GFJ ESG Acquisition I SE

Société européenne

CONSOLIDATED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD
FROM 1 JANUARY 2022 TO 30 JUNE 2022

Registered office: 5, Heienhaff
L-1736 Senningerberg
R.C.S. Luxembourg: B255487

GFJ ESG Acquisition I SE

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Consolidated semi-annual financial statements for the period from 1 January 2022 to 30 June 2022

Consolidated statement of comprehensive income for the period from 1 January 2022 to 30 June 2022

	Note	Period from 1 January 2022 to 30 June 2022 EUR	Period from 8 June 2021 to 31 December 2021 EUR
Other operating expenses	6	(1,433,938)	(882,689)
Operating loss		**(1,433,938)**	**(882,689)**
Fair value loss on class A warrants		-	(5,700,000)
Fair value loss on class B warrants		-	(1,500,625)
Finance income		-	18,486
Finance costs		(1,870,667)	(527,639)
Loss before income tax		**(3,304,605)**	**(8,592,467)**
Income tax	7	-	-
Loss for the period		**(3,304,605)**	**(8,592,467)**
Other comprehensive income		**-**	**-**
Total comprehensive loss for the period, net of tax		**(3,304,605)**	**(8,592,467)**
Loss for the period attributable to:			
Equity holders of the parent		(3,304,605)	(8,592,467)
Non-controlling interests		-	-
		(3,304,605)	(8,592,467))
Total comprehensive loss attributable to:			
Equity holders of the parent		(3,304,605)	(8,592,467)
Non-controlling interests		-	-
		(3,304,605)	(8,592,467)
Loss per share attributable to equity holders of the parent:	8		
Net earnings per share		(0.88)	(2.57)
Diluted earnings per share		(0.88)	(2.57)

The accompanying notes form an integral part of these consolidated semi-annual financial statements.

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Consolidated statement of financial position as at 30 June 2022

	Note	30 June 2022 EUR	31 December 2021 EUR
ASSETS			
Non-current assets			
Cash in escrow	10	**153,612,083**	**154,218,750**
Current assets			
Trade debtors		95,780	22,465
Prepayments	11	323,548	524,062
Cash and cash equivalents	12	125,132	1,454,618
Total current assets		**544,460**	**2,001,145**
Total assets		**154,156,543**	**156,219,895**
EQUITY AND LIABILITIES			
Equity	13		
Share capital		144,000	144,000
Share premium		456,000	456,000
Accumulated deficit		(11,897,072)	(8,592,467)
Total equity attributable to owners of the parent		(11,297,072)	(7,992,467)
Non-controlling interests		-	-
Total equity		**(11,297,072)**	**(7,992,467)**
Non-current liabilities			
Class A warrants at fair value	14	5,775,000	5,775,000
Redeemable class A shares	14	146,454,634	145,428,327
Class B warrants at fair value	14	12,219,374	12,219,374
Amounts owed to affiliated undertakings	9	350,000	-
Total non-current liabilities		**164,799,008**	**163,422,701**
Current liabilities			
Trade and other payables	15	653,329	789,661
Amounts owed to affiliated undertakings		1,278	**-**
		654,607	**789,661**
Total liabilities		**165,453,615**	**164,212,362**
Total equity and liabilities		**154,156,543**	**156,219,895**

The accompanying notes form an integral part of these consolidated semi-annual financial statements.

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Consolidated statement of changes in equity for the period from 1 January 2022 to 30 June 2022

	Share capital EUR	Share premium and similar premiums EUR	Accumulated deficit EUR	Total equity attributable to parent EUR	Non-controlling interest EUR	Total equity EUR
Issuance of class B shares	120,000	-	-	120,000	-	120,000
Share capital increase	24,000	-	-	24,000	-	24,000
Share premium increase	-	380,000	-	380,000	-	380,000
Issuance of 15,000,000 redeemable class A shares	576,000	149,349,000	-	-	-	149,925,000
Reclassification of class A shares from equity to liability (IAS 32)	(576,000)	(149,349,000)		-	-	(149,925,000)
Capital contribution without issuance of shares	-	76,000	-	76,000	-	76,000
Loss for the period	-	-	(8,592,467)	(8,592,467)	-	(8,592,467)
Balance, 31 December 2021	**144,000**	**456,000**	**(8,592,467)**	**(7,992,467)**	**-**	**(7,992,467)**
Balance, 1 January 2022	**144,000**	**456,000**	**(8,592,467)**	**(7,992,467)**	**-**	**(7,992,467)**
Loss for the period	-	-	(3,304,605)	(3,304,605)	-	(3,304,605)
Balance, 30 June 2022	**144,000**	**456,000**	**(11,897,072)**	**(11,297,072)**	**-**	**(11,297,072)**

The accompanying notes form an integral part of these consolidated semi-annual financial statements.

Consolidated statement of cash flows for the period from 1 January 2022 to 30 June 2022

	Note	Period from 1 January 2022 to 30 June 2022 EUR	Period from 8 June 2021 to 31 December 2021 EUR
Cash flows from operating activities			
Loss before income tax		(3,304,605)	(8,592,467)
Adjustment non cash items:			
Fair value loss on class A warrants	14	-	5,700,000
Fair value loss on class B warrants	14	-	1,500,625
Finance costs		1,262,723	507,020
Changes in working capital:			
Decrease/(increase) in prepayments	11	200,514	(524,062)
Increase in trade and other receivables		(73,315)	(22,465)
(Decrease)/increase in trade and other payables	15	(136,332)	789,661
Increase in amount due to affiliated undertakings	9	1,278	-
Net cash flows used in operating activities		**(2,049,737)**	**(641,688)**
Cash flows from financing activities			
Proceeds from issuance of class B shares including share premium	13	-	600,000
(Loss)/proceeds from issuance of class A shares net of private placement costs	14	(236,416)	144,921,307
Proceeds from issuance of class A warrants	14	-	75,000
Proceeds from issuance of class B warrants	14	-	8,818,749
Proceeds from shareholder loan	9	350,000	1,900,000
Net cash flows from financing activities		**113,584**	**156,315,056**
Net (decrease)/increase in cash and cash equivalents		(1,936,153)	155,673,368
Restricted cash (cash in escrow)	10	(153,612,083)	(154,218,750)
Cash and cash equivalents, beginning		155,673,368	-
Cash and cash equivalents at end of period		**125,132**	**1,454,618**

The accompanying notes form an integral part of these consolidated semi-annual financial statements.

1. GENERAL INFORMATION

GFJ ESG Acquisition I SE (the "Company" or "Parent") was incorporated on 2 June 2021 (date of incorporation as per the deed of incorporation agreed between shareholders in front of the notary) in Luxembourg as a European company (*Société Européenne* or "SE") based on the laws of the Grand Duchy of Luxembourg ("Luxembourg"). The Company is registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés in abbreviated* "RCS") under the number B255487 since 8 June 2021.

The share capital of the Company on 31 December 2021 was set to EUR 720,000, represented by 3,750,000 redeemable class B shares and 15,000,000 class A shares without nominal value. The share capital has been fully paid up. Please refer to note 13 for more details.

On 23 August 2022, the Company changed its registered office address from 55, Avenue Pasteur, L-2311 Luxembourg to 5, Heienhaff, L-1736 Senningerberg, Luxembourg.

The Company is managed by its Management Board composed of Edith Baggott, Oliver Kaltner, and Gisbert Rühl (the "Management Board").

The founder of the Company, GFJ Holding GmbH & Co. KG, (the "Sponsor"), is a German limited partnership.

Unlike other forms of companies, a Société Européenne only exists from the date of publication of its statutes with the RCS. Accordingly, the prior period consolidated financial statements of GFJ ESG Acquisition I SE and its subsidiaries (collectively the "Group") were prepared in accordance with IFRS standards as adopted by the European Union for the period from 8 June 2021 (date of publication in the RCS) to 31 December 2021 and were authorised for issue in accordance with a resolution of the Management Board on 29 April 2022. Any act performed and any transaction carried out by the Company between the date of incorporation and the date of registration is considered to emanate from the Company and is therefore included in the consolidated semi-annual financial statements.

The Company has been established for the purpose of acquiring one operating business with principal business operations in a member state of the European Economic Area or the United Kingdom or Switzerland in the form of a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transaction (the "Business Combination").

On 19 October 2021, 15,000,000 class A redeemable shares were issued by the Company in dematerialised form on the Frankfurt Stock Exchange through an initial offering (the "Private Placement") and were admitted to trading on the regulated market (*Regulierter Markt*), the main characteristics of which are described in the prospectus, approved by the Commission de Surveillance du Secteur Financier (the "CSSF") in Luxembourg for the purpose of the listing of the shares and the warrants.

The placement occurred in the form of units, each consisting of one class A share with a par value of EUR 0.0384 and ½ class A warrant in total 7,500,000.

Since 19 October 2021, the Company has been listed on the regulated market on the Frankfurt Stock Exchange in Germany *(Börse Frankfurt Zertifikate AG).*

The Company intends to seek a suitable target for the Business Combination. The Company will have 24 months from the date of the admission to trading to consummate a Business Combination, plus an additional three months if it signs a legally binding agreement with the seller of a target within those initial 24 months. Otherwise, the Company will be liquidated and distribute all of its assets to its shareholders (other than the Sponsor).

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

1. GENERAL INFORMATION (CONTINUED)

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation

The Company's financial year starts on 1 January and ends on 31 December of each year, with the exception of the first financial year which started on 8 June 2021 (date of registration with the RCS) and ended on 31 December 2021.

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

The consolidated semi-annual financial statements have been prepared in Euros (EUR) unless stated otherwise. They have been prepared in accordance with the International Financial Reporting Standards (IFRS) published by the IASB and adopted by the European Union as at 30 June 2022.

2.2. Basis of consolidation

The consolidated semi-annual financial statements comprise the financial statements of the Company and its subsidiaries (together, the "Group") as at 30 June 2022.

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

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

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

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2. Basis of consolidation (continued)

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

2.3. Summary of significant accounting policies

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

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

a) New standards, amendments and interpretations that were issued but not yet applicable in as at 30 June 2022 and that are most relevant to the Group

Amendments to IAS 1 - not yet endorsed by the EU:

Classification of Liabilities as Current or Non-current. In January 2020, the the International Accounting Standards Board (the IASB) issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively.

Presentation of Financial statements and IFRS Practice Statements 2. In February 2021, the IASB issued amendments to IAS 1 Presentation of Financial Statements in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The IASB also issued amendments to IFRS Practice Statement 2 Making Materiality Judgements (the PS) to support the amendments in IAS 1 by explaining and demonstrating the application of the 'four-step materiality process' to accounting policy disclosures. The amendments to IAS 1 will be effective for annual periods beginning on or after 1 January 2023. Earlier application is permitted as long as this fact is disclosed.

Amendments to IAS 8 – not yet endorsed by the EU:

Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates. In February 2021, the IASB issued amendments to IAS 8 Accounting Policies, Changes to Accounting Estimates and Errors, in which it introduces a new definition of 'accounting estimates'. The amendments are designed to clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. The amendments become effective for annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

Amendments to IAS 12 – not yet endorsed by the EU:

Deferred Tax related to Assets and Liabilities arising from a Single Transaction. In May 2021, the IASB amended the standard to reduce diversity in the way that entities account for deferred tax on transactions and events, such as leases and decommissioning obligations that lead to the initial recognition of both an asset and a liability. The amendments apply for annual reporting periods beginning on or after 1 January 2023 and may be applied early.

Reference to the Conceptual Framework - Amendments to IFRS 3 - not yet endorsed by the EU:

In May 2020, the IASB issued amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3. Summary of significant accounting policies (continued)

a) New standards, amendments and interpretations that were issued but not yet applicable as at 30 June 2022 and that are most relevant to the Group (continued)

Amendments to IAS 37 not yet endorsed by the EU: Onerous Contracts — Cost of Fulfilling a Contract.
The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments are effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted.

Annual improvements to IFRS Standards 2018-2020 not yet endorsed by the EU:
The annual improvements to IFRS consists of amendments to IFRS 1, IFRS 9, IFRS 16. The amendments are effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted. The initial application of these standards, interpretations and amendments to existing standards is planned for the period of time from when its application becomes compulsory. Currently, the Management Board anticipates that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial information of the Group.

b) Business combinations and goodwill

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

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

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

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

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3. Summary of significant accounting policies (continued)

b) Business combinations and goodwill (continued)

If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

c) Foreign currencies

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

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

d) Financial instruments

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

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

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

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

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

The Group includes in this category cash and cash equivalents.

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

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3. Summary of significant accounting policies (continued)

d) Financial instruments (continued)

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

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

Derecognition: A financial asset is derecognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

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

e) Cash and cash equivalents

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

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

f) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3. Summary of significant accounting policies (continued)

f) Fair value measurement (continued)

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

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

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

g) Provisions

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

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

h) Taxes

Income tax recognised in the consolidated statement of comprehensive income includes current and deferred taxes.

Current tax

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

Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of comprehensive income.

Deferred tax

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4. Summary of significant accounting policies (continued)

h) Taxes (continued)

Sales tax

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

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

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

Actual results and outcomes may differ from managements estimates and assumptions due to risks and uncertainties, including uncertainty in the current economic environment due to the ongoing outbreak of the coronavirus (COVID-19).

Additionally, new risks have arisen as a result of the ongoing military operations initiated by Russia against Ukraine on 24 February 2022. These geopolitical tensions have triggered sanctions against certain entities and individuals in Russia, by a number of countries (including the US, UK and EU), which has caused significant volatility on the securities and currency markets and has affected various sectors of the economy, including the energy sector.

The managers are continuously monitoring the situation, which may hinder the due diligence process and negotiations, and may also delay and/or adversely affect the Business Combination or make it more costly.

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

As at 30 June 2022, the significant areas of estimates, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in these consolidated semi-annual financial statements are:

- Classification of Redeemable Class A shares (the “Class A shares”): The Management Board assessed the classification of Redeemable Class A shares in accordance with IAS 32, Financial Instruments: Presentation, under which the Redeemable Class A shares do not meet the criteria for equity treatment and must be recorded as liabilities. The class A shares features certain redemption rights that are considered to be outside of the Company’s control and subject to occurrence of uncertain future events. Accordingly, the Company classifies the Redeemable Class A shares as financial liabilities at amortised cost in accordance with IFRS 9. The transaction costs directly attributable to issuance of the Redeemable Class A shares which are subscribed via private placement (“Private Placement”) are deducted against the initial fair value. The redeemable portion of the class A shares refers to the proceeds on the Private Placement allocated to the shares, net of negative interest due on the cash in escrow. In line with the requirements of IAS 32, any non-redeemable portion are reclassified to equity under share capital and share premium in the consolidated statement of financial position, in line with the initial allocation of the subscription price, the surplus being considered as a capital contribution (share premium).

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

- Classification and measurement of warrants: The Management Board assessed the classification of warrants in accordance with IAS 32 under which the warrants do not meet the criteria for equity treatment and must be recorded as derivatives. Accordingly, the Company classifies the Class A warrants and Class B warrants as liabilities at their fair value and adjust them to fair value at each reporting period. This liability is subject to re-measurement at each balance sheet date until exercised, and any change in fair value is recognised in the consolidated statement of comprehensive income. The fair value of Class A warrants is determined based on its quoted market price or independently valued using Black Scholes method and the Monte Carlo method for periods when there are no observable trades, as of each relevant date. Likewise, the Class B warrants which are not listed to the stock exchange are also independently valued using the Binomial Tree method and the Monte Carlo method to determine its fair value.
- Deferred tax asset: A deferred tax asset in respect of the tax losses incurred has not been recognised as the Management Board estimates uncertainty in terms of future taxable profit against which the Group can utilise the benefits therefrom (Note 7).

4. GROUP INFORMATION

Subsidiaries

The Group has been established on 8 June 2021. The wholly-owned subsidiaries of the Group as at 30 June 2022 are Blitz 21-733 GmbH which has been renamed to GFJ Advisors I GmbH and Blitz 21-734 GmbH & Co. KG which has been renamed to GFJ Advisors I GmbH & Co. KG.

The latter is a German limited partnership managed by GFJ Advisors I GmbH as its general partner. Both subsidiaries are registered and located in Germany.

The consolidated semi-annual financial statements of the Group include the Company, GFJ Advisors I GmbH and GFJ Advisors I GmbH & Co. KG.

The parent company

As at 30 June 2022, the immediate and ultimate parent company of the Company is GFJ Holding GmbH & Co. KG based in Germany with a shareholding of 100%.

Segment information

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

5. ACQUISITION OF SUBSIDIARIES

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

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

The Company had acquired both companies for an amount of EUR 31,300 which had included cash balances of EUR 25,500 (thereof EUR 25,000 from GFJ Advisors I GmbH and EUR 500 from GFJ Advisors I GmbH & Co. KG) and acquisition related costs of EUR 5,800. The acquisition related costs had been recognised in the consolidated statement of comprehensive income.

The purchase price for the acquisition was paid on 14 June 2021 by AFT Invest AG a limited partner of the Sponsor on behalf of the Company since the Company's bank account was not operational (Note 13).

6. OTHER OPERATING EXPENSES

The other operating expenses were linked to legal, other professional, accounting and consulting services.

The total audit fees paid are as follows:

	Private placement related costs EUR	Recorded as part of Other Operating expenses EUR	From 8 June 2021 to 31 December 2021 EUR
Statutory audit of the annual accounts	-	98,280	98,280
Audit-related fees	171,990	-	171,990
Total	**171,990**	**98,280**	**270,270**

	Private placement related costs EUR	Recorded as part of Other Operating expenses EUR	From 1 January to 30 June 2022 EUR
Statutory audit of the annual accounts	-	55,692	55,692
Audit-related fees	104,832	-	104,832
Total	**104,832**	**55,692**	**160,524**

The Company did not have any employees during the financial periods ended 30 June 2022 and 31 December 2021.

7. INCOME TAXES

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

	From 1 January 2022 to 30 June 2022 EUR	From 8 June 2021 to 31 December 2021 EUR
Loss for the period before tax	(3,304,605)	(8,592,467)
Theoretical tax charges, applying the tax rate of 24.94% [1]	824,168	2,142,961
Tax effect of adjustments from local GAAP to IFRS[2]	(255,961)	(6,058,288)
Unrecognised deferred tax	568,207	3,915,327
Income tax	**-**	**-**

[1]The tax rate used in reconciliation above is the Luxembourgish tax rate (24.94%) as the Company is domiciled in Luxembourg. Deferred tax assets have not been recognised in respect of the loss incurred during the period ended 30 June 2022 because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom. Unused tax losses of the Company can be used within a period of 17 years as per Luxembourg tax law.

[2] Income taxes payable to / recoverable from the tax authorities are determined based on the financial results of GFJ ESJ Acquisition I SE and its subsidiaries as shown in their stand-alone financial statements prepared in local GAAP. Hence adjustments from local GAAP to IFRS may lead to higher / lower taxable result in the consolidated semi-annual financial statements as compared to that determined based on the stand-alone financial statements.

8. EARNINGS/(LOSS) PER SHARE

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

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

Currently, no other diluting instruments have been issued. Therefore, basic EPS equals diluted EPS as at 30 June 2022 and 31 December 2021.

9. FINANCIAL ASSETS AND LIABILITIES

Financial liabilities: Interest-bearing loans and borrowings

In August 2021, the Company borrowed EUR 1,900,000 from its shareholders loan facility up to 2,000,000 with effect on 15 June 2021 ("shareholder loan") which was then set off against a subscription price of new class B warrants as at 13 October 2021. Accrued interest amounted to EUR 18,486 have been waived by the sole shareholder.

On 31 December 2021, the outstanding loan and interest were nil.

In June 2022, the Company borrowed an additional amount of EUR 350,000 from its shareholders loan facility up to 450,000 with effect on 30 June 2022 ("shareholder loan"). Accrued interest amounts to EUR 1,278.

On 30 June 2022, the outstanding loan was EUR 350,000.

10. CASH IN ESCROW

Cash in escrow of EUR 153,612,083 (2021: EUR 154,218,750) consists of the gross proceeds from the private placement and additional sponsor subscription, less negative interest charged by the bank which amounted in the first half of 2022 to EUR 606,667 (2021: EUR nil). The cash held in escrow from the gross proceeds on the private placement is set aside to pay the following, in case of a business combination: i) payment of class A shares for which the redemption right was exercised, net of any interest and taxes, ii) fixed deferred listing commission and discretionary deferred listing commission, and iii) any remainder values will be returned to the Company.

If the Company does not consummate a Business Combination, the amounts standing on the escrow will be returned to the Company, and after deduction of the unused portion, if any, of the proceeds from the additional sponsor subscription, at first priority distributed to the holders of class A shares.

The fair value of cash in escrow approximates its carrying value as at 30 June 2022 and 31 December 2021 (level 3).

11. PREPAYMENTS

Prepayments of EUR 323,548 (2021: EUR 524,062) as at 30 June 2022 are composed mainly of insurance costs and regulator fees invoiced in the current periods for services applicable in future periods.

12. CASH AND CASH EQUIVALENTS

The amount of cash and cash equivalents was EUR 125,132 (2021: EUR 1,454,618) as at 30 June 2022. The fair value of cash and cash equivalents approximates its carrying value as at 30 June 2022 and 31 December 2021.

13. ISSUED CAPITAL AND RESERVES

Share capital and share premium

As at 30 June 2022, the Company's share capital is set at seven hundred twenty thousand euro (EUR 720,000), represented by (i) one million two hundred fifty thousand (1,250,000) class B1 shares without nominal value (the “Class B1 Shares”), (ii) one million two hundred fifty thousand (1,250,000) class B2 shares without nominal value (the “Class B2 Shares”), (iii) one million two hundred fifty thousand (1,250,000) class B3 shares without nominal value (the “Class B3 Shares”), and (iv) fifteen million (15,000,000) redeemable class A shares without nominal value (the “Class A Shares”).

As at incorporation, the share capital of the Company was EUR 120,000 represented by 12,000,000 redeemable class B shares without nominal value.

On 13 Octorber 2021, the sole shareholder resolved to convert the existing twelve million (12,000,000) class B shares into three million one hundred twenty-five thousand (3,125,000) class B shares divided into one million forty-one thousand six hundred sixty-seven (1,041,667) Class B1 shares, (ii) one million forty-one thousand six hundred sixty-seven (1,041,667) Class B2 shares and (iii) one million forty-one thousand six hundred sixty-six (1,041,666) Class B3 shares.

On 13 October 2021, the sole shareholder decided to contribute an amount of EUR 380,000 to the equity of the Company without issuance of shares, account 115. These monies were used to cover the operating expenses as well as due diligence costs.

On 18 October 2021, the Management Board of the Company has decided, to increase the Company’s share capital by an amount of twenty-four thousand euro (EUR 24,000) to an amount of seven hundred twenty thousand euro (EUR 720,000) through the issuance of two hundred eight thousand three hundred thirty-three (208,333) Class B1 Shares, two hundred eight thousand three hundred thirtythree (208,333) Class B2 Shares and two hundred eight thousand three hundred thirty-four (208,334) Class B3 Shares for an aggregate price of one hundred thousand euro (EUR 100,000).

The contribution in cash consisting of one hundred thousand euro (EUR 100,000) consists of twenty-four thousand euro (EUR 24,000) for the share capital and seventy-six thousand euro (EUR 76,000) for the share premium.

As at 30 June 2022 and 31 December 2021, 3,750,000 (2021: 3,750,000) Class B shares were issued and fully paid.

Authorised capital

The authorisation for the Management Board to issue Class A Shares, to grant options to subscribe for Class A Shares and to issue any other instruments, such as convertible warrants pursuant to the article 6 in the Articles of Association is applicable for a period of 5 years from the date of incorporation or any subsequent resolutions to create, renew or increase the authorised capital.

As at 30 June 2022, the authorised capital, excluding the issued share capital, is set at eleven million three hundred forty-three thousand four hundred fifty-six euro (EUR 11,343,456), consisting of two hundred ninety-five million four hundred two thousand five hundred (295,402,500) Class A Shares without nominal value.

During a period of five years from the date of incorporation or any subsequent resolutions to create, renew or increase the authorised capital, the Management Board with the consent of the supervisory board is hereby authorised to issue Class A Shares, to grant options or warrants to subscribe for Class A Shares and to issue any other instruments giving access to shares within the limits of the authorised capital to such persons and on such terms as they shall see fit and specifically to proceed to such issue with removal or limitation of the preferential right to subscribe to the Shares issued for the existing shareholders, and it being understood, that any issuance of such instruments will reduce the available authorized capital accordingly. With respect to warrants issued by the Company, the five year limit applies to the issuance thereof, whereas the exercise of such warrants may occur after the expiration of the authorisation.

13. ISSUED CAPITAL AND RESERVES (CONTINUED)

Authorised capital (continued)

Class A Shares may also be issued under the authorised capital against contribution in kind, in particular the contribution of a target business under the Business Combination. The Company has issued seven million five hundred thousand (7,500,000) class A warrants and seven million one hundred forty-five thousand eight hundred thirty three (7,145,833) class B warrants, which reduce the available authorised capital accordingly.

Legal reserves

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

14. NON-CURRENT LIABILITIES

Redeemable class A shares

On 18 October 2021, the Company has issued 15,000,000 redeemable Class A shares with a par value of 0.0384. Holders of Class A common stock are entitled to one vote for each share. On the issue date, the redeemable Class A shares was measured at amortised cost valued at EUR 144,921,307, net of transaction costs amounting to EUR 236,416 for the first half of 2022 (2021: EUR 5,003,693).

Transaction costs are incremental costs that are directly attributable to the issuance of the Class A shares and its subsequent listing to the Frankfurt Stock Exchange were deducted from its initial fair value. The transaction costs includes Listing Fees, legal fees, audit fees, accounting and administration fees, agency fees and CSSF fees (see Note 6).

As at 30 June 2022, the amortised cost of the redeemable Class A shares amounts to EUR 146,454,634 (2021: EUR 145,428,327) after amortisation of EUR 1,262,723 for the first half of 2022 (2021: EUR 507,020) calculated using the EIR method. This amortisation is presented as part of finance cost in the consolidated statement of comprehensive income. The fair value of Redeemable Class A shares is EUR 149,250,000 (2021: EUR 149,250,000) based on its quoted price (level 1) as at 30 June 2022.

Class A Shareholders may request redemption of all or a portion of their Class A shares in connection with the Business Combination, subject to the conditions and procedures set forth in the Articles of Association.

Class A shares will only be redeemed under the following conditions, (i) the Business Combination is approved by the general meeting of shareholders and subsequently consummated, (ii) a holder of Class A shares notifies the Company of its request to redeem a portion or all of its Class A shares in writing by completing a form approved by the Board of Directors for this purpose that will be included with the convening notice for the general meeting of shareholders and such notification is received by the Company not earlier than the publication of the notice convening the general meeting of shareholders for the approval of the Business Combination and not later than two business days prior to the date of the general meeting of shareholders convened for the purpose of approving the Business Combination, and (iii) the holder of Class A shares transfers its Class A shares to a trust depositary account specified by the Company in the notice convening the general meeting of shareholders.

Each Class A share that is redeemed shall be redeemed in cash for a price equal to the aggregate amount on deposit in the escrow account related to the proceeds from the Private Placement of the Class A shares and warrants, divided by the number of the then outstanding Class A Shares, subject to (i) the availability of sufficient amounts on the escrow account and (ii) sufficient distributable profits and reserves of the Company.

Because the Class A are redeemable under certain conditions, the Board of Directors concluded that the Class A shares do not meet the definition of an equity instrument as per IAS 32. Hence, the Class A shares are considered as debt instruments.

14. NON-CURRENT LIABILITIES (CONTINUED)

Class A and class B warrants at fair value

On 15 October 2021, it was resolved to acknowledge, approve, and authorise in the name and on behalf of the Supervisory Board the issuance, within the framework of the authorised capital of seven million five hundred thousand (7,500,000) new Class A warrants in accordance with the terms and conditions of Class A warrants, for a total subscription price of seventy-five thousand euro (EUR 75,000), EUR 0.01 per warrant; and to acknowledge, approve and ratify in the name and on behalf of the Supervisory Board the issuance within the framework of the authorised capital of (i) six million four hundred ten thousand four hundred seventeen (6,410,417) new Class B warrants for an aggregate subscription price of nine million six hundred fifteen thousand six hundred twenty five euro and fifty cents (EUR 9,615,625.50), which has been settled by set off against an amount of one million nine hundred thousand euro (EUR 1,900,000 see note 9) drawn down under the shareholder loan granted by GFJ Holding GmbH & Co. KG to the Company which loan shall be terminated following such set off and seven million seven hundred fifteen thousand six hundred twenty-five euro and fifty cents (EUR 7,715,625.50) paid in cash, and, (ii) under the additional sponsor subscription of Class B warrants, an additional number of seven hundred thirty-five thousand four hundred sixteen (735,416) Class B warrants for the price of one million one hundred three thousand one hundred twenty-five euro (EUR 1,103,125) in accordance with the terms and conditions of Class B warrants. All class B warrants were issued for a subscription price of EUR 1.50 per warrant.

As at 30 June 2022, the fair value of Class A warrants was estimated at EUR 5,775,000 and EUR 0.77 per warrant (2021: EUR 5,775,000 and EUR 0.77 per warrant) using the Monte Carlo valuation model (level 3), resulting in no profit or loss recognised for the period (2021: EUR 5,700,000 fair value loss recognised for the period from issue date to 31 December 2021). The main valuation parameters of the valuation model are unchanged from 31 December 2021.

The significant inputs to the valuation model include the contractual terms of the warrants (i.e. exercise price, maturity), risk-free rates of German government bonds and volatility of the warrants by reference to traded warrants issued by similar listed special purpose acquisition companies.

As at 30 June 2022, the fair value of Class B warrants was estimated at EUR 12,219,374 and EUR 1.71 per warrant (2021: EUR 12,219,374 and EUR 1.71 per warrant) using Black-Scholes option pricing model (level 3), resulting in no gain or loss was recognised for the period (fair value loss of EUR 1,500,625 was recognised for the period from the issue date to 31 December 2021). The significant inputs to the valuation model include the contractual terms of the warrants (i.e. exercise price, maturity), risk-free rates of German government bonds and volatility of the warrants by reference to Germany TECDAX index. The main valuation parameters of the valuation model are unchanged from 31 December 2021.

15. CURRENT LIABILITIES

Trade and other payables amount to EUR 653,329 as at 30 June 2022 (2021: EUR 789,661) and amounts owed to affiliated undertakings was EUR 1,278 (2021: EUR nil) (see Note 9).

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

16. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Company has completed its Private Placement and listing to Frankfurt Stock Exchange. The proceeds from the Private Placement is deposited in an escrow account. The amount held in the escrow account will only be released in connection with the completion of the Business Combination or the Company's liquidation. As at 30 June 2022, the Management believes that the funds available to the Group outside of the secured deposit account are sufficient to pay costs and expenses which are incurred by the Group prior to the completion of the Business Combination. Furthermore, the Group has financial instruments which are presented as non-current liabilities, which does not pose any liquidity issues to the Group (See Note 3).

16. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Capital management

The Management Board policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. In order to meet the capital management objective described above, the Group has raised funds through a Private Placement reserved to certain qualified investors inside and outside of Germany, and had the public shares and public warrants issued in such Private Placement admitted to listing and trading on Frankfurt. The above-mentioned financial instruments issued as part of this Private Placement will represent what the entity will manage as capital, although these instruments are considered as debt instruments from an accounting standpoint.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is currently exposed to credit risk from its financing activities, including deposits with banks and financial institutions.

17. RELATED PARTIES DISCLOSURES

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

Direct parent company

The founder and sponsor of the Company is GFJ Holding GmbH & Co. KG, a German limited partnership. As of 30 June 2022 and 31 December 2021, the Sponsor holds 20% of the Company's share capital.

Terms and conditions of transactions with related parties

There have been no guarantees provided or received for any related party receivables or payables as at 30 June 2022 (2021: EUR nil).

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

Commitments with related parties

Regarding the shareholder loan please refer to Note 9.

Transactions with key management personnel

There are no advances or loans granted to members of the Management Board and Supervisory Board as at 30 June 2022 (2021: EUR nil).

The Management Board consisting of 3 members and the supervisory board consisting of 4 members as at 30 June 2022 are entitled, based on a shareholder resolution from 5 July 2021, to an aggregate remuneration of EUR 255,000 per annum payable on a quarterly basis for providing director/advisory services to the Company. In the periodended on 30 June 2022, the Management Board receivedremuneration in the amount of EUR 67,550 (2021:EUR 73,179).

18. COMMITMENTS AND CONTINGENCIES

In the context of the planned acquisition of the Business Combination, the Company entered or is contemplating to enter into respective contracts with different providers for amongst other due diligence services, the total cost of which is estimated at approximately EUR 13.6 million.

Upon consummation of the Business Combination, the Company would be liable to pay an additional 3.00% on the gross proceeds from the Private Placement on the completion of the Business Combination in the form of Deferred Listing Commission, as described in note 10.

The Group has no other commitments and contingencies as at 30 June 2022 (2021: EUR nil).

19. EVENTS AFTER THE REPORTING YEAR

No events have taken place since balance sheet date that would have had a significant impact on the financial position of the Company as at the closing date.

GFJ ESG Acquisition I SE

Société européenne

Management Report
for the period ended 30 June 2022

The Management Board GFJ ESG Acquisition I SE (hereafter the "Company") submit their management report with the unaudited semi-annual consolidated financial statements of the Company and its subsidiaries (the "Group") for the period ended 30 June 2022.

1. Overview

GFJ ESG Acquisition I SE is a special purpose acquisition company incorporated in Luxembourg on 2 June 2021 and registered with the Luxembourg Trade and Companies Register on 8 June 2021. The company has been established for the purpose of acquiring one operating business with principal business operations in a member state of the European Economic Area or the United Kingdom or Switzerland in the form of a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transaction (the "Business Combination").

The Company intends to complete the Business Combination using cash from the proceeds of the Private Placement of the Class A shares and warrants (see below).

2. Review and development of the Group's financial position

On 19 October 2021 15,000,000 class A redeemable shares were issued by the Company in dematerialized form on the Frankfurt Stock Exchange through an initial offering (the "Private Placement") and were admitted to trading on the regulated market (Regulierter Markt), the main characteristics of which are described in the prospectus, approved by the Commission de Surveillance du Secteur Financier (the "CSSF") in Luxembourg for the purpose of the listing of the shares and the warrants.
The placement occurred in the form of units, each consisting of one class A share with a par value of EUR 0.0384 and ½ class A warrant in total 7,500,000.
Since October 19, 2021 the Company has been listed on the regulated market on the Frankfurt Stock Exchange in Germany (Börse Frankfurt Zertifikate AG).
In October 2021 the Supervisory Board approved the issuance of 7,145,833 class B warrants. All class B warrants were issued for a subscription price of EUR 1.50 per warrant.
The Group holds cash in an escrow account in the amount of EUR 153,612,083 consisting of the gross proceeds from the private placement and additional sponsor subscription less negative interest charged by the bank.

The Group did not generate revenue during the period ended 30 June 2022 and is not expected to generate any operating revenues until after the completion of the Business Combination.
The Group's activities for the period ended 30 June 2022 were those necessary to prepare for the Private Placement and the subsequent listing to the regulated market of the Frankfurt Stock Exchange, and, after the listing, identifying a target company for a Business Combination and the potential acquisition, described below. The Group incurred expenses as a result of being a public company (for legal, financial reporting, accounting and auditing compliance).

The net loss of the Group for the period ended 30 June 2022 is EUR 3,304,605, due to the operating expenses and finance costs.

3. Principal risk and uncertainties

The Group has analyzed the risks and uncertainties to which its business is subject, and the Management Board of the Company has considered their potential impact, their likelihood, controls that the Group has in place and steps the Group can take to mitigate such risks.
Likewise, the Group has been monitoring the development of the COVID-19 outbreak. At present, the Group does not expect COVID-19 to have any substantial impact on the Group's activity.
In February 2022, a number of countries (including the US, UK and EU) imposed sanctions against certain entities and individuals in Russia as a result of the official recognition of the Donetsk People Republic and Lugansk People Republic by the Russian Federation. Announcements of potential additional sanctions have been made following military operations initiated by Russia against the Ukraine on 24 February 2022. Due to the growing geopolitical tensions, since February 2022, there has been a significant increase in volatility on the securities and currency markets, as well as a significant depreciation of the ruble against the US dollar and the euro. It is expected that these events may affect the activities of Russian enterprises in various sectors of the economy.
The Company regards these events as non-adjusting events after the reporting period. Although neither the Company's performance and going concern nor operations, at the date of this report, have been significantly impacted by the above, the Board of Directors continues to monitor the evolving situation and its impact on the financial position and results of the Company.

On 16 September 2022 the Company withdraw from the letter of intent entered into on 22 December 2021 (and amended on 09 March 2022) with tado GmbH ("tado"), concerning a business combination between the Company and tado.

On 29 September 2022, the Company has entered into a non-binding letter of intent with learnd limited ("learnd"), with a focus on ESG-related technology that supports the decarbonisation path, concerning a business combination between the Company and learnd.

The letter of intent includes an agreement to seek a PIPE investment (private investment in public equity) that the Company and learnd intend to consummate in parallel to the envisaged Business Combination.
The business combination would involve the existing shareholders of learnd transferring 100% of the outstanding equity and equity equivalents of learnd to the Company in exchange for (i) new shares in the Company and (ii) a consideration in cash. The combined entity will be listed on the Frankfurt Stock Exchange and will have a shareholder base comprised of (i) learnd's existing shareholders, (ii) the Company's shareholders, and (iii) investors in the PIPE.

It is envisaged to sign the business combination agreement in October 2022 with closing to occur in January 2023.

4. Financial risk management objectives and policies

As at 30 June 2022, the Group had EUR 125,132 in cash and cash equivalents. The proceeds from the Private Placement, including the additional sponsor subscription to cover additional costs, is presented as cash in escrow in the interim consolidated financial statements, for an amount of EUR 153,612,083.

Beside the above the Company's financial risk management policies and objectives remain unchanged compared to what the Group presented in the 31 December 2021 audited consolidated financial statements.

5. Related party transactions

In August 2021 the Company borrowed EUR 1,900,000 from its shareholders loan facility up to 2,000,000 which was then set off against a subscription price of new class B warrants as at 13 October 2021. Accrued interest amounted to EUR 18,486 have been waived by the sole shareholder.
On 30 June 2022, the company borrowed from the shareholder GFJ Holding GmbH an amount of EUR 350,000 from a loan facility of up to EUR 450,000. As of 30 June 2022 there was an outstanding interest payable of EUR 1,278 on this loan (disclosed in Note 9 of the consolidated financial statements).

6. Outlook

The Company is in the process of locating a suitable business acquisition target within the European Economic Area or the United Kingdom or Switzerland, in the form of a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transaction. The Company will have 24 months from the date of the admission to trading plus an additional three months if it signs a legally binding agreement with the seller of a target within those initial 24 months. Otherwise, the company will be liquidated and distribute all of its assets to its shareholders (other than the sponsor).

7. Events after the reporting period

Since 30 June 2022, no additional significant events have taken place other than those disclosed in Note 19 to the consolidated financial statements and as set out in this report.

Luxembourg, 30 September 2022

Edith Baggott
Member of the Management Board

Oliver Kaltner
Member of the Management Board

Gisbert Rühl
Member of the Management Board

GFJ ESG Acquisition I SE

Société européenne

Responsibility Statement by the Management Board for the period ended 30 June 2022

The Management Board and the executive management of the Company reaffirm their responsibility to ensure the maintenance of proper accounting records disclosing the consolidated financial position of the Group with reasonable accuracy at any time and ensuring that an appropriate system of internal controls is in place to ensure that the Group's business operations are carried out efficiently and transparently. In accordance with Article 4 of the law of 11 January 2008 on transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, GFJ ESG Acquisition I SE declares that, to the best of our knowledge, the consolidated financial statements for the period ended 30 June 2022, prepared in accordance with Luxembourg general accepted accounting principles, give a true and fair view of the assets, liabilities, financial position as of that date and results for the period then ended.

In addition, management's report includes a fair review of the development and performance of the Group's operations during the period and of business risks, where appropriate, faced by the Group as well as other information required by the Article 68 of the law of 19 December 2002 on the commercial companies register and on the accounting records and financial statements of undertakings, as amended.

Luxembourg, 30 September 2022

Edith Baggott
Member of the Management Board

Oliver Kaltner
Member of the Management Board

Gisbert Rühl
Member of the Management Board