balance sheet date.

Receivables and other assets were capitalized at their nominal value and valued considering all identifiable risks.

The other provisions were recognized for all uncertain liabilities and for expected losses from onerous contracts. In doing so, all identifiable risks were taken into account. Based on prudent business judgement, the provisions were valued at the amount that is necessary to fulfill the respective obligation. The costs at the probable future point in time of settlement were considered. Provisions that are expected to be settled more than one year after the balance sheet date, have been discounted. The estimated remaining terms used here are based on the management´s expectations regarding the probable future utilization, in particular the medium-term planning for the plant construction. The term-dependent discount rates determined by the Deutsche Bundesbank were used for discounting. The income from discounting as well as interest effects from changes in interest rates and a changed estimate of the terms are recorded as interest income or interest expense.

Deferred taxes were accounted for and valued in accordance with sec. 274 of the German Commercial Code. Deferred tax assets and liabilities are set off. According to the option in sec. 274 para 1 sentence 2 of the German Commercial Code, a net deferred tax asset balance is not recognized in the balance sheet.

Liabilities were recognized at the settlement amount.

Revenues are recognized upon delivery of the product or upon completion of the service rendered.

Income from public grants is realized when the grant commitments are made or the grant agreements have been concluded and to the extent that the funded measures have been carried out or are fulfilled. Income from grants for assets subject to capitalization is recognized in full as income at the time of completion or commissioning of the fixed asset; a prorated amortization according to the useful life of the system doesn´t take place.
The income is shown as other operating income; claims to realized grant funds are shown under the other assets; funds already received, but not yet realized are shown as other liabilities.

2.2 Changes of Accounting, Valuation and Classification Methods compared to the Previous Year

There were no changes to the accounting, valuation and classification methods.

3. Disclosures to the Balance Sheet

The fluctuation of the noncurrent assets reporting lines is shown below in the noncurrent asset schedule, including the depreciation for the fiscal year.

Fluctuation of the Noncurrent Assets as of December 31, 2020

Pyrum Innovations AG
Dillingen/ Saar

	Acquisition and Production Costs					Cumulative Depreciation					Book Value	
	1st Jan. 2020 EUR	Additions EUR	Disposals EUR	Reclassi-fications EUR	31th Dec. 2020 EUR	1st Jan. 2020 EUR	Additions EUR	Disposals EUR	Reclassi-fications EUR	31th Dec. 2020 EUR	31th Dec. 2020 EUR	31th Dec. 2019 EUR
I. Noncurrent Intangible Assets												
Acquired Rights and Licenses on such Rights	12,088.40	18,780.00	0.00	0.00	30,868.40	8,124.40	6,282.00	0.00	0.00	14,406.40	16,462.00	3,964.00
	12,088.40	**18,780.00**	**0.00**	**0.00**	**30,868.40**	**8,124.40**	**6,282.00**	**0.00**	**0.00**	**14,406.40**	**16,462.00**	**3,964.00**
II. Property, Plant, and Equipment												
1. Buildings on Leasehold Property	29,904.07	20,124.20	0.00	188,261.57	238,289.84	9,098.07	7,534.77	0.00	0.00	16,632.84	221,657.00	20,806.00
2. Technical Equipment and Machines	7,822,200.59	187,645.95	0.00	0.00	8,009,846.54	2,856,891.59	1,071,857.95	0.00	0.00	3,928,749.54	4,081,097.00	4,965,309.00
3. Other Equipment, Plant and Office Equipment	886,515.55	180,856.90	209,891.22	0.00	857,481.23	354,497.55	139,338.90	136,678.22	0.00	357,158.23	500,323.00	532,018.00
4. Advances paid and Assets under Construction	592,577.10	989,231.24	0.00	-188,261.57	1,393,546.77	0.00	0.00	0.00	0.00	0.00	1,393,546.77	592,577.10
	9,331,197.31	**1,377,858.29**	**209,891.22**	**0.00**	**10,499,164.38**	**3,220,487.21**	**1,218,731.62**	**136,678.22**	**0.00**	**4,302,540.61**	**6,196,623.77**	**6,110,710.10**
III. Noncurrent Financial Assets												
Other Loans	287,670.56	8,630.12	0.00	0.00	296,300.68	0.00	0.00	0.00	0.00	0.00	296,300.68	287,670.56
	287,670.56	**8,630.12**	**0.00**	**0.00**	**296,300.68**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**296,300.68**	**287,670.56**
	9,630,956.27	**1,405,268.41**	**209,891.22**	**0.00**	**10,826,333.46**	**3,228,611.61**	**1,225,013.62**	**136,678.22**	**0.00**	**4,316,947.01**	**6,509,386.45**	**6,402,344.66**

The advances paid and assets under construction, amounting to 1,393,546.77 EUR, essentially consist of:

Coal mill	(start of construction 2020)	EUR 704,956.38
Gas filtration system	(start of construction 2018)	EUR 544,763.15

The long term loan is granted to Pyrum Innovations International S.A., Schengen/Luxemburg.

In the amount of 7,224.81 EUR (previous year: 0,00 EUR), there are other noncurrent assets with a remaining term of more than one year.

A bank balance of 207,003.65 EUR has been pledged to secure bank loans.

3.1 Development of the Share Capital and the Capital Reserve

At the annual general meeting on 9th September 2020, the share capital was increased by the issue of 257,024 new shares against cash contribution from 2,313,211.00 EUR by 257,024.00 EUR to 2,570,235.00 EUR. The new shares were taken over by BASF Antwerpen NV, Antwerp/Belgium. In addition, the new shareholder contributed 8,242,976.00 EUR to the capital reserve according to sec. 272 para 2 no. 4 of the German Commercial Code.

The capital reserve according to sec. 272 para 2 no. 1 of the German Commercial Code amounted is 3,331,098.18 EUR as of 31st December 2019 and unchanged as of 31st December 2020.

3.2 Conditional Capital, Convertible Loan

By resolution of the annual general meeting on 9th September 2020, the executive board was authorized to issue convertible bonds in the amount of 6,600,000.00 EUR with an annual interest rate of 3% latest by 31st December 2024. The subscription right of the shareholders was excluded. The BASF Antwerpen NV is permitted to the subscription of the convertible bond. The receipt of the convertible bond is in relation to 33,070108 to 1, so that convertible bonds with a nominal amount of 6,600,000.00 EUR can be exchanged for 199.576 new shares with a nominal amount of 1.00 EUR. As a result of this resolution, the share capital of the AG is conditionally increased by 199,576.00 EUR (conditional capital 2020/I). The conditional capital increase will only be carried out to the extant, that the owner of the convertible bonds makes use of his conversion right.

On 9th September 2020, the executive board, with the approval of the supervisory board, concluded a convertible loan agreement of 6,600,000.00 EUR with BASF Antwerpen NV. The loan bears interest at 3% p.a. The loan is paid out in tranches when certain milestones are reached. Each tranche has a term of 10 years and repayment begins at the beginning of the third year, after it is granted. An ordinary termination is excluded. The lender is entitled to extraordinary termination for good cause. The lender´s option to convert into shares according to the exchange ratio described above only exists in the event of termination for good cause.

As of 31st December 2020, one tranche of the convertible loan, in the amount of 1,880,000.00 EUR has been paid; the loan is shown under other liabilities. As the conversion right associated with the loan can only be exercised in the event of termination for an important reason and the other loan conditions are assessed as being line with the market, this conversion right doesn't have a separate economic value, which would need to be recognized in the capital reserve according to sec. 272 para 2 no. 3 of the German Commercial Code.

3.3 Disclosures to the Liabilities

The liabilities break down as follows:

	Remaining term up to one year		Remaining term of more than one year	
	31.12.2020 Euro	31.12.2019 Euro	31.12.2020 Euro	31.12.2019 Euro
Liabilities				
due to credit institutions	207.609,33	173.260,08	812.198,72	258.295,96
accounts payable trade	703.365,28	513.779,69	1.285.331,93	1.569.405,79
thereof hire-purchase liabilities	374.539,07	349.274,22	1.285.331,93	1.569.405,79
others	1.494.692,56	339.351,15	3.014.578,66	402.888,19
thereof convertible loans	0,00	0,00	1.880.000,00	0,00
thereof other loans	111.057,05	301.875,00	1.601.394,87	402.888,19
thereof from public grants	808.085,45	0,00	0,00	0,00
thereof from taxes	28.149,35	16.566,38	0,00	0,00
thereof for social security	27.337,45	10.200,36	0,00	0,00
total	**1.938.850,96**	**1.026.390,92**	**5.578.925,52**	**2.230.589,94**

The amount of the liabilities with a remaining term of more than five years is 1,191,250.13 EUR (previous year: 11,401.89 EUR).

The liabilities to banks are secured in the amount of 111,644.58 EUR by assignment of fixed assets. For liabilities of 164,581.46 EUR a cash backing was provided.

The hire-purchase liabilities in the amount of 1,659,871.00 EUR are secured by retention of ownership title or assignments by way of security to fixed assets.

A manufacturer´s loan in the amount of 526,106.11 EUR shown in other liabilities, is secured by transferring ownership of the facility, that is still under construction.

The remaining loans reported under other liabilities in the amount of 1,186,345.81 EUR (previous year: 704,763.19 EUR), were granted by shareholders of the company. They are unsecured, have terms of up to 4 years and interest rates between 2.5 and 6.0 %.

3.4 Other Financial Obligations Not Recognized in the Balance Sheet

In addition to the liabilities shown in the balance sheet, there are other financial obligations.

Obligations from rental and leasing contracts:	TEUR
payable in 2021	101
payable in 2022	90
payable in 2023	58
in subsequent years	13
	262

The order commitment from a purchase contract for system components is 5,000 TEUR.

Contingent liabilities arising from the cooperation agreements exist in the amount of 428 TEUR. The executive board of Pyrum Innovations AG estimates the probability that claims will be made against the company from these contingent obligations as remote.

The company is jointly liable from a convertible loan from BASF Antwerpen NV to Pyrum Innovations International S.A., Schengen/Luxemburg in the amount of 400,000.00 EUR. As of 31st December 2020, the amount of 120,000.00 is paid out. The executive board of Pyrum

Innovations AG estimates the probability that claims will be made against the company from this joint liability as remote.

3.5 Income Statement

The revenues break down as follows

Operation of the recycling plant	EUR	599.717,00
Research contracts	EUR	56.536,50
Other revenues	EUR	6.494,45
	EUR	**662.747,95**

The other own work capitalized in 2020, in the amount of 1,174,678.22 EUR, result mainly from extensions and improvements of the plants in Dillingen/Saar. In the amount of 705 TEUR, they primarily relate to the coal mill, which was in the acceptance phase on the balance sheet date, the gas filtering and oil processing systems still under construction (together 80 TEUR), as well as the planning costs of new plants (53 TEUR). Improvements to the systems in operation are included with 187 TEUR. For the hall for the coal mill which was completed in 2020, own work in the amount of 150 TEUR has been capitalized.
Own work includes the total expenditure for the year for self-constructed property, plant and equipment, consisting primarily of material input (approx. 649 TEUR), external work (333 TEUR) and the own work of Pyrum-staff valued at full cost (TEUR 187).

The other operating income, amounting to 374,763.62 EUR, essentially includes investment grants of around 210 TEUR (previous year: 560 TEUR).

The cost of materials consist of the cost for raw material and supplies amounting to 880,507.43 EUR and the cost of purchased services amounting to 333,102.18 EUR. The two largest items of raw materials, consumables and supplies concern the use of materials for investments in the company´s own system, with around 648 TEUR and on energy in the amount of 198 TEUR. These are primarily electricity costs for running the shredder system and for starting up the pyrolysis system.

The external services include the external engineering and assembly services for the construction and expansion of the company´s own fixed assets.

The personnel expenses include all wages and salaries of the staff and the board of directors, as well as expenses for temporary workers and mini-jobs, and the employer´s share of social security contributions. The short-time work allowance, paid by the Employment Agency, is deducted directly from the wages and salaries.

The expenses for pensions amount to 7,462.00 EUR (previous year: 9,803.00 EUR).

The other operating expenses split as follows:

Legal and consulting costs	EUR	243.599,49
Repairs and maintenance	EUR	200.211,47
Operating cost	EUR	187.838,29
Land and building rents and ancillary costs	EUR	140.565,59
Insurance, contributions, levies	EUR	119.403,72
Vehicle costs	EUR	115,246.96
Other operating expenses	EUR	289,535.56
	EUR	**1,296,401.08**

The legal and consulting costs also include technical advice and analyzes.

The other interest and similar income include interest income from the present value capitalisation of provisions, in the amount of 6,766.79 EUR (previous year: 0.00 EUR).

The interest expenses amounted to 129,213.86 EUR and were mainly used to finance the noncurrent assets. Interest expenses include 0.00 EUR (previous year: 31,214.27 EUR) from the discounting of provisions.

3.6 Cash Flow Statement

The cash and cash equivalents are as follows:

	31.12.2020 EUR	31.12.2019 EUR	31.12.2018 EUR
Petty cash and cash at banks	9.738.572,67	608.112,75	414603,60
Less cash at banks pledged for security	- 207.003,48	- 207.003,48	-7.003,48
Cash and cash equivalents	**9.531.569,19**	**401.109,27**	**407.600,12**

The cash flow from business activities is shown using the indirect method.

In 2019, the non-cash investments in fixed assets included the tire shredder system financed through a hire-purchase agreement, three work machines and two cars, with a total of 2,091,295.64 EUR.

The payments from public subsidies relate to the multi-year EC research project „Blackcycle“ for tire recycling with 776 TEUR in 2020, and in both years to regional and state subsidies for the investments at the Dillingen/Saar site.

4. Other Disclosures

The average headcount of employees in the company during the year was 35.

4.1 Names of the Members of the Management Board and the Supervisory Board

Executive board:	Name	
Chair:	Pascal Klein	
Further member:	Michael Kapf	
Supervisory board:	Name	
Chair:	Alf Schmidt	
Deputy Chair:	Manfred Alt	
Further members:	Jürgen Opitz	
	Jürgen Fischer	
	Dr. Christian Lach	from 9th September 2020 to 1st April 2021
	Matthias Lindner	since 1st April 2021

The members of the supervisory board Dr. Lach and Lindner are delegated by the shareholder BASF Antwerpen NV due to the right of delegation included in the Articles of Association on 9th September 2020.

4.3 Granting of Loans and Advances to Members of Governing Bodies

A short-term loan granted in 2019 to board member Pascal Klein still existed as of 31st December

2019, in the amount of 3,424.25. In the current fiscal year it was repaid except for a remaining amount of 239.96 EUR. The loan is unsecured and bears 1% p.a. interest.

4.4 Signatures of the Executive Board

Dillingen/Saar, 22nd April 2021

Pascal Klein	Michael Kapf

CASH FLOW STATEMENT for the Fiscal Year from January 1 to December 31, 2020
Pyrum Innovations AG
Dillingen/Saar

	2020 Euro	2019 Euro
Result of the period	-3.575.017,30	-1.786.733,60
Depreciation/reversal of property, plant and equipment and noncurrent intangible assets	1.225.013,62	944.748,17
Increase/decrease of provisions and accrued liabilities	95.935,38	53.053,17
Increase/decrease of inventories, receivables trade and other assets not allocable to the investing or financing activities	-21.988,20	-271.109,55
Increase/decrease of payables trade and other liabilities not alllocable to the investing or financing activities	222.951,63	-78.025,84
Gains/losses from the disposal of noncurrent assets	-21.682,13	20,80
Interest expense/income	113.766,79	79.085,03
Other income not allocable to the cash flow from operating activities	-209.851,00	-560.000,00
Cash flow from operating activities	-2.170.871,21	-1.618.961,82
Payments made for noncurrent intangible assets	-18.780,00	-2.500,00
Payments received from the disposal of property, plant and equipment	83.638,13	32.560,20
Payments made for property, plant and equipment	-1.377.858,29	-1.040.070,60
Interest received	50,15	77,96
Cash flow from investing activities	-1.312.950,01	-1.009.932,44
Payments received from capital contributions by shareholders	8.500.000,00	1.440.637,36
Additions to financial liabilities	3.690.000,00	900.000,00
Repayment of financial liabilities	-608.557,00	-132.818,42
Payments received from government grants/subsidies	1.111.736,45	466.200,00
Interest paid	-78.898,31	-51.615,53
Cash flow from financing activities	12.614.281,14	2.622.403,41
Cash-effective changes of the cash and cash equivalents	9.130.459,92	-6.490,85
Cash and cash equivalents at the beginning of the period	401.109,27	407.600,12
Cash and cash equivalents at the end of the period	9.531.569,19	401.109,27

[Translator's notes are in square brackets]

General Engagement Terms

for

Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften

[German Public Auditors and Public Audit Firms]

as of January 1, 2017

1. Scope of application

(1) These engagement terms apply to contracts between German Public Auditors (*Wirtschaftsprüfer*) or German Public Audit Firms (*Wirtschaftsprüfungsgesellschaften*) – hereinafter collectively referred to as "German Public Auditors" – and their engaging parties for assurance services, tax advisory services, advice on business matters and other engagements except as otherwise agreed in writing or prescribed by a mandatory rule.

(2) Third parties may derive claims from contracts between German Public Auditors and engaging parties only when this is expressly agreed or results from mandatory rules prescribed by law. In relation to such claims, these engagement terms also apply to these third parties.

2. Scope and execution of the engagement

(1) Object of the engagement is the agreed service – not a particular economic result. The engagement will be performed in accordance with the German Principles of Proper Professional Conduct (*Grundsätze ordnungsmäßiger Berufsausübung*). The German Public Auditor does not assume any management functions in connection with his services. The German Public Auditor is not responsible for the use or implementation of the results of his services. The German Public Auditor is entitled to make use of competent persons to conduct the engagement.

(2) Except for assurance engagements (*betriebswirtschaftliche Prüfungen*), the consideration of foreign law requires an express written agreement.

(3) If circumstances or the legal situation change subsequent to the release of the final professional statement, the German Public Auditor is not obligated to refer the engaging party to changes or any consequences resulting therefrom.

3. The obligations of the engaging party to cooperate

(1) The engaging party shall ensure that all documents and further information necessary for the performance of the engagement are provided to the German Public Auditor on a timely basis, and that he is informed of all events and circumstances that may be of significance to the performance of the engagement. This also applies to those documents and further information, events and circumstances that first become known during the German Public Auditor's work. The engaging party will also designate suitable persons to provide information.

(2) Upon the request of the German Public Auditor, the engaging party shall confirm the completeness of the documents and further information provided as well as the explanations and statements, in a written statement drafted by the German Public Auditor.

4. Ensuring independence

(1) The engaging party shall refrain from anything that endangers the independence of the German Public Auditor's staff. This applies throughout the term of the engagement, and in particular to offers of employment or to assume an executive or non-executive role, and to offers to accept engagements on their own behalf.

(2) Were the performance of the engagement to impair the independence of the German Public Auditor, of related firms, firms within his network, or such firms associated with him, to which the independence requirements apply in the same way as to the German Public Auditor in other engagement relationships, the German Public Auditor is entitled to terminate the engagement for good cause.

5. Reporting and oral information

To the extent that the German Public Auditor is required to present results in writing as part of the work in executing the engagement, only that written work is authoritative. Drafts are non-binding. Except as otherwise agreed, oral statements and explanations by the German Public Auditor are binding only when they are confirmed in writing. Statements and information of the German Public Auditor outside of the engagement are always non-binding.

6. Distribution of a German Public Auditor's professional statement

(1) The distribution to a third party of professional statements of the German Public Auditor (results of work or extracts of the results of work whether in draft or in a final version) or information about the German Public Auditor acting for the engaging party requires the German Public Auditor's written consent, unless the engaging party is obligated to distribute or inform due to law or a regulatory requirement.

(2) The use by the engaging party for promotional purposes of the German Public Auditor's professional statements and of information about the German Public Auditor acting for the engaging party is prohibited.

7. Deficiency rectification

(1) In case there are any deficiencies, the engaging party is entitled to specific subsequent performance by the German Public Auditor. The engaging party may reduce the fees or cancel the contract for failure of such subsequent performance, for subsequent non-performance or unjustified refusal to perform subsequently, or for unconscionability or impossibility of subsequent performance. If the engagement was not commissioned by a consumer, the engaging party may only cancel the contract due to a deficiency if the service rendered is not relevant to him due to failure of subsequent performance, to subsequent non-performance, to unconscionability or impossibility of subsequent performance. No. 9 applies to the extent that further claims for damages exist.

(2) The engaging party must assert a claim for the rectification of deficiencies in writing (*Textform*) [*Translators Note: The German term "Textform" means in written form, but without requiring a signature*] without delay. Claims pursuant to paragraph 1 not arising from an intentional act expire after one year subsequent to the commencement of the time limit under the statute of limitations.

(3) Apparent deficiencies, such as clerical errors, arithmetical errors and deficiencies associated with technicalities contained in a German Public Auditor's professional statement (long-form reports, expert opinions etc.) may be corrected – also versus third parties – by the German Public Auditor at any time. Misstatements which may call into question the results contained in a German Public Auditor's professional statement entitle the German Public Auditor to withdraw such statement – also versus third parties. In such cases the German Public Auditor should first hear the engaging party, if practicable.

8. Confidentiality towards third parties, and data protection

(1) Pursuant to the law (§ [Article] 323 Abs 1 [paragraph 1] HGB [German Commercial Code: *Handelsgesetzbuch*], § 43 WPO [German Law regulating the Profession of Wirtschaftsprüfer: *Wirtschaftsprüferordnung*], § 203 StGB [German Criminal Code: *Strafgesetzbuch*]) the German Public Auditor is obligated to maintain confidentiality regarding facts and circumstances confided to him or of which he becomes aware in the course of his professional work, unless the engaging party releases him from this confidentiality obligation.

(2) When processing personal data, the German Public Auditor will observe national and European legal provisions on data protection.

9. Liability

(1) For legally required services by German Public Auditors, in particular audits, the respective legal limitations of liability, in particular the limitation of liability pursuant to § 323 Abs. 2 HGB, apply.

(2) Insofar neither a statutory limitation of liability is applicable, nor an individual contractual limitation of liability exists, the liability of the German Public Auditor for claims for damages of any other kind, except for damages resulting from injury to life, body or health as well as for damages that constitute a duty of replacement by a producer pursuant to § 1 ProdHaftG [German Product Liability Act: *Produkthaftungsgesetz*], for an individual case of damages caused by negligence is limited to € 4 million pursuant to § 54 a Abs. 1 Nr. 2 WPO.

(3) The German Public Auditor is entitled to invoke demurs and defenses based on the contractual relationship with the engaging party also towards third parties.

(4) When multiple claimants assert a claim for damages arising from an existing contractual relationship with the German Public Auditor due to the German Public Auditor's negligent breach of duty, the maximum amount stipulated in paragraph 2 applies to the respective claims of all claimants collectively.

(5) An individual case of damages within the meaning of paragraph 2 also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty regardless of whether the damages occurred in one year or in a number of successive years. In this case, multiple acts or omissions based on the same source of error or on a source of error of an equivalent nature are deemed to be a single breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the German Public Auditor is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

(6) A claim for damages expires if a suit is not filed within six months subsequent to the written refusal of acceptance of the indemnity and the engaging party has been informed of this consequence. This does not apply to claims for damages resulting from scienter, a culpable injury to life, body or health as well as for damages that constitute a liability for replacement by a producer pursuant to § 1 ProdHaftG. The right to invoke a plea of the statute of limitations remains unaffected.

10. Supplementary provisions for audit engagements

(1) If the engaging party subsequently amends the financial statements or management report audited by a German Public Auditor and accompanied by an auditor's report, he may no longer use this auditor's report.

If the German Public Auditor has not issued an auditor's report, a reference to the audit conducted by the German Public Auditor in the management report or any other public reference is permitted only with the German Public Auditor's written consent and with a wording authorized by him.

(2) If the German Public Auditor revokes the auditor's report, it may no longer be used. If the engaging party has already made use of the auditor's report, then upon the request of the German Public Auditor he must give notification of the revocation.

(3) The engaging party has a right to five official copies of the report. Additional official copies will be charged separately.

11. Supplementary provisions for assistance in tax matters

(1) When advising on an individual tax issue as well as when providing ongoing tax advice, the German Public Auditor is entitled to use as a correct and complete basis the facts provided by the engaging party – especially numerical disclosures; this also applies to bookkeeping engagements. Nevertheless, he is obligated to indicate to the engaging party any errors he has identified.

(2) The tax advisory engagement does not encompass procedures required to observe deadlines, unless the German Public Auditor has explicitly accepted a corresponding engagement. In this case the engaging party must provide the German Public Auditor with all documents required to observe deadlines – in particular tax assessments – on such a timely basis that the German Public Auditor has an appropriate lead time.

(3) Except as agreed otherwise in writing, ongoing tax advice encompasses the following work during the contract period:

a) preparation of annual tax returns for income tax, corporate tax and business tax, as well as wealth tax returns, namely on the basis of the annual financial statements, and on other schedules and evidence documents required for the taxation, to be provided by the engaging party

b) examination of tax assessments in relation to the taxes referred to in (a)

c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)

d) support in tax audits and evaluation of the results of tax audits with respect to the taxes referred to in (a)

e) participation in petition or protest and appeal procedures with respect to the taxes mentioned in (a).

In the aforementioned tasks the German Public Auditor takes into account material published legal decisions and administrative interpretations.

(4) If the German Public auditor receives a fixed fee for ongoing tax advice, the work mentioned under paragraph 3 (d) and (e) is to be remunerated separately, except as agreed otherwise in writing.

(5) Insofar the German Public Auditor is also a German Tax Advisor and the German Tax Advice Remuneration Regulation (*Steuerberatungsvergütungsverordnung*) is to be applied to calculate the remuneration, a greater or lesser remuneration than the legal default remuneration can be agreed in writing (*Textform*).

(6) Work relating to special individual issues for income tax, corporate tax, business tax, valuation assessments for property units, wealth tax, as well as all issues in relation to sales tax, payroll tax, other taxes and dues requires a separate engagement. This also applies to:

a) work on non-recurring tax matters, e.g. in the field of estate tax, capital transactions tax, and real estate sales tax;

b) support and representation in proceedings before tax and administrative courts and in criminal tax matters;

c) advisory work and work related to expert opinions in connection with changes in legal form and other re-organizations, capital increases and reductions, insolvency related business reorganizations, admission and retirement of owners, sale of a business, liquidations and the like, and

d) support in complying with disclosure and documentation obligations.

(7) To the extent that the preparation of the annual sales tax return is undertaken as additional work, this includes neither the review of any special accounting prerequisites nor the issue as to whether all potential sales tax allowances have been identified. No guarantee is given for the complete compilation of documents to claim the input tax credit.

12. Electronic communication

Communication between the German Public Auditor and the engaging party may be via e-mail. In the event that the engaging party does not wish to communicate via e-mail or sets special security requirements, such as the encryption of e-mails, the engaging party will inform the German Public Auditor in writing (*Textform*) accordingly.

13. Remuneration

(1) In addition to his claims for fees, the German Public Auditor is entitled to claim reimbursement of his expenses; sales tax will be billed additionally. He may claim appropriate advances on remuneration and reimbursement of expenses and may make the delivery of his services dependent upon the complete satisfaction of his claims. Multiple engaging parties are jointly and severally liable.

(2) If the engaging party is not a consumer, then a set-off against the German Public Auditor's claims for remuneration and reimbursement of expenses is admissible only for undisputed claims or claims determined to be legally binding.

14. Dispute Settlement

The German Public Auditor is not prepared to participate in dispute settlement procedures before a consumer arbitration board (*Verbraucherschlichtungsstelle*) within the meaning of § 2 of the German Act on Consumer Dispute Settlements (*Verbraucherstreitbeilegungsgesetz*).

15. Applicable law

The contract, the performance of the services and all claims resulting therefrom are exclusively governed by German law.

APPENDIX C:

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Financial Statements

according to the
German Commercial Code

for the Fiscal Year from
January 1 to December 31, 2019

of

Pyrum Innovations AG,
Dillingen / Saar

CONTENT

APPENDICES

[note: This is a translation of the German original. Solely the original text in German language is authoritative. If necessary, translator's comments are made between square brackets]

Independent Auditor's Report

To Pyrum Innovations AG
Dillingen / Saar

Opinion

I have audited the Annual Financial Statements of Pyrum Innovations AG, Dillingen / Saar, which comprise the balance sheet as at December 31, 2019 and the statement of income for the financial year from January 1 to December 31, 2019 and the Notes to the Financial Statements, including the recognition and measurement policies presented therein.

In my opinion, on the basis of the knowledge obtained in the audit, the accompanying Annual Financial Statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the company as at December 31, 2019 and of its financial performance for the financial year from January 1 to December 31, 2019 in compliance with German Legally Required Accounting Principles.

Pursuant to section 322 (3) sentence 1 HGB [Handelsgesetzbuch: German Commercial Code], I declare that my audit has not led to any reservations relating to the legal compliance of the Annual Financial Statements.

Material Uncertainty concerning the Company's Ability to Continue as a Going Concern

I refer to section 2.2. in the Notes to the Financial Statements where the legal representatives describe that Pyrum Innovations AG is still in an expected lasting loss situation the duration of which will also depend on the further course of the pandemic control measures. As explained in section 2.2., these events and circumstances indicate a material uncertainty which may constitute significant doubt about the company's ability to continue as a going concern and which is an existential risk in the sense of section 322 (2) sentence 3 HGB. My audit opinion with regard to this issue is not modified.

Basis for the Opinion

I conducted my audit of the Annual Financial Statements in accordance with section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). My responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements" section of my auditor's report. I am independent of the company in accordance with the requirements of German commercial and professional law, and I have fulfilled my other German professional responsibilities in accordance with these requirements. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on the Annual Financial Statements.

Responsibilities of the Legal Representatives and the Supervisory Board for the Annual Financial Statements

The legal representatives are responsible for the preparation of the Annual Financial Statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the Annual Financial Statements give a true and fair view of the assets, liabilities, financial position and financial performance of the company in compliance with German Legally Required Accounting Principles. In addition, the legal representatives are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of Annual Financial Statements that are free from material misstatement, whether due to fraud or error.

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

The Supervisory Board is responsible for overseeing the company's financial reporting process for the preparation of the Annual Financial Statements.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

My 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, as well as to issue an auditor's report that includes my opinion on the Annual 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 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.

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

- Identify and assess the risks of material misstatement of the Annual 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 my 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 controls.
- Obtain an understanding of internal control system relevant to the audit of the Annual 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 of the company.
- Evaluate the appropriateness of accounting policies used by the legal representatives and the reasonableness of estimates made by the legal representatives and related disclosures.
- Conclude on the appropriateness of the legal representatives' use of the going con-

cern 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 I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the Annual Financial Statements or, if such disclosures are inadequate, to modify my respective opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

Eschborn, July 17, 2020

[original version signed by:] [original version: professional seal]

Christian Hecht
Wirtschaftsprüfer [German Public Accountant]

Appendix 1

Pyrum Innovations AG
Dillingen/ Saar

Financial Statements
for the Fiscal Year ended
December 31, 2019

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ASSETS

	Current Year EUR	Prior Year EUR
A. Noncurrent Assets		
I. Noncurrent Intangible Assets		
Acquired Rights and Licenses on such Rights	3,964.00	4,444.00
II. Property,Plant, and Equipment		
1. Buildings on Leasehold Property	20,806.00	22,301.00
2. Technical Equipment and Machines	4,965,309.00	2,760,997.00
3. Other Equipment, Plant and Office Equipment	532,018.00	352,451.00
4. Advances paid and Assets under Construction	592,577.10	817,944.03
	6,110,710.10	3,953,693.03
III. Noncurrent Financial Assets		
Other Loans	287,670.56	281,992.70
Total Noncurrent Assets	6,402,344.66	4,240,129.73
B. Current Assets		
I. Inventories		
1. Raw Materials and Supplies	44,633.20	15,000.00
2. Work in Progress	81,100.00	0.00
3. Finished Goods	24,941.63	63,600.00
	150,674.83	78,600.00
II. Receivables and other Current Assets		
1. Receivables Trade	33,236.27	28,830.02
2. Other Current Assets	145,235.98	52,340.38
	178,472.25	81,170.40
III. Cash at Hand and in Bank	608,112.75	414,603.60
Total Current Assets	937,259.83	574,374.00
C. Deferred Expenses	2,665.54	4,380.53
	7,342,270.03	4,818,884.26

LIABILITY AND EQUITY

	Current Year EUR	Prior Year EUR
A. Equity		
I. Subscribed Capital	2,313,211.00	2,221,800.00
II. Capital Reserve	3,331,098.18	1,981,871.82
III. Accumulated Losses	-3,686,083.67	-1,899,350.07
Total Equity	1,958,225.51	2,304,321.75
B. Provisions and Accrued Liabilities		
Other Provisions and Accrued Liabilities	2,127,063.66	1,944,796.22
C. Liabilities		
1. Liabilities to Banks	431,556.04	289,758.83
2. Liabilities Trade	2,083,185.48	259,356.89
3. Other Liabilities	742,239.34	20,650.57
	3,256,980.86	569,766.29
	7,342,270.03	4,818,884.26

[translation of the sole authoritative German Financial Statements]

Appendix 2

INCOME STATEMENT for the Fiscal Year from January 1 to December 31, 2019

Pyrum Innovations AG
Dillingen/ Saar

	Current Year EUR	Prior Year EUR
1. Revenues	169,725.23	27,860.82
2. Increase/Decrease of Finished Goods	24,941.63	0.00
3. Increase/Decrease of Work in Progress	17,500.00	23,500.00
4. Other own Work Capitalized	2,740,923.87	802,422.32
5. Other Operating Income	652,683.52	190,463.35
6. Expenses for Materials		
a) Expenses for Raw Materials and Supplies and for purchased goods	2,190,674.40	289,012.74
b) Expenses for Purchased Services	129,996.25	182,168.21
	2,320,670.65	471,180.95
7. Personnel Expenses		
a) Wages and Salaries	1,039,361.30	781,989.15
b) Social Security Contributions and Expenses for old-age procurement and assistance	189,483.24	146,343.50
	1,228,844.54	928,332.65
8. Depreciation on Intangible Noncurrent Assets and Property, Plant, and Equipment	944,748.17	740,167.18
9. Other Operating Expenses	815,820.46	816,662.06
10. Income from Noncurrent Loans	8,430.00	0.00
11. Other Interest and similar Inoome	77.96	89.76
12. Interest and similar Expenses	87,592.99	77,661.48
13. Taxes from Income	0.00	-93,130.00
14. Result after Tax	-1,783,394.60	-1,896,538.07
15. Taxes other than Income Taxes	3,339.00	2,812.00
16. Net Loss of the Year	-1,786,733.60	-1,899,350.07
17. Losses carried Forward	-1,899,350.07	0.00
18. Accumulated Losses	-3,686,083.67	-1,899,350.07

Notes to the Financial Statements for the Fiscal Year 2019

1. General Disclosures to the Financial Statements

Disclosures for Identification Purposes according to the Trade Registry Court

The following information is entered in the commercial register at the balance sheet date:

Company name according to the registry court:	Pyrum Innovations AG
Principal office according to the registry court:	Dillingen/Saar
Registry section:	Commercial register Abt. B
Registry court:	Saarbrücken
Registry number.:	104458

2. Disclosure to Accounting and Valuation Methods

2.1 Accounting, Valuation and Classification Principles

The annual financial statements are compiled in accordance with the accounting regulations set forth for business corporations in the German Commercial Code (sec. 242 et seq. Handelsgesetzbuch – HGB -), under particular consideration of the special accounting regulations for stock corporations. For the notes to the financial statements, the exemptions for small corporations were used.

Acquired intangible assets were recognized at purchase cost and, if they have a limited useful life, reduced by scheduled depreciation. Self- generated intangible assets were not capitalized.

Property, plant and equipment is recognized at acquisition or production cost and, if they have a limited useful life, reduced by scheduled depreciation.

Direct material costs, direct and overhead production costs, the depreciation of the fixed assets used for the provision of the service as well as an appropriate portion of the administrative overhead costs, were included in the production costs. Interest on borrowed capital is not included in the production costs.

The scheduled depreciation was carried out on a straight-line basis, based on the expected useful life of the assets.

Low-value fixed assets up to EUR 800,00 were depreciated completely in the year of the acquisition.

The noncurrent financial assets were recognized at acquisition cost. Impairment allowances to the lower fair value were not necessary.

Raw materials, consumables and supplies were capitalized at their acquisition costs. Work in progress and finished goods were stated at their production costs.

Receivables and other assets were capitalized at their nominal value and valued considering all identifiable risks.

The other provisions were recognized for all uncertain liabilities and for expected losses from onerous contracts. In doing so, all identifiable risks were taken into account. Based on prudent business judgement, the provisions were valued at the amount that is necessary to fulfill the respective obligation. The costs at the probable future point in time of settlement were considered. Provisions that are expected to be settled more than one year after the balance sheet date, have been discounted. The estimated remaining terms used here are based on the management´s expectations regarding the probable future utilization, in particular the medium-term planning for the plant construction. The term-dependent discount rates determined by the Deutsche Bundesbank were used for discounting. The expense from discounting as well as interest effects from changes in interest rates and a changed estimate of the terms are recorded in total as interest expense.

Deferred taxes were accounted for and valued in accordance with sec. 274 of the German Commercial Code. Deferred tax assets and liabilities are set off. According to the option in sec. 274 para 1 sentence 2 of the German Commercial Code, a net deferred tax asset balance is not recognized in the balance sheet.

Liabilities were recognized at the settlement amount.

Revenues are recognized upon delivery of the product or upon completion of the service rendered.

2.2 Ability to Act as a Going Concern

The Company incurred large net losses in the financial years 2018 and 2019 as it continued to expand and improve its recycling facility. In 2019, a significant improvement to the pyrolysis plant was completed and a tire shredder plant was added to the overall plant. The tire shredder plant has been in regular operation since November 2019, and the entire plant since May 2020, generating sustainable revenues.
However, the operation of the current plant and the research and development projects acquired will not yet be sufficient to achieve a positive result for the company as a whole. This requires the execution of the planned plant construction contracts, some of which have already been commissioned. These projects have been delayed since the turn of the year, mainly due to the measures to combat the pandemic. The Executive Board of Pyrum AG expect work on customer projects to resume in the last quarter of 2020 at the earliest and predominantly from the first half of 2021 onwards. Due to the current and possible future restrictions on pandemic control in Germany and in the countries where the plants are located, these estimates are subject to uncertainty. Further delays may result in an existential risk for Pyrum AG.
Due to the situation described above, Pyrum AG will probably still generate a negative result in the 2020 financial year and only achieve positive results from 2021 onwards. The Executive Board expect that Pyrum AG will be able to continue its business activities due to its capital and liquidity resources as well as the steady earnings contributions from plant operations.

2.3 Changes of Accounting, Valuation and Classification Methods compared to the Previous Year

There were no changes to the accounting, valuation and classification methods.

3. Disclosures to the Balance Sheet

3.1 Development of the Share Capital and the Capital Reserve

The capital reserve amounted 1,981,871.82 EUR as of 31st December 2018.

The premium of 1,349,226.36 earned from the capital increase against cash contribution in the extraordinary general meeting of January 29, 2019 was recognized in the capital reserves.

3.3 Disclosures to the Liabilities

The amount of the liabilities with a remaining term of up to one year is 1,026.390.92 EUR (previous year: 377,320.37 EUR).

The amount of the liabilities with a remaining term of more than one year and less than five years is 2,238,589.94 EUR (previous year: 192,445.92 EUR).
The amount of the liabilities with a remaining term of more than five years is 11,401.89 EUR (previous year: 0.00 EUR).

The liabilities to banks are secured in the amount of 252,664.09 EUR by assignment of fixed assets. For liabilities of 178,891.95 EUR a cash backing was provided.

Accounts payables trade in the amount of 1,918,680.01 EUR are secured by retention of ownership title or assignments by way of security to fixed assets.

The other liabilities include liabilities from taxes in an amount of 16,566.38 EUR (previous year 16,084.35 EUR) and liabilities for social security in an amount of 10,200.36 EUR (previous year 2,534.53 EUR).

3.4 Other Financial Obligations Not Recognized in the Balance Sheet

In addition to the liabilities shown in the balance sheet, there are other financial obligations.

Obligations from rental and leasing contracts:	TEUR
payable in 2020	99
payable in 2021	90
payable in 2022	59
in subsequent years	31
	279

The order commitment from a purchase contract for system components until May 2022 is 5,000 TEUR.

Contingent liabilities arising from the cooperation agreements exist in the amount of 428 TEUR. The executive board of Pyrum Innovations AG estimate the probability that claims will be made against the company from these contingent obligations as remote.

3.5 Income Statement

The expenses for old-age procurement amount to 9,803.00 EUR (previous year: 7,248.00 EUR).

The interest expenses include interest expenses from the present value capitalisation of provisions in the amount of 31,214.27 EUR (previous year: 62,724.87 EUR).

4. Other Disclosures

4.1 Headcount of Employees

The average headcount of employees in the company during the year was 20.

4.2 Names of the Members of the Executive Board and the Supervisory Board

Executive board:	Name
Chair:	Pascal Klein
:	Michael Kapf

Supervisory board:	Name
Chair:	Alf Schmidt
Deputy Chair:	Manfred Alt
Further members:	Jürgen Opitz Jürgen Fischer

4.3 Granting of Loans and Advances to Members of Governing Bodies

A short-term loan of 63,370.83 EUR was granted in April 2019 to the executive board member Pascal Klein. The loan is unsecured and bears 1% p.a. interest. It was paid back already in May 2019 until a remaining amount of 3,424.25 EUR and was fully paid at the date of the completion of the financial statements.

4.4 Signatures of the Executive Board

Dillingen/Saar, 10th July 2020

Pascal Klein

Michael Kapf

[Translator's notes are in square brackets]

General Engagement Terms
for
Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften
[German Public Auditors and Public Audit Firms]
as of January 1, 2017

1. Scope of application

(1) These engagement terms apply to contracts between German Public Auditors (*Wirtschaftsprüfer*) or German Public Audit Firms (*Wirtschaftsprüfungsgesellschaften*) – hereinafter collectively referred to as "German Public Auditors" – and their engaging parties for assurance services, tax advisory services, advice on business matters and other engagements except as otherwise agreed in writing or prescribed by a mandatory rule.

(2) Third parties may derive claims from contracts between German Public Auditors and engaging parties only when this is expressly agreed or results from mandatory rules prescribed by law. In relation to such claims, these engagement terms also apply to these third parties.

2. Scope and execution of the engagement

(1) Object of the engagement is the agreed service – not a particular economic result. The engagement will be performed in accordance with the German Principles of Proper Professional Conduct (*Grundsätze ordnungsmäßiger Berufsausübung*). The German Public Auditor does not assume any management functions in connection with his services. The German Public Auditor is not responsible for the use or implementation of the results of his services. The German Public Auditor is entitled to make use of competent persons to conduct the engagement.

(2) Except for assurance engagements (*betriebswirtschaftliche Prüfungen*), the consideration of foreign law requires an express written agreement.

(3) If circumstances or the legal situation change subsequent to the release of the final professional statement, the German Public Auditor is not obligated to refer the engaging party to changes or any consequences resulting therefrom.

3. The obligations of the engaging party to cooperate

(1) The engaging party shall ensure that all documents and further information necessary for the performance of the engagement are provided to the German Public Auditor on a timely basis, and that he is informed of all events and circumstances that may be of significance to the performance of the engagement. This also applies to those documents and further information, events and circumstances that first become known during the German Public Auditor's work. The engaging party will also designate suitable persons to provide information.

(2) Upon the request of the German Public Auditor, the engaging party shall confirm the completeness of the documents and further information provided as well as the explanations and statements, in a written statement drafted by the German Public Auditor.

4. Ensuring independence

(1) The engaging party shall refrain from anything that endangers the independence of the German Public Auditor's staff. This applies throughout the term of the engagement, and in particular to offers of employment or to assume an executive or non-executive role, and to offers to accept engagements on their own behalf.

(2) Were the performance of the engagement to impair the independence of the German Public Auditor, of related firms, firms within his network, or such firms associated with him, to which the independence requirements apply in the same way as to the German Public Auditor in other engagement relationships, the German Public Auditor is entitled to terminate the engagement for good cause.

5. Reporting and oral information

To the extent that the German Public Auditor is required to present results in writing as part of the work in executing the engagement, only that written work is authoritative. Drafts are non-binding. Except as otherwise agreed, oral statements and explanations by the German Public Auditor are binding only when they are confirmed in writing. Statements and information of the German Public Auditor outside of the engagement are always non-binding.

6. Distribution of a German Public Auditor's professional statement

(1) The distribution to a third party of professional statements of the German Public Auditor (results of work or extracts of the results of work whether in draft or in a final version) or information about the German Public Auditor acting for the engaging party requires the German Public Auditor's written consent, unless the engaging party is obligated to distribute or inform due to law or a regulatory requirement.

(2) The use by the engaging party for promotional purposes of the German Public Auditor's professional statements and of information about the German Public Auditor acting for the engaging party is prohibited.

7. Deficiency rectification

(1) In case there are any deficiencies, the engaging party is entitled to specific subsequent performance by the German Public Auditor. The engaging party may reduce the fees or cancel the contract for failure of such subsequent performance, for subsequent non-performance or unjustified refusal to perform subsequently, or for unconscionability or impossibility of subsequent performance. If the engagement was not commissioned by a consumer, the engaging party may only cancel the contract due to a deficiency if the service rendered is not relevant to him due to failure of subsequent performance, to subsequent non-performance, to unconscionability or impossibility of subsequent performance. No. 9 applies to the extent that further claims for damages exist.

(2) The engaging party must assert a claim for the rectification of deficiencies in writing (*Textform*) [*Translators Note: The German term "Textform" means in written form, but without requiring a signature*] without delay. Claims pursuant to paragraph 1 not arising from an intentional act expire after one year subsequent to the commencement of the time limit under the statute of limitations.

(3) Apparent deficiencies, such as clerical errors, arithmetical errors and deficiencies associated with technicalities contained in a German Public Auditor's professional statement (long-form reports, expert opinions etc.) may be corrected – also versus third parties – by the German Public Auditor at any time. Misstatements which may call into question the results contained in a German Public Auditor's professional statement entitle the German Public Auditor to withdraw such statement – also versus third parties. In such cases the German Public Auditor should first hear the engaging party, if practicable.

8. Confidentiality towards third parties, and data protection

(1) Pursuant to the law (§ [Article] 323 Abs 1 [paragraph 1] HGB [German Commercial Code: *Handelsgesetzbuch*], § 43 WPO [German Law regulating the Profession of Wirtschaftsprüfer: *Wirtschaftsprüferordnung*], § 203 StGB [German Criminal Code: *Strafgesetzbuch*]) the German Public Auditor is obligated to maintain confidentiality regarding facts and circumstances confided to him or of which he becomes aware in the course of his professional work, unless the engaging party releases him from this confidentiality obligation.

(2) When processing personal data, the German Public Auditor will observe national and European legal provisions on data protection.

9. Liability

(1) For legally required services by German Public Auditors, in particular audits, the respective legal limitations of liability, in particular the limitation of liability pursuant to § 323 Abs. 2 HGB, apply.

(2) Insofar neither a statutory limitation of liability is applicable, nor an individual contractual limitation of liability exists, the liability of the German Public Auditor for claims for damages of any other kind, except for damages resulting from injury to life, body or health as well as for damages that constitute a duty of replacement by a producer pursuant to § 1 ProdHaftG [German Product Liability Act: *Produkthaftungsgesetz*], for an individual case of damages caused by negligence is limited to € 4 million pursuant to § 54 a Abs. 1 Nr. 2 WPO.

(3) The German Public Auditor is entitled to invoke demurs and defenses based on the contractual relationship with the engaging party also towards third parties.

(4) When multiple claimants assert a claim for damages arising from an existing contractual relationship with the German Public Auditor due to the German Public Auditor's negligent breach of duty, the maximum amount stipulated in paragraph 2 applies to the respective claims of all claimants collectively.

(5) An individual case of damages within the meaning of paragraph 2 also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty regardless of whether the damages occurred in one year or in a number of successive years. In this case, multiple acts or omissions based on the same source of error or on a source of error of an equivalent nature are deemed to be a single breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the German Public Auditor is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

(6) A claim for damages expires if a suit is not filed within six months subsequent to the written refusal of acceptance of the indemnity and the engaging party has been informed of this consequence. This does not apply to claims for damages resulting from scienter, a culpable injury to life, body or health as well as for damages that constitute a liability for replacement by a producer pursuant to § 1 ProdHaftG. The right to invoke a plea of the statute of limitations remains unaffected.

10. Supplementary provisions for audit engagements

(1) If the engaging party subsequently amends the financial statements or management report audited by a German Public Auditor and accompanied by an auditor's report, he may no longer use this auditor's report.

If the German Public Auditor has not issued an auditor's report, a reference to the audit conducted by the German Public Auditor in the management report or any other public reference is permitted only with the German Public Auditor's written consent and with a wording authorized by him.

(2) If the German Public Auditor revokes the auditor's report, it may no longer be used. If the engaging party has already made use of the auditor's report, then upon the request of the German Public Auditor he must give notification of the revocation.

(3) The engaging party has a right to five official copies of the report. Additional official copies will be charged separately.

11. Supplementary provisions for assistance in tax matters

(1) When advising on an individual tax issue as well as when providing ongoing tax advice, the German Public Auditor is entitled to use as a correct and complete basis the facts provided by the engaging party – especially numerical disclosures; this also applies to bookkeeping engagements. Nevertheless, he is obligated to indicate to the engaging party any errors he has identified.

(2) The tax advisory engagement does not encompass procedures required to observe deadlines, unless the German Public Auditor has explicitly accepted a corresponding engagement. In this case the engaging party must provide the German Public Auditor with all documents required to observe deadlines – in particular tax assessments – on such a timely basis that the German Public Auditor has an appropriate lead time.

(3) Except as agreed otherwise in writing, ongoing tax advice encompasses the following work during the contract period:

a) preparation of annual tax returns for income tax, corporate tax and business tax, as well as wealth tax returns, namely on the basis of the annual financial statements, and on other schedules and evidence documents required for the taxation, to be provided by the engaging party

b) examination of tax assessments in relation to the taxes referred to in (a)

c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)

d) support in tax audits and evaluation of the results of tax audits with respect to the taxes referred to in (a)

e) participation in petition or protest and appeal procedures with respect to the taxes mentioned in (a).

In the aforementioned tasks the German Public Auditor takes into account material published legal decisions and administrative interpretations.

(4) If the German Public auditor receives a fixed fee for ongoing tax advice, the work mentioned under paragraph 3 (d) and (e) is to be remunerated separately, except as agreed otherwise in writing.

(5) Insofar the German Public Auditor is also a German Tax Advisor and the German Tax Advice Remuneration Regulation (*Steuerberatungsvergütungsverordnung*) is to be applied to calculate the remuneration, a greater or lesser remuneration than the legal default remuneration can be agreed in writing (*Textform*).

(6) Work relating to special individual issues for income tax, corporate tax, business tax, valuation assessments for property units, wealth tax, as well as all issues in relation to sales tax, payroll tax, other taxes and dues requires a separate engagement. This also applies to:

a) work on non-recurring tax matters, e.g. in the field of estate tax, capital transactions tax, and real estate sales tax;

b) support and representation in proceedings before tax and administrative courts and in criminal tax matters;

c) advisory work and work related to expert opinions in connection with changes in legal form and other re-organizations, capital increases and reductions, insolvency related business reorganizations, admission and retirement of owners, sale of a business, liquidations and the like, and

d) support in complying with disclosure and documentation obligations.

(7) To the extent that the preparation of the annual sales tax return is undertaken as additional work, this includes neither the review of any special accounting prerequisites nor the issue as to whether all potential sales tax allowances have been identified. No guarantee is given for the complete compilation of documents to claim the input tax credit.

12. Electronic communication

Communication between the German Public Auditor and the engaging party may be via e-mail. In the event that the engaging party does not wish to communicate via e-mail or sets special security requirements, such as the encryption of e-mails, the engaging party will inform the German Public Auditor in writing (*Textform*) accordingly.

13. Remuneration

(1) In addition to his claims for fees, the German Public Auditor is entitled to claim reimbursement of his expenses; sales tax will be billed additionally. He may claim appropriate advances on remuneration and reimbursement of expenses and may make the delivery of his services dependent upon the complete satisfaction of his claims. Multiple engaging parties are jointly and severally liable.

(2) If the engaging party is not a consumer, then a set-off against the German Public Auditor's claims for remuneration and reimbursement of expenses is admissible only for undisputed claims or claims determined to be legally binding.

14. Dispute Settlement

The German Public Auditor is not prepared to participate in dispute settlement procedures before a consumer arbitration board (*Verbraucherschlichtungsstelle*) within the meaning of § 2 of the German Act on Consumer Dispute Settlements (*Verbraucherstreitbeilegungsgesetz*).

15. Applicable law

The contract, the performance of the services and all claims resulting therefrom are exclusively governed by German law.

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